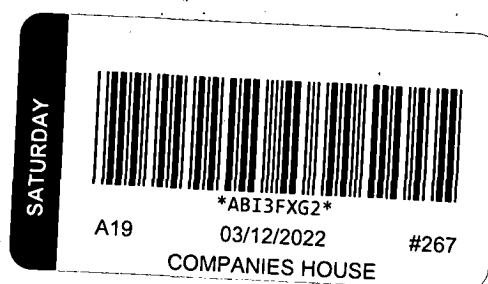


Company registered number: 00202795
Charity registered number: 207037

The Sussex Archaeological Society
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 March 2022



The Sussex Archaeological Society
(A company limited by guarantee)

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The Sussex Archaeological Society
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**Reference and administrative details of the Society, its Trustees and advisers
for the year ended 31 March 2022**

Trustees	Joseph Bates Laurence Bresh Allan Course (resigned 24 October 2021) Lys Drewitt Peter Heslip (resigned 24 October 2021) Jane Hodgkins Amanda Jones, Chair Glynn Jones Jamie Kaminski (resigned 30 April 2021) Clotilde Lemarie Janet Oldham Harriet O'Neill Matthew Pope Joseph Sullivan Peter Vos Sarah Watson
Company registered number	00202795
Charity registered number	207037
Registered office	Bull House 92 High Street Lewes East Sussex BN7 1XH
Senior executive	Andrew Edwards (appointed as CEO 7 April 2021; resigned 9 September 2022) Leanne O'Boyle (appointed as Executive Director 26 September 2022)
Independent auditors	Kreston Reeves LLP Chartered Accountants Plus X Innovation Hub Lewes Road Brighton East Sussex BN2 4GL
Bankers	Barclays Bank Plc The Old Bank High Street Lewes East Sussex BN7 2DF

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Reference and administrative details of the Society, its Trustees and advisers (continued)
for the year ended 31 March 2022

Solicitors	Adams & Remers School Hill Lewes East Sussex BN7 2NN
Investment advisor	Cazenove Fund Management Limited 3 Copthall Avenue London EC2R 7BH

The Sussex Archaeological Society
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Trustees' report
for the year ended 31 March 2022

The Trustees (who are also directors of the Society for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Group and the Society for the year ended 31 March 2022. Prior year comparatives for the 15-month period ended 31 March 2021 are included where relevant.

The Trustees confirm that the trustees' report and financial statements of the Society comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Since the Society and the Group qualifies as small under Section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and activities

a. Policies and objectives

The Objects of the Society as defined in its new Articles of Association and subsequently approved by the Charity Commission are:

The charity has been established for public benefit for the following charitable purposes ('Objects'):

1. To promote the study of Archaeology by encouraging all people from local and wider communities to participate in, engage, study and research the archaeology and history of East and West Sussex; and/or
2. To establish and maintain museums for the benefit of the public by managing, maintaining leasing accepting a gift or legacy and make accessible museums and historic sites, monuments, collections and properties in the counties of East and West Sussex; and/or
3. The advancement of education for the public benefit by advancing life-long learning opportunities for children and adults in archaeology and history, both at the Society's properties and elsewhere.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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Trustees' report (continued)
for the year ended 31 March 2022

Objectives and activities (continued)

b. Strategies for achieving objectives

The Society has historically welcomed visitors to its museums and properties and provided high quality support to the archaeological and historical communities in Sussex. The organisation has recently gone through, and continues to go through, a period of significant change as it recovers from the impact of the Covid pandemic.

Andrew Edwards was appointed as the Society's new Chief Executive Officer in April 2021 and held this post for a period of 17 months before stepping down in September 2022. Andrew brought stability to the Society during some enormously challenging times and ensured it emerged from the Covid pandemic with confidence. The Trustees are enormously grateful to Andrew for the dedication, expertise and consideration he brought to all aspects of his role.

Two new appointments were also made to the Society's senior management team in January 2022. Leanne O'Boyle was appointed as the Society's new Head of Historic Properties and Tim Ridgway as Head of Marketing & Communications. Trustees are keen to continue to further build this senior team as affordability allows, particularly in the areas of curatorial & interpretation, learning & partnership and fundraising. As of 26 September 2022, Leanne has now stepped up into the position of Executive Director and Trustees are very much looking forward to working with Leanne in this new role.

Work on a refreshed vision and new strategy for the organisation will commence in Autumn 2022, identifying and agreeing the Society's priority activities through to 2026.

c. Main activities undertaken to further the Society's purposes for the public benefit

For the year ended 31 March 2022, the Trustees have had due regard to guidance published by the Charity Commission on public benefit.

Achievements and performance

a. Key performance indicators

Consolidated results are presented for the year ended 31 March 2022 reporting a net surplus on unrestricted operations of £153,533 (2021: £534,016 as restated) and a net deficit of £155,900 (2021: surplus £149,724) on restricted activity.

Unrestricted income in the period was £1,386,781 (2021: £1,761,153 as restated), a decrease of £374,372 as the prior year was reporting results for a 15-month period. Unrestricted donations totalled £56,938 (2021: £596,648 as restated), a decrease of £539,710, relating to a sizeable individual legacy received in the prior year. The Society is hugely grateful for this substantial gift and to all its donors and supporters for their unending support and generosity.

Trading income from the Society's catering, retail and events business continued to be carried out through Sussex Past Trading Ltd, a subsidiary company, albeit significantly impacted due to the Covid pandemic and ongoing, imposed closures. Trading activities reported a net surplus of £32,381 (2021: deficit £29,424), a net margin of 9% (2021: -26%) on sales.

Expenditure in the period on unrestricted funds was £1,321,281 (2021: £1,235,693), an increase of £85,588 as properties re-opened post-pandemic. Our most significant revenue investment was in staffing costs which totalled £994,900 (2021: £1,234,320), a decrease of £239,420 due to the 15-month accounting period in the prior year.

Cash and listed investments, excluding investment properties, decreased during the financial period to £857,886 (2021: £1,209,979) as restricted funds received in prior periods were utilised. This movement included investment surpluses of £11,614 (2021: £29,886).

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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

b. Review of activities

Despite the impact of major restrictions still arising from the Covid pandemic and the ongoing challenges presented by operating within the worsening financial climate, 2021/22 represented a year of significant progress across the Society. External funding contributed towards investment and development, key new personnel were appointed to leadership roles and major steps were taken in developing new commercial activities to help place the organisation on a more stable and secure financial footing for the future.

Historic properties

The Society's primary source of income continues to be the admissions and ancillary income generated from opening our historic properties to the public.

With Covid restrictions easing, Fishbourne Roman Palace, Michelham Priory, Lewes Castle & Museum and The Priest House reopened to the public in the summer of 2021 with admissions income exceeding projections and good attendances at a range of events, including Gladiators! at Fishbourne Roman Palace and the Classic Car Show and the Sussex Guild Craft Fair at Michelham Priory.

In the spring of 2022, all of the Society's historic sites were reopened to the general public, requiring a huge amount of effort from staff, volunteers and our Friends groups to all of whom we are very grateful. In 21/22 over 90,000 people visited our historic sites, generating £600,721 of income (2021: £194,259).

Admissions income performed well against target throughout the year despite some challenges with poor weather over the winter months. Income from our retail and catering operations struggled however against forecasts, not helped by a shortage of hospitality staff across the industry, unforeseen closures due to the Covid pandemic and the challenges of adverse weather.

In support of our aim to ensure our heritage properties are appropriately cared for, we appointed a new Head of Historic Properties in January 2022 and prioritised the recruitment of two experienced Property Managers for Fishbourne Roman Palace and Michelham Priory.

Comprehensive property management plans are being developed, setting out one to five year costed priorities, with immediate priorities including the improvement of the toilets at Michelham Priory and the recent work on the South Tower roof at Lewes Castle.

While we were pleased to see so many visitors return to our properties post-pandemic, there remain some significant challenges for everyone in the heritage sector. Impacting on visits by groups, senior citizens and international visitors, these include the legacy of Brexit, the pandemic, and the increasing challenges presented by the worsening economic climate.

Our historic properties continue however to be impactful, focal points for communities, acting as meeting spaces for groups, platforms for arts & culture and as volunteer hubs for those interested in a range of activities, from gardening to conservation.

Curatorial & Collections

Everyone involved in the Society was incredibly saddened to hear of the death of our Honorary Librarian, Esme Evans in June 2022 and plans are currently underway to mark the huge contribution Esme made to the Society across her many years of service.

The Society continues to be a proud custodian of a substantial collection of objects, publications and artefacts central to the history and heritage of Sussex.

Our skilled and hard-working curatorial team, capably supported by our dedicated volunteers, take great pride in conserving these collections, facilitating access to them and sharing their knowledge through formal talks and public appearances.

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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

Throughout the past year the team continued to support independent research projects encompassing "traditional" artefact-based research, as well as archive work, digital reconstruction, modelmaking and conservation.

Adopting an increasingly integrated approach to collections and property management, a thorough review of the Society's disaster and emergency procedures was undertaken across its six accredited museums, helping to ensure the Society's policies and plans continue to meet the stringent requirements of Arts Council accreditation.

Two trainee interns (one collections-based and one conservation-based), with the support of our hard-working volunteers, enabled the team to focus on reviewing incomplete conservation records. They produced high-quality photographic images for inclusion in the collections catalogue, with potential for hosting records on-line at a future date.

The Society continued to act as a project partner for the high-profile "Do not feed the Animals", a significant, cross-disciplinary project funded by the Wellcome Trust that aims to investigate the cultural, environmental, and economic impacts of, and reasons for, animal feeding throughout history. This is an excellent example of how the Society's collections can contribute to academic debate and social policy far beyond the archaeological community.

Strengthening its already strong relationship with the National Trust and forming a new relationship with the Maori community, the Society took delivery in September 2021 of Hinemihi, a collection of carvings of great cultural significance. The Society is proud to be caring for these valuable carvings

A three-day "Heritage Crime Exercise" for Cranfield University was hosted in February, which proved hugely successful as both a partnership initiative and a revenue generator.

From Spring to Autumn 2022, the Chichester Roman Helmet has been on display at Fishbourne Roman Palace, bringing together curatorial expertise from across the Society to tell the story of this enigmatic object.

A focus for the team in Lewes over the winter of 2021 was the sorting and packing of the collections removed from the Margary stores in 2020/21 and presenting a tidied and refreshed Anne of Cleves House, ready for re-opening for the 2022 season.

The Society's library and associated team of dedicated volunteers at Barbican House continued to provide a valuable source of publications and expert knowledge to support research into the history of the county.

Rob Symmons, the curator at Fishbourne Roman Palace, also completed the task of reviewing the collections at the site. This review pulls together and synthesises key information about the material in this part of the SAS collections – its importance for research and engagement, its historical significance as well as its condition and relative costs to store. This is the first time such an exercise has been undertaken at Fishbourne and the results will inform future conservation and research priorities. The process also highlighted that, unlike many museums nationally, Fishbourne has the capacity to collect into the foreseeable future (approximately 55 years). The document will be an invaluable addition to our next Accreditation application and will contribute to our revised Collections management plan and policies, and Collections Care plan.

The Sussex Archaeological Collections

Under the direction of new editor Dr Jaime Kaminski, much progress was made on publication of the latest editions of the Sussex Archaeological Collections (SAC), the Society's much-respected annual collection of research papers focusing on the history and archaeology of Sussex.

The 2020 edition (Volume 158) was published in winter 2021 having been previously delayed due to the impact of the Covid pandemic and much progress was made in returning our annual publication to its normal schedule. Volume 159 is on course for publication in October 2022 and volume 160 is expected by the end of the year, returning the journal to its normal schedule.

The Sussex Archaeological Society
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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

The digitisation of the back volumes of SAC and its consequent inclusion on the Archaeology Data Service website led to 6,775 (2021: 1,327) downloads in 2021/22 – a 5-fold increase, now averaging 860 downloads per month, compared to around 100 previously. Such engagement is hugely encouraging, especially seeing people from across the world engaging with the Society's collections in this way.

Learning & Participation

The reopening of the Society's historic properties post-pandemic also enabled the resumption of the Society's award-winning Learning and Participation programmes.

Supported by the UK government's Culture Recovery Fund, a strategic review of learning and participation programmes across the Society was undertaken in the summer of 2021 and an Acting Head of Learning & Partnership appointed in Spring 2022 – enabling a centralised and increased focus on this important strand of the Society's work.

The review recognised that the Society's programmes are hugely valued by those who visit, and identified opportunities to update the offer, further incorporate technology into sessions and grow capacity. There are also opportunities to develop the Society's remote learning and adult workshop offer, areas which are not widely offered across the Society's sites. The team are now looking forward to further developing these initiatives in the months ahead and Trustees are enormously grateful to Lynn Gayford for leading this important work.

Membership

The Society's members continue to be at the heart of everything it does, just as they were when the organisation was founded more than 175 years ago. The support, loyalty and generosity shown by members during the challenges of the Covid pandemic was instrumental in ensuring the Society was able to survive and Trustees are indebted to them for their ongoing support and loyalty.

The Society's membership base continued to grow throughout the year with individual memberships increasing to 2,450 by the end of March 2022 and a retention rate for 2021/22 of 83%.

In the summer of 2021 Izzy Roberts began fulfilling the administrative and customer facing responsibilities of the vacant Membership Secretary role. Izzy's hard work has seen our member queries responded to promptly, renewals dealt with effectively and an initiative to galvanise and reconnect with lapsed members having a noticeable impact on expected income, with immediate growth in membership income evident along with welcome unsolicited gifts.

A survey of members undertaken during the year provided valuable information and knowledge of our membership-base and highlighted the desire for an ongoing programme of member-only events, something the Society is steadily resuming.

The Society's 2021/22 series of online autumn and winter talks, an initiative originally instigated during the Covid lockdown of 2020, covered topics ranging from the natural landscape, Shakespeare, rewilding, archaeology and tourism. The series deliberately sought to build a balanced programme in terms of expertise, career stage, sector and gender where possible and more than 2,000 tickets were issued in total for the programme of 12 talks.

The Society was also pleased to host its first hybrid AGM in October 2021 at Lewes Town Hall, which included a keynote speech from Neil Redfern, Executive Director of The Council for British Archaeology.

Fundraising

2021 saw the Society mark 175 years since its foundation, a significant milestone which gave time to reflect and to celebrate the contribution the organisation has made to communities across the county and beyond.

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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

The 175-campaign continued throughout the year, with renowned historian Tom Holland acting as patron and continual progress being made towards the campaign's ambitious £1m target. The Society is incredibly grateful to all those who have supported the campaign so far, an endeavour which ensured the organisation was able to continue operating throughout the pandemic.

With support from the UK government's Culture Recovery Fund the Society was able to secure the services of a freelance fundraising consultant. A property-wide analysis was undertaken to identify immediate fundraising priorities at each location and projects that may be grant-ready.

Conversations with key funding partners have also progressed, particularly regarding large-scale transformational funding for the Society's work – something which the Trustees recognise is essential to supporting the Society in its long-term ambitions.

The Society was also delighted to be part of a successful consortium bid to the Volunteering Futures Fund, securing over £203k to develop a programme of work supporting and encouraging individuals to volunteer. This partnership between Brighton Dome & Brighton Festival, mental health charity Heads On, and the Society, is a brilliant example of how partnership working can enhance our ability to secure meaningful and impactful funding.

Marketing & Communications

Promotion and awareness of the Society's work is crucial to achieving its charitable and commercial aims. The reopening of its historic properties in June 2021 was supported by the appointment of an external PR agency and secured positive press and media coverage of the Society's activities across regional and national media.

The appointment of a new Head of Marketing & Communications in January 2022 brought new energy and impetus to all public-facing aspects of the Society's work. A new social media strategy has driven double-digit percentage growth in audience and engagement across digital channels while also providing platforms to celebrate the work of staff and volunteers across the organisation.

A focus on improving the customer journey for members included improving the quality and regularity of content, including a revamped Sussex Past & Present magazine, part of a wider targeted membership campaign to support growth in this area.

A focus on updating the organisation's brand and putting people at the heart of our work, is increasingly visible, for example through new signage installed at Fishbourne Roman Palace and Michelham Priory in Spring 2022.

An agreement with Sussex Film Office to promote the Society's historic sites as filming locations has also been entered into, bringing the potential to secure additional income.

Finance

Having navigated significant financial challenges in recent years, the focus in 21/22 turned to stabilising the Society's financial operating model. The Society is incredibly grateful for the substantial, additional support awarded during the year by the National Lottery Heritage Fund from the UK government's Culture Recovery Fund Round 2 (£323,800) and Round 3 (£191,400).

These grants, which followed Emergency Funding and CRF Round 1 funding in 2020/21, ensured that the Society had the ability to sustain ongoing expenditure such as key staffing and operating costs whilst providing much needed project funding and investment to help deliver sustainability and future financial resilience.

Investment in key infrastructure included £64k to develop the new website, £67k in new information technology, £26k in staff training, and the significant support of organisational running costs including essential property maintenance and care.

Work to ensure the effective management of the organisation's finances, included completion of timely and accurate monthly management accounts, preparation of detailed, annual operating budgets and support for the

The Sussex Archaeological Society
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Trustees' report (continued)
for the year ended 31 March 2022

Achievements and performance (continued)

Society's external auditors in the preparation of the annual statutory accounts.

Human Resources

The Society made substantial progress during the year on improving its HR systems and processes including the launch of BreatheHR, a new cloud-based HR management system, and reviews of all its policies and procedures.

A rolling programme of staff training was implemented, covering a variety of topics including management coaching skills, equality and diversity (including unconscious bias), front of house and First Aid.

A new Staff Forum was launched in July 2021, proving a valuable platform for involvement, feedback and discussion amongst the Society's staff team.

Like many organisations in the tourism and hospitality sectors, recruitment to front of house and hospitality roles proved challenging during the year and the Society has been working hard to address and react to these ongoing challenges. Part of this work has included the development of staff benefits such as a travel loan scheme and wider wallet benefits platform to ensure that we can attract applicants.

The HR Team have also started work on developing a well-being action plan for the organisation which has included the use of an employee assistance programme for our staff and occupational health services to support staff returning to work after illness.

In terms of our work on equality and diversity, the HR team obtained Level 1 of the Disability Confident Scheme, which is a government run scheme back in March 2022 and work is now progressing on moving the Society to level 2 of this scheme during 2022/23.

Earlier this year, the Society received government funding to provide two kickstart work placements at Fishbourne and in Lewes, for young people who had been unemployed for over 6 months get back into work.

c. Investment policy and performance

The amounts held by the Society in investments increased by £11,614 from £156,668 as at 1 April 2021 to £168,282 at 31 March 2022, an increase of 7%. The Society's investments continued to be held in a charitable multi-asset fund managed by Cazenove Fund Management Limited, with low investment risk exposure.

d. Post balance sheet events

There have been no post balance sheet events which would materially affect the accounting estimates contained within these financial statements as at the date of signing.

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Trustees' report (continued)
for the year ended 31 March 2022

Financial review

a. Going concern

Trustees have considered the level of funds currently held by the Society and the expected level of income and expenditure for a period of twelve months from the date of signature of these financial statements. These considerations have taken into account the continued impact of the Covid pandemic on income and funding streams as well as the increasing challenges of the worsening financial climate.

After reviewing the funding streams available to it and making appropriate enquiries, Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

b. Reserves policy

The Trustees hold reserves in the form of cash and investments. Reserves are necessary for several reasons, firstly to deal with the seasonality of income, which peaks in summer when visitor numbers are highest. Secondly, to meet its custodial and maintenance obligations to the heritage assets in its care by investing in strategic projects through matched funding of related grants and donations. Finally, to ensure the organisation retains sufficient reserves to meet its contractual obligations on a going concern basis.

The Trustees consider that reserves equating to three months of its unrestricted expenditure, being £450,000, are necessary to meet these requirements. The result is that the free reserves shown for the Group are as follows:

Unrestricted reserves per balance sheet:	£2,489,754
Less: Tangible Fixed Assets:	£1,847,007
Free reserves:	£642,747

Whilst free reserves of £642,747 (2021: £555,876) remain above the target level, Trustees remain understandably concerned that these may need to be drawn upon and are working with the senior management team on a recovery strategy to 2026. The Society needs to continue improving its flow of income and is increasingly investing in the strategic fundraising expertise required to deliver that.

Restricted grants and donations received in the year totalled £540,019 (2021: £791,750). £619,500 (2021: £642,026) was spent or committed during the period, including from restricted funds brought forward from prior periods.

The Society does not otherwise designate funds for specific projects. Trustees remain determined to fully to honour the wishes of its donors and maintains careful records to ensure that funds are spent as intended. These policies are reviewed annually.

c. Principal funding

The Society generated 90% (2021: 53% as restated) of its in-year funding from operating income. 72% (2021: 49% as restated) was derived from its charitable activities, primarily from its properties and grant funding from the Cultural Recovery Fund. 25% of income (2021: 4% as restated) was earned from trading activities including shops, cafes and the hosting of events. The proportion of trading income increased dramatically from the prior period due to the impact of the easing of Covid restrictions which supported the reopening of properties to the public. The remaining income was received from donations, membership subscriptions and government grants for the Coronavirus Job Retention Scheme.

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Trustees' report (continued)
for the year ended 31 March 2022

d. Material investments policy

The Society's investment strategy is to maximise investment gains without taking undue risk. Cazenove Fund Management Limited acts as investment advisor to the Society. The Trustees view the Society's investments as being of a long-term nature. The Trustees continue to keep the portfolio under review in conjunction with advice from Cazenove Fund Management Limited and others where relevant.

Structure, governance and management

a. Constitution

The Society and the Group is registered as a charitable company limited by guarantee and was established by a Memorandum of Association on 1 January 1925 with subsequent modifications when required. In October 2021 the Society's members voted to adopt new Articles of Association in accordance with The Companies Act 2006 and these are now registered.

The Society is registered as a charity with the Charity Commission (registration number 207037). It had a paying membership as at 31 March 2022 of 1,982 (2021: 1,486) each of whom have agreed to contribute £1 in the event of the company being wound up.

b. Methods of appointment or election of Trustees

The Council of the Society, with between 5 and 12 elected Trustees is the only body empowered to take decisions on behalf of the Society. Trustees are elected to Council by the members at the AGM and must be fully paid-up members of the Society throughout their term in office. Any member of the Society can stand for Council for a term of three years. No Council member can serve as an elected member on the Council for more than three consecutive terms of three years. The Council is also able to co-opt a maximum of 2 additional members.

The Trustees are ultimately responsible for setting the future strategic direction of the organisation, monitoring progress of that direction and safeguarding the financial welfare of the Society.

After the AGM in September 2021, the Council comprised a total of 12 elected trustees and 1 co-opted trustee under the chairmanship of Amanda Jones.

There are three sub-committees in place to actively support the work of Council, namely: Collections, Engagement & Research, Finance & General Purposes and Governance, Audit & Risk. Each committee's membership comprises Trustees with relevant and specialist skills pertinent to the work of that committee.

Members of the senior executive team additionally contribute to the work of Council on an ongoing basis. The Society's President is also entitled to attend meetings of the Council of Trustees but does not hold any voting rights.

c. Policies adopted for the induction and training of Trustees

Every year the Council undertakes a skills audit, matching skills and experience against future needs, and identifying gaps which they seek to fill through annual vote of members and co-option opportunities under the terms of the Society's articles. Three members of Council stepped down in 2021-22, namely Allan Course, Peter Heslip and Jaime Kaminski, the latter taking up the role of Editor of the Sussex Archaeological Collections. Trustees are hugely indebted to Allan, Peter and Jaime for their service, commitment and wise counsel during their respective terms of office.

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Trustees' report (continued)
for the year ended 31 March 2022

Structure, governance and management (continued)

d. Pay policy for key management personnel

The CEO recommends pay changes for staff annually, which are reviewed by Council and, if approved, included in operating budgets. The CEO's pay is reviewed by Council following recommendation from the Chair.

The major criteria taken into account in setting all pay levels are the performance of the technical requirements of the roles, the market rates for the roles and the ability of the Charity to pay.

The rates of pay currently in use within the organisation are of strategic concern to Trustees, especially as regards the Society's ability to recruit and retain talented staff. There was no organisation-wide pay award made in 2021 due to the ongoing financial challenges being experienced in the wake of the Covid pandemic. A holistic review of the Society's rates of pay is planned for the 2022-23 financial year.

e. Charity governance code

The Society's governance structures are described in its new Articles of Association adopted at the 2021 Annual General Meeting. In addition, a range of policies and procedures assist with the practical management of the Society's day-to-day governance-related matters. The Governance, Audit and Risk Committee has met five times during the year focusing on each of its responsibilities in turn as well as continuing to review the whole suite of policies and documentation with Governance implications. Whilst recognising the significant progress that has been made, we continue to work towards increasing our alignment with the Charity Governance Code revised in 2020 which expands on seven major principles. The Code emphasizes that charities are encouraged to meet the principles and outcomes of the Code by either applying the recommended practice or explaining what they have done instead, stating why they have not yet applied it. The authors of the Code say, "We want the Code to be a tool for continuous improvement towards the highest standards" and we share this goal.

The major areas where explanation is required relate to:

- The development of a new five-year Strategic Plan.. Given the disturbances caused by the pandemic induced closures, this is still unfinished but remains a priority.
- The sustainability of our income which has been severely tested by recent events and particularly by the late reopening of our properties after closure. We continue actively working on the development of a sustainable income model.
- Our Council currently has 13 members (2021 - 15) of whom one is co-opted and is in compliance with our new Articles. For historical reasons is more than the maximum of 12 recommended by the Code.
- The Council has not initiated an external evaluation of its own performance. We plan to do this in due course.
- The Governance Code has much expanded its requirements on equality, diversity and inclusion. Both the Council and executive are committed fully to these principles.

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Trustees' report (continued)
for the year ended 31 March 2022

Structure, governance and management (continued)

f. Organisational structure and decision making

In 2021/22 the Council of Trustees met on 5 (2021: 11) occasions and each of the sub-committees quarterly.

The role of CEO, with delegated authority, oversees the management of the business and administrative affairs of the Society and manages, directly or indirectly, its staff and many volunteers.

In 2021/22 there were an average of 23 full time (2021: 26), and 104 part time (2021: 119) staff members, totalling 127 (2021: 145).

The Society would like to thank Andrew Edwards for his time as Chief Executive and Louise Marshfield who acted as Interim Chief Operating Officer in steering the organisation through the many challenges presented by the impact of the Covid pandemic.

Trustees are looking forward to working with Leanne O'Boyle in her new role as the Society's Executive Director, a role which will be evolving across the coming months.

g. Risk management

The Society's Governance, Audit & Risk (GAR) Committee takes lead responsibility for the monitoring and review of the Society's risk management processes, to ensure that risks are properly identified and managed.

The most significant risk remains the need to secure an affordable annual operating model for the Society.

In 2021/22, an experienced risk management consultant was appointed to review and assess the organisation's processes and procedures, make recommendations for improvement and develop and roll out a risk-awareness training programme for the core management team and Council of Trustees. This work is underway.

In 2021/22, the Society also carried out a wide-ranging review and update of its HR policies and procedures. The Society continues to review all of its policies, supported by training where appropriate.

This enhanced approach to risk management includes plans for further staff training and empowerment to ensure risk management processes are embedded throughout the organisation.

Plans for future periods

Trustees remain committed to identifying a truly affordable annual operating model for the Society that provides a platform from which to secure future growth and success.

In March 2022 the Trustees approved an operating budget for the 2022/23 financial year and a supporting Business Plan containing a number of actions intended to return the Society to financial surplus and build reserves.

Thus far, trading in 22/23 has continued to be challenging due to the macro-economic factors putting pressure on household incomes. Visitor numbers, particularly those from group visitors, have not yet returned to pre-pandemic levels and therefore plans are having to be revised regularly in order to deliver a balanced year-end result.

Continuing its progress with establishing a new organisational structure, Trustees appointed Leanne O'Boyle in September 2022 to act as the Society's Executive Director. An evolving role, this appointment will ensure stability in the Society's executive leadership and work closely with the Board of Trustees who will be taking an enhanced role at strategic level.

Injection of strategic level support will also be made to the Society's curatorial & collections, learning & partnership and fundraising activities in the coming months and work on development of a refreshed strategic focus for the Society as a whole will commence this autumn. This new strategy will be developed alongside and

The Sussex Archaeological Society
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2022

Plans for future periods (continued)

widely shared with all of our strategic partners and stakeholders.

Aiming to leverage returns from event hires, weddings and improved café and retail income, an enhanced commercial focus will embrace a truly mixed-economy model, looking at imaginative ways to generate commercial income while still delivering on the organisation's core charitable objectives.

We will continue to focus on growing and diversifying our membership and engaging even more so with our existing members. Widening the learning, engagement and participation opportunities offered from our activities will be a key focus, alongside supporting the wider archaeological community through effective advocacy and the embedding of community-based archaeology within our core educational activities. Determining how we can increasingly make our heritage properties and collections more accessible will be key in helping shape our vision for the future.

Information on fundraising practices

The Society complies with the standards and compliance requirements set out by the Fundraising Regulator and with the requirements of the General Data Protection Regulations (GDPR). This is overseen by key senior staff and reviewed by trustees. No external agencies are used and there were no complaints received in the year in respect of fundraising activities (2021: NIL).

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Society 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Society and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Society 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 Group and the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Sussex Archaeological Society
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2022

Disclosure of information to auditors

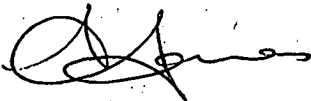
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a forthcoming meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Amanda L Jones FCA
Chair of the Council of Trustees
Date: 14th October 2022

The Sussex Archaeological Society
(A company limited by guarantee)

Independent auditors' report to the Members of The Sussex Archaeological Society

Opinion

We have audited the financial statements of The Sussex Archaeological Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The Sussex Archaeological Society
(A company limited by guarantee)

Independent auditors' report to the Members of The Sussex Archaeological Society (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; 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 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 Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the Members of The Sussex Archaeological Society (continued)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the group and sector, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Statement of Recommended Practice, and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to increase incoming resources or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of heritage assets. Audit procedures performed by the group engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional

The Sussex Archaeological Society
(A company limited by guarantee)

Independent auditors' report to the Members of The Sussex Archaeological Society (continued)

scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP
Chartered Accountants
Registered Auditors
Brighton

Date: 19 November 2022

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

The Sussex Archaeological Society
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 March 2022

		Restricted funds	Unrestricted funds	Total funds	As restated
		12 month	12 month	12 month	Total funds
		period ending	period ending	period ending	15 month
		31 March	31 March	31 March	period ending
		2022	2022	2022	31 March
		£	£	£	2021
	Note				£
Income from:					
Donations and legacies	4	3,300	150,809	154,109	1,165,346
Charitable activities	5	536,719	851,603	1,388,322	1,246,695
Other trading activities	6	-	346,326	346,326	111,247
Investments	7	-	38,043	38,043	29,615
Total income		540,019	1,386,781	1,926,800	2,552,903
Expenditure on:					
Raising funds		-	342,227	342,227	257,385
Charitable activities	8	619,500	979,054	1,598,554	1,620,334
Total expenditure		619,500	1,321,281	1,940,781	1,877,719
Net (expenditure)/income before net gains on investments		(79,481)	65,500	(13,981)	675,184
Net gains on investments		-	11,614	11,614	8,556
Net (expenditure)/income		(79,481)	77,114	(2,367)	683,740
Transfers between funds	21	(76,419)	76,419	-	-
Net movement in funds		(155,900)	153,533	(2,367)	683,740
Reconciliation of funds:					
Total funds brought forward as previously stated		547,059	2,365,605	2,912,664	2,199,540
Prior year adjustment	20	-	(29,384)	(29,384)	-
Total funds brought forward as restated		547,059	2,336,221	2,883,280	2,199,540
Net movement in funds		(155,900)	153,533	(2,367)	683,740
Total funds carried forward		391,159	2,489,754	2,880,913	2,883,280

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 26 to 55 form part of these financial statements.

The Sussex Archaeological Society
(A company limited by guarantee)
Registered number: 00202795

Consolidated balance sheet
as at 31 March 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	14	1,347,007	1,309,729
Investments	16	168,282	156,668
Investment property	15	500,000	500,000
		<u>2,015,289</u>	<u>1,966,397</u>
Current assets			
Stocks	17	43,450	32,612
Debtors	18	369,312	104,654
Cash at bank and in hand		689,604	1,053,311
		<u>1,102,366</u>	<u>1,190,577</u>
Creditors: amounts falling due within one year	19	(236,742)	(273,694)
Net current assets		<u>865,624</u>	<u>916,883</u>
Total assets less current liabilities		<u>2,880,913</u>	<u>2,883,280</u>
Total net assets		<u>2,880,913</u>	<u>2,883,280</u>
Charity funds			
Restricted funds	21	391,159	547,059
Unrestricted funds	21	2,489,754	2,336,221
Total funds		<u>2,880,913</u>	<u>2,883,280</u>

The Sussex Archaeological Society
(A company limited by guarantee)
Registered number: 00202795

Consolidated balance sheet (continued)
as at 31 March 2022

The Society was entitled to exemption from audit under section 477 of the Companies Act 2006.

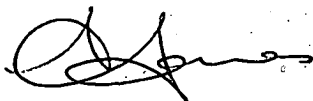
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The Society's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



.....
Amanda L Jones FCA
Chair of Council of Trustees
Date: 14th October 2022

The notes on pages 26 to 55 form part of these financial statements.

The Sussex Archaeological Society
(A company limited by guarantee)
Registered number: 00202795

Society balance sheet
as at 31 March 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Tangible assets	14	1,347,007	1,309,729
Investments	16	318,282	306,668
Investment property	15	500,000	500,000
		<u>2,165,289</u>	<u>2,116,397</u>
Current assets			
Debtors	18	369,312	101,276
Cash at bank and in hand		689,581	1,053,304
		<u>1,058,893</u>	<u>1,154,580</u>
Creditors: amounts falling due within one year	19	(351,978)	(364,026)
Net current assets		<u>706,915</u>	<u>790,554</u>
Total assets less current liabilities		<u>2,872,204</u>	<u>2,906,951</u>
Total net assets		<u>2,872,204</u>	<u>2,906,951</u>
Charity funds			
Restricted funds	21	391,159	547,058
Unrestricted funds	21	2,481,045	2,359,893
Total funds		<u>2,872,204</u>	<u>2,906,951</u>

The Sussex Archaeological Society
(A company limited by guarantee)
Registered number: 00202795

Society balance sheet (continued)
as at 31 March 2022

The Society was entitled to exemption from audit under section 477 of the Companies Act 2006.

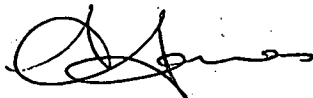
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The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



.....
Amanda L Jones FCA
Chair of Council of Trustees
Date: 14th October 2022

The notes on pages 26 to 55 form part of these financial statements.

The Sussex Archaeological Society
(A company limited by guarantee)

Consolidated statement of cash flows
for the year ended 31 March 2022

	12 month period 2022 £	As restated 15 month period 2021 £
Cash flows from operating activities		
Net cash used in operating activities	(332,706)	814,985
Cash flows from investing activities		
Dividends, interests and rents from investments	38,043	29,615
Proceeds from the sale of investment property	-	215,000
Purchase of tangible fixed assets	(69,067)	(65,971)
Net cash (used in)/provided by investing activities	(31,024)	178,644
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(363,730)	993,629
Cash and cash equivalents at the beginning of the year	1,053,311	59,682
Cash and cash equivalents at the end of the year	689,581	1,053,311

The notes on pages 26 to 55 form part of these financial statements

The Sussex Archaeological Society
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2022

1. General Information and Company Status

The Society is a company limited by guarantee. In the event of the Society being wound up, the liability in respect of the guarantee is limited to £1 per member of the Society.

The address of the registered office is:

Bull House
92 High Street
Lewes
East Sussex
BN7 1XH

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019); the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sussex Archaeological Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. Accounting policies have been consistently applied.

The Consolidated Statement of financial activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Society and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Society has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The current period covers the 12 months ending 31 March 2022, the comparatives are for the 15 months ending 31 March 2021 and are therefore not entirely comparable.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Society had a net decrease in funds during the period of £64,132 due to fewer donations made the the society in the year.

The Society, like others globally, saw the impact of the COVID-19 pandemic. It followed government advice and closed operations to protect the health and safety of its employees, visitors, and to minimise any adverse effects on its trading. Following guidance, the Society re-opened first the gardens at Michelham Priory in Spring 2021 and then fully re-opened Fishbourne Roman Palace & Gardens, Lewes Castle and Museum and Michelham Priory House and Gardens from May 2021 with social distancing measures in place. From 19th July 2021 all restrictions in England were lifted and no restrictions remained in place. Anne of Cleves House and the Priest House were reopened in Spring 2022.

Trustees have assessed the resources available, and considered the impact of the temporary closures of the shops, cafes and wedding venues on the Society's finances, as well as the continuing

The Sussex Archaeological Society
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.2 Going concern (continued)

effect on the level of ongoing business after the reopening.

Subject to the above, the going concern basis is considered to be appropriate as the Society is dependent upon the support of donations and grant providers and the Trustees consider that this support will continue for the foreseeable future. If these reasons prove to be inappropriate, then adjustments may have to be made to adjust the value of assets to their recoverable amount, to provide for any further liabilities which might arise and reclassify fixed assets as current assets.

2.3 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Society has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Society, can be reliably measured.

Grants are included in the Consolidated Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Consolidated Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Society has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Society of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), in general volunteers' time is not recognised. Please refer to the Trustees' report for more information about their highly valued contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Society which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at the Society's Head Office.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.5 Basis of consolidation

The financial statements consolidate the accounts of The Sussex Archaeological Society and its subsidiary undertaking ('subsidiary').

The Society has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

The Income and Expenditure account for the year dealt with in the accounts of the Society was £24,538 deficit (2021: £742,548 surplus).

2.6 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of financial activities over the expected useful lives of the assets concerned. Other grants, including the Coronavirus job retention scheme monies, are credited to the Consolidated Statement of financial activities as the related expenditure is incurred.

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the Bank.

The Sussex Archaeological Society
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Freehold properties held for investment or administration purposes are included at their latest independent valuation, subject to market industry movements. Unrealised gains and losses are taken to unrestricted funds. Historic properties and collections of artefacts held in furtherance of the Society's objectives are not capitalised. The decision to include items within fixed assets is assessed on a case by case basis; there is no set value below which assets are not capitalised.

The Society maintains many heritage assets and does not consider that reliable cost or valuation information can be obtained for the vast majority of items held as, such owing to the incomparable nature of many of the assets, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Society and the users of the accounts. The Society does not therefore recognise those assets on its Balance Sheet, other than recent acquisitions where a reliable valuation is possible. Expenditure on these assets, where it does not result in the creation of a new heritage asset, is charged to the Consolidated Statement of financial activities as it is incurred.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value.

Depreciation is provided on the following bases:

Office equipment	- 10%-25% Straight Line
Computers, fixtures & fittings and equipment	- 10%-25% Straight Line

Tangible fixed assets include the cost of Fishbourne Roman Palace's Collections Discovery Centre. No depreciation has been provided on that asset as the Trustees are of the opinion that it should be classified as a heritage asset. Heritage assets have very long, useful, economic lives as they are maintained to a standard to ensure their continued existence in a sound state of repair, and thus any depreciation charge would be immaterial.

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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Notes to the financial statements
for the year ended 31 March 2022

2. Accounting policies (continued)

2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of financial activities as a finance cost.

2.14 Financial instruments

The Society 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.16 Pensions

The Society operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Society to the fund in respect of the year.

The Society continues to be a non-contributing member of a defined benefit pension scheme. The Society ceased to be an active member of the scheme at 31 December 2019.

2.17 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 Group 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 the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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Notes to the financial statements
for the year ended 31 March 2022

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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.

Critical accounting estimates and assumptions:

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The value of the Local Government Pension Scheme defined benefit liability included within the 2021 figures depended on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions that were used in determining the net cost for pensions included the discount rate. Any changes in these assumptions, which are in Note 27, will have impacted the carrying value of the pension liability and the contingent liability disclosed in Note 26.

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Heritage Assets

The Society owns other historic properties (listed in Note 14) which are preserved, maintained and opened to the public in furtherance of the Society's objectives. In addition there are collections kept in East and West Sussex Record Offices on long term deposit.

As it would be difficult to attribute a fair value to the properties listed in Note 14, in accordance with the Statement of Recommended Practice, they have not been capitalised.

4. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations and legacies	3,300	53,638	56,938
Members' subscriptions	-	67,114	67,114
Government grants	-	30,057	30,057
	3,300	150,809	154,109

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Notes to the financial statements
for the year ended 31 March 2022

4. Income from donations and legacies (continued)

	As restated Unrestricted funds 2021 £	As restated Total funds 2021 £
Donations	596,648	596,648
Members' subscriptions	55,071	55,071
Government grants	513,627	513,627
	<u>1,165,346</u>	<u>1,165,346</u>

5. Income from charitable activities

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Properties	2,892	759,963	762,855
Grants receivable	533,827	91,132	624,959
Binding fees	-	508	508
	<u>536,719</u>	<u>851,603</u>	<u>1,388,322</u>

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Properties	-	315,671	315,671
Grants receivable	791,750	138,230	929,980
Binding fees	-	1,044	1,044
	<u>791,750</u>	<u>454,945</u>	<u>1,246,695</u>

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Notes to the financial statements
for the year ended 31 March 2022

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £
Subsidiary trading income	346,326	346,326

	Unrestricted funds 2021 £	Total funds 2021 £
Subsidiary trading income	111,247	111,247

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income - properties	31,818	31,818
Investment income - listed investments	6,137	6,137
Interest received	88	88
	<u>38,043</u>	<u>38,043</u>

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income - properties	23,493	23,493
Investment income - listed investments	5,934	5,934
Interest received	188	188
	<u>29,615</u>	<u>29,615</u>

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Notes to the financial statements
for the year ended 31 March 2022

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Properties	619,500	886,556	1,506,056
Other Charitable Activities	-	92,498	92,498
	<u>619,500</u>	<u>979,054</u>	<u>1,598,554</u>
	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Properties	642,026	862,942	1,504,968
Other Charitable Activities	-	115,366	115,366
	<u>642,026</u>	<u>978,308</u>	<u>1,620,334</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Properties	1,005,262	500,794	1,506,056
Other Charitable Activities	92,498	-	92,498
	<u>1,097,760</u>	<u>500,794</u>	<u>1,598,554</u>

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Notes to the financial statements
for the year ended 31 March 2022

9. Analysis of expenditure by activities (continued)

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Properties	1,024,548	480,420	1,504,968
Other Charitable Activities	115,366	-	115,366
	<u>1,139,914</u>	<u>480,420</u>	<u>1,620,334</u>

Analysis of direct costs

	Properties 2022 £	Other Charitable Activities 2022 £	Total funds 2022 £
Staff costs	601,751	16,660	618,411
Rates, utilities and insurance	109,393	5,075	114,468
Other expenditure	161,952	17,354	179,306
Advertising and publicity	5,760	-	5,760
Office costs	18,788	37,438	56,226
Special events	3,515	-	3,515
Buildings and ground maintenance	103,438	-	103,438
Other research costs	665	-	665
Sussex Archaeological Collections	-	13,464	13,464
Newsletter and postage	-	2,507	2,507
	<u>1,005,262</u>	<u>92,498</u>	<u>1,097,760</u>

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Notes to the financial statements
for the year ended 31 March 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Properties 2021 £	Other Charitable Activities 2021 £	Total funds 2021 £
Staff costs	748,315	89,633	837,948
Rates, utilities and insurance	119,327	6,101	125,428
Other expenditure	58,409	488	58,897
Advertising and publicity	15,007	-	15,007
Office costs	17,872	14,497	32,369
Special events	119	-	119
Buildings and ground maintenance	64,851	-	64,851
Other research costs	648	-	648
Newsletter and postage	-	4,647	4,647
	<u>1,024,548</u>	<u>115,366</u>	<u>1,139,914</u>

Analysis of support costs

	Properties 2022 £	Total funds 2022 £
Staff costs	189,659	189,659
Depreciation	31,788	31,788
Rates, utilities and insurance	11,122	11,122
Other expenditure	73,163	73,163
Office costs	68,697	68,697
Buildings and ground maintenance	36,899	36,899
Auditor's remuneration	19,900	19,900
Professional fees	69,566	69,566
	<u>500,794</u>	<u>500,794</u>

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Notes to the financial statements
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9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	Properties 2021 £	Total funds 2021 £
Staff costs	210,777	210,777
Depreciation	34,706	34,706
Rates, utilities and insurance	13,838	13,838
Other expenditure	47,016	47,016
Office costs	63,750	63,750
Buildings and ground maintenance	23,652	23,652
Auditor's remuneration	8,450	8,450
Professional fees	78,231	78,231
	<u>480,420</u>	<u>480,420</u>

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £11,350 (2021 - £9,500), and a fee for the preparation of the trading subsidiary's accounts of £3,300 (2021 - £3,000).

11. Staff costs

	Group 12 months to 31 March 2022 £	Group 15 months to 31 March 2021 £	Society 12 months to 31 March 2022 £	Society 15 months to 31 March 2021 £
Wages and salaries	907,573	1,120,747	773,597	972,077
Social security costs	55,876	55,918	50,273	50,505
Contribution to defined contribution pension schemes	31,451	57,655	27,677	53,576
	<u>994,900</u>	<u>1,234,320</u>	<u>851,547</u>	<u>1,076,158</u>

Within the pension contribution above, £Nil (2021: £nil) were the contributions to the defined benefit pension scheme (see Note 26).

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Notes to the financial statements
for the year ended 31 March 2022

11. Staff costs (continued)

The average number of persons employed by the Society during the year was as follows:

	Group 2022 No.	Group 2021 No.
Full time	22	26
Part time	64	119
	86	145

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £80,001 - £90,000	1	-

The Trustees consider that the Society's key management personnel during the period were Andrew Edwards, Chief Executive Officer from April 2021 onwards; Louise Marshfield, Chief Operating Officer from October 2020 to January 2022.

The Trustees consider that the Society's key personnel for the year end 31 March 2021 Catherine Cavanagh, Interim Chief Executive Officer from February to July 2020; Helen Anson, Interim Chief Executive Officer from July 2020 to October 2020; Simon Dowe, Interim Chief Executive Officer from October 2020 to February 2021; and Louise Marshfield, Chief Operating Officer from October 2020 onwards.

Key management personnel received total aggregate remuneration, including NI and pension, of £129,240 (2021: £86,227).

12. Taxation

The Society is a registered charity and is exempt from taxation on income applied for charitable purposes under section 505(1) of the Income and Corporation Taxes Act 1988.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £Nil).

During the year ended 31 March 2022, £26 of Trustee expenses have been claimed for travel (2021 - £NIL).

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Notes to the financial statements
for the year ended 31 March 2022

14. Tangible fixed assets

Group

	Computer equipment, fixtures and fittings £	Fishbourne Palace Collections Discovery Centre £	Total £
Cost or valuation			
At 1 April 2021	415,882	1,188,643	1,604,525
Additions	69,067	-	69,067
At 31 March 2022	484,949	1,188,643	1,673,592
Depreciation			
At 1 April 2021	294,796	-	294,796
Charge for the year	31,789	-	31,789
At 31 March 2022	326,585	-	326,585
Net book value			
At 31 March 2022	158,364	1,188,643	1,347,007
At 31 March 2021	121,086	1,188,643	1,309,729

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Notes to the financial statements
for the year ended 31 March 2022

14. Tangible fixed assets (continued)

Society

	Computer equipment, fixtures and fittings £	Fishbourne Palace Collections Discovery Centre £	Total £
Cost or valuation			
At 1 April 2021	415,882	1,188,643	1,604,525
Additions	69,067	-	69,067
At 31 March 2022	<u>484,949</u>	<u>1,188,643</u>	<u>1,673,592</u>
Depreciation			
At 1 April 2021	294,796	-	294,796
Charge for the year	31,789	-	31,789
At 31 March 2022	<u>326,585</u>	<u>-</u>	<u>326,585</u>
Net book value			
At 31 March 2022	<u>158,364</u>	<u>1,188,643</u>	<u>1,347,007</u>
At 31 March 2021	<u>121,086</u>	<u>1,188,643</u>	<u>1,309,729</u>

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Notes to the financial statements
for the year ended 31 March 2022

14. Tangible fixed assets (continued)

Society (continued)

The Society owns the following other historic properties which are preserved, maintained and opened to the public in furtherance of the Society's objectives.

Barbican House, Lewes*
Lewes Castle*
Brack Mount, Lewes
Anne of Cleves House Museum, Lewes*
Priest House, West Hoathly*
Michelham Priory*
Fishbourne Roman Palace*
Marlipins Museum, Shoreham by Sea*
The Long Man of Wilmington
Holtye Roman Road

Collections of artefacts are contained in the properties listed above, that are marked with an asterisk. In addition there are collections kept in East and West Sussex Record Offices on long term deposit.

As it would be difficult to attribute a fair value to the above properties, in accordance with the Statement of Recommended Practice, they have not been capitalised.

Over the last few years the historic buildings have been revalued for insurance purposes. The insurance value for reinstatement purposes as at 31 March 2022 is approximately £72 million (2021: £64 million).

On 24 November 2004 the Society granted a charge over Fishbourne Roman Palace to the National Heritage Memorial Fund as a condition for the receipt of a grant from the National Lottery Heritage Fund (NLHF) towards the improvements being undertaken at Fishbourne Roman Palace. Under the terms of this grant NLHF can claw back the sum awarded of £2,547,000 (or proportion thereof) should the Society cease to use the property in accordance with its objects.

A proportion of the grant has been capitalised above as the Collections Discovery Centre at Fishbourne Roman Palace. The market value of this property and land upon which it has been built cannot be separated from the valuation of the site as a whole.

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**Notes to the financial statements
for the year ended 31 March 2022**

15. Investment property

Group

**Freehold
investment
property
£**

Valuation

At 1 April 2021

500,000

At 31 March 2022

500,000

Society

**Freehold
investment
property
£**

Valuation

At 1 April 2021

500,000

At 31 March 2022

500,000

On 17 March 2020 a valuation was made by CKA Consulting, Chartered Surveyors, on an open market value for existing use basis. As at 31 March 2022 the Trustees consider that this value remains appropriate.

The historical cost of the freehold investment property is £Nil.

16. Fixed asset investments

Group

**Listed
securities
£**

Cost or valuation

At 1 April 2021

156,668

Revaluations

11,614

At 31 March 2022

168,282

Net book value

At 31 March 2022

168,282

At 31 March 2021

156,668

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Notes to the financial statements
for the year ended 31 March 2022

16. Fixed asset investments (continued)

Society	Investment in subsidiary (see note 31) £	Listed securities £	Total £
Cost or valuation			
At 1 April 2021	150,000	156,668	306,668
Revaluations	-	11,614	11,614
At 31 March 2022	<u>150,000</u>	<u>168,282</u>	<u>318,282</u>
Net book value			
At 31 March 2022	<u>150,000</u>	<u>168,282</u>	<u>318,282</u>
At 31 March 2021	<u>150,000</u>	<u>156,668</u>	<u>306,668</u>

17. Stocks

	Group 2022 £	Group 2021 £
Finished goods and goods for resale	<u>43,450</u>	<u>32,612</u>

18. Debtors

	Group 2022 £	Group 2021 £	Society 2022 £	Society 2021 £
Due within one year				
Trade debtors	67,641	7,339	67,641	7,339
Other debtors	16,037	28,235	16,037	28,235
Prepayments and accrued income	285,634	69,080	285,634	65,702
	<u>369,312</u>	<u>104,654</u>	<u>369,312</u>	<u>101,276</u>

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Notes to the financial statements
for the year ended 31 March 2022

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group As restated 2021 £	Society 2022 £	Society As restated 2021 £
Payments received on account	524	524	524	524
Trade creditors	147,120	200,533	147,120	200,533
Amounts owed to group undertakings	-	-	122,436	101,373
Other taxation and social security	23,027	9,703	23,027	9,703
Other creditors	3,184	3,184	3,184	3,184
Accruals	62,887	59,750	55,687	48,709
	236,742	273,694	351,978	364,026

20. Prior year adjustments

Following a review on the recognition of membership income, deferred income totalling £29,384 has been adjusted for in the prior year. Deferred income has increased by £29,384 and membership income, included within donations and legacies on the face of the statement of financial activities, has decreased by the same amount. As a result of this adjustment, unrestricted reserves decreased by £29,384.

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Notes to the financial statements
for the year ended 31 March 2022

21. Statement of funds

Statement of funds - current year

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
General Funds - all funds	2,359,893	1,040,455	(1,007,336)	76,419	11,614	2,481,045
SPTL Reserves	(23,672)	346,326	(313,945)	-	-	8,709
	<u>2,336,221</u>	<u>1,386,781</u>	<u>(1,321,281)</u>	<u>76,419</u>	<u>11,614</u>	<u>2,489,754</u>

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Restricted funds						
Michelham Priory Development Fund (Sainsbury's)	101,526	-	-	-	-	101,526
Michelham Priory Fund (Hasluck & Hotblack)	57,653	10,076	(7,477)	17,230	-	77,482
Marlipins Roof	2,490	-	-	(2,490)	-	-
Fishbourne Roman Palace - North Wing Interpretation	11,297	-	-	-	-	11,297
Collections Discovery Centre Reserve Fund	28,122	2,308	-	2,308	-	32,738
AoC Tile, Sculpture & Wealden Iron Gallery	13,075	-	-	-	-	13,075
Sally Christian Training Fund	13,944	-	-	-	-	13,944
Donation for Fundraiser	23,039	-	(19,868)	-	-	3,171

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**Notes to the financial statements
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21. Statement of funds (continued)

Statement of funds - current year (continued)

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
MP Gardens - Volunteers' Project	3,382	-	(3,382)	-	-	-
FOMP Amenity Uplift	3,477	-	-	(3,477)	-	-
FOMP Major Projects	70,291	-	(11,301)	(58,990)	-	-
FOMP Garage and Drain	6,000	-	-	(6,000)	-	-
Pool FRP	1,000	-	-	-	-	1,000
FOMP Toilets	25,000	-	-	(25,000)	-	-
SDNP Books	9,750	-	-	-	-	9,750
SAC Digitilisation Project	3,590	-	-	-	-	3,590
Small Projects - Various	10,755	12,435	(3,290)	-	-	19,900
NLHF Emergency Funding	125,435	-	(23,249)	-	-	102,186
NLHF Cultural Recovery Funding	37,233	323,800	(359,533)	-	-	1,500
NHLF Continuity Funding	-	191,400	(191,400)	-	-	-
	547,059	540,019	(619,500)	(76,419)	-	391,159
	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Total of funds	2,883,280	1,926,800	(1,940,781)	-	11,614	2,880,913

The transfers between restricted and unrestricted funds were for amounts reimbursed to The Friends of Michelham Priory for future advancement of education of the public in the history of the property.

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21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	As restated Income £	Expenditure £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
Unrestricted funds					
General Funds	1,796,453	1,649,906	(1,095,022)	8,556	2,359,893
SPTL Reserves	5,752	111,247	(140,671)	-	(23,672)
	<u>1,802,205</u>	<u>1,761,153</u>	<u>(1,235,693)</u>	<u>8,556</u>	<u>2,336,221</u>

Transfers from the Sussex Past Trading Limited Reserves (SPTL Reserves) into General Funds represent the donations paid under Deed of Covenant to the Charity. Transfers from General Funds to Restricted Funds represent investment income, gains and losses to be allocated against restricted funds and to make up shortfalls in funding against specific project milestones.

	Balance at 1 January 2020 £	As restated Income £	Expenditure £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
Restricted funds					
Michelham Priory Development Fund (Sainsbury's)	101,526	-	-	-	101,526
Michelham Priory Fund (Hasluck & Hotblack)	57,653	-	-	-	57,653
Marlipins Roof	4,016	-	(1,525)	-	2,491
Fishbourne Roman Palace - North Wing Interpretation	11,297	-	-	-	11,297
Collections Discovery Centre Reserve Fund	28,122	-	-	-	28,122
AoC Tile, Sculpture & Wealden Iron Gallery	13,075	-	-	-	13,075
Sally Christian Training Fund	13,944	-	-	-	13,944
Donation for Fundraiser	23,303	-	(263)	-	23,040
MP Gardens - Volunteers' Project	3,376	-	-	-	3,376
FOMP Amenity Uplift	3,477	-	-	-	3,477
FOMP Major Projects	80,000	-	(9,710)	-	70,290
FOMP Garage and Drain	6,000	-	-	-	6,000
Pool FRP	1,000	-	-	-	1,000
FOMP Toilets	25,000	-	-	-	25,000
SDNP Books	10,000	-	(250)	-	9,750

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Notes to the financial statements
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21. Statement of funds (continued)

Statement of funds - prior year (continued)

	Balance at 1 January 2020 £	As restated Income £	Expenditure £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
SAC Digitilisation Project	4,791	-	(1,200)	-	3,591
Small Projects - Various	10,755	-	-	-	10,755
Business Resilience - NLHF	-	44,250	(44,250)	-	-
NLHF Emergency Funding	-	250,000	(124,561)	-	125,439
NLHF Cultural Recovery Funding	-	497,500	(460,267)	-	37,233
	<u>397,335</u>	<u>791,750</u>	<u>(642,026)</u>	<u>-</u>	<u>547,059</u>
Total of funds	<u><u>2,199,540</u></u>	<u><u>2,552,903</u></u>	<u><u>(1,877,719)</u></u>	<u><u>8,556</u></u>	<u><u>2,883,280</u></u>

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Notes to the financial statements
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21. Statement of funds (continued)

The Michelham Priory Development Fund was donated by the Monument Trust (Sainsbury's) to assist with ongoing development of Michelham Priory including works to restore the moat once technical assessment is complete. The Countryside Stewardship Trust has also contributed to this project.

The Michelham Priory Fund represents funds donated to the Society from the Hasluck Trust and the Stella Hotblack Fund.

The repair of Marlipin's Museum roof has become more urgent and work commenced in 2019 following completion of technical assessments and fundraising.

The Fishbourne Roman Palace interpretation improvements, including construction of a new viewing platform and installation of various video displays, is now largely complete.

The Collections Discovery Centre (CDC) Reserve Fund represents monies donated from Chichester District Council, and matched by the Society, to be spent on the CDC at Fishbourne Roman Palace.

Work on interpretation and displays at Anne of Cleves House (AoC) is scheduled in the coming year.

The Sally Christian Training Fund relates to legacy monies donated for the purposes of providing training and archaeology courses.

The Friends of Michelham Priory (FoMP) Amenity Uplift funding is spent on visitor amenities.

The Friends of Michelham Priory (FoMP) Major Projects funding represents monies donated for the purposes of maintenance of Michelham Priory.

The Friends of Michelham Priory (FoMP) Garage funding represents monies donated for the purposes of maintenance of the Michelham Priory garage storage.

The Friends of Michelham Priory (FoMP) Drain funding represents monies donated for the purposes of refurbishment of Michelham Priory monks drain area.

The Pool FRP funding represents monies donated for the purposes of maintenance of Fishbourne Roman Palace pool project.

The Friends of Michelham Priory (FoMP) Toilets funding represents monies donated for the purposes of the Michelham Priory toilet refurbishment.

The SDNP books fund represents monies donated for the purposes of the new publications of South Downs National Parks books.

The SAC Digitisation Project fund represented monies donated for the purposes of the digitisation of the Sussex Archaeological Collections.

Donation for fundraiser represents funds donated by J Windsor in order to support research and new fundraising streams.

MP Gardens - Volunteers' Project, represents funds donated by various sources to fund Volunteers' Projects in the Grounds and Gardens.

NLHF Emergency Funding represents income given by the National Lottery Heritage Fund for emergency support during the COVID-19 pandemic as well as further investment into infrastructure.

NLHF Cultural Recovery Funding represents income given by the National Lottery Heritage Fund for emergency support during the COVID-19 pandemic as well as further investment into infrastructure.

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21. Statement of funds (continued)

NLHF Continuity Fund represents income given by the National Lottery Heritage Fund for emergency support during the COVID-19 pandemic as well as further investment into infrastructure.

There were several smaller restricted grants and donations received in both 2021 and 2022 which will be spent in the coming periods.

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	222,877	1,124,130	1,347,007
Fixed asset investments	168,282	-	168,282
Investment property	-	500,000	500,000
Current assets	-	1,102,366	1,102,366
Creditors due within one year	-	(236,742)	(236,742)
Total	391,159	2,489,754	2,880,913

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	As restated Unrestricted funds 2021 £	As restated Total funds 2021 £
Tangible fixed assets	390,391	919,338	1,309,729
Fixed asset investments	156,668	-	156,668
Investment property	-	500,000	500,000
Current assets	-	1,190,577	1,190,577
Creditors due within one year	-	(273,694)	(273,694)
Total As restated	547,059	2,336,221	2,883,280

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

	Group 2022 £	Group 2021 £
Net income/(expenditure) for the period (as per Statement of financial activities)	(2,367)	683,740
Adjustments for:		
Depreciation charges	31,789	34,706
Gains/(losses) on investments	(11,614)	8,556
Dividends, interests and rents from investments	(38,043)	(29,615)
Decrease/(increase) in stocks	(10,838)	16,094
(Increase)/decrease in debtors	(264,658)	(18,682)
Increase/(decrease) in creditors	(36,975)	120,186
Net cash provided by/(used in) operating activities	(332,706)	814,985

24. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	689,581	1,053,311
Total cash and cash equivalents	689,581	1,053,311

25. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,053,311	(363,707)	689,604

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26. Contingent liabilities

The Society ceased being a contributing employer to the East Sussex Local Government Pension Scheme (ESLGPS) as at 31 January 2020 when its one remaining member left the Society's employment. This created a cessation event, with the Society's deficit being valued at £293,000 as at that date. The ESGPS have agreed for the Society to repay this liability, if required, over a period of 20 years in return for a charge over the freehold of The Priest House, West Hoathly. Permission to enter into this arrangement was secured by vote of members at an AGM held on 29 June 2019. The scheme actuary has assessed the initial contribution rate payable by the Society for the period to 31 March 2023 to be zero.

27. Pension commitments

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge for the period ended 31 March 2022 represents contributions payable by the Society to the fund and amounted to £31,451 (2021: £37,155). Contributions totalling £404 (2021: £3,037) were payable to the fund at the balance sheet date and are included within creditors.

The Group operates a defined benefit pension scheme but ceased being a contributing employer to the East Sussex Local Government Pension Scheme (ESLGPS) as at 31 January 2020 when its one remaining member left the Society's employment

The ESGPS is a funded defined benefit scheme, with assets held in separate trustee administered funds. The total contribution made for the period ended 31 March 2022 was £Nil (2021: £Nil), of which employer's contributions totalled £Nil (2021: £Nil). In addition amounts totalling £Nil (2021: £Nil) were paid by the employer towards the pension scheme deficit.

As stated in Note 26, the Society ceased being a contributing employer to the ESGPS. Contributions to the date of cessation have been paid in full at the balance sheet date. The pension cost and provision for the year ending 31 December 2019 are based on the cessation report and related advice of a professionally qualified actuary. The actuary's calculation suggests that there is a reasonably high likelihood that the assets allocated to the Society within the Fund will generate sufficient returns over the next 20 years to fund its pension liabilities in full and remove the current debt. On this basis, no liability for the defined benefit pension scheme has been recognised at the Balance Sheet date, but a contingent liability has been recorded as disclosed in Note 26.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	At 31 March 2022	At 31 March 2021
	%	%
Discount rate	2.60	1.90
Future salary increases	3.40	2.85
Future pension increases	3.40	2.85

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27. Pension commitments (continued)

The Society's share of the assets in the scheme was:

	At 31 March 2022 £	At 31 March 2021 £
Equities	1,213,000	1,182,000
Bonds	265,000	230,000
Property	137,000	117,000
Cash	32,000	26,000
Total fair value of assets	1,647,000	1,555,000

The actual return on scheme assets was £Nil (2021 - £Nil).

The amounts recognised in the Consolidated Statement of financial activities are as follows:

Movements in the present value of the defined benefit obligation were as follows:

	2022 £
Opening defined benefit obligation	1,531,000
Interest cost	28,000
Change in financial assumptions	(34,000)
Experience loss on defined benefit obligation	2,000
Estimated benefits paid net of transfers in	(65,000)
Closing defined benefit obligation	1,462,000

Movements in the fair value of the Society's share of scheme assets were as follows:

	2022 £
Opening fair value of scheme assets	1,555,000
Interest income	29,000
Return on assets less interest	129,000
Benefits paid	(65,000)
Administration expenses	(1,000)
Closing fair value of scheme assets	1,647,000

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28. Operating lease commitments

At 31 March 2022 the Group and the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	15,980	15,980
Later than 1 year and not later than 5 years	7,472	23,452
	<u>23,452</u>	<u>39,432</u>

29. Related party transactions

Brighton Dome & Festival Limited

Amanda Jones is a Trustee of the Society and an Associate Director of Brighton Dome & Festival Limited. During the period the Charity was provided with HR and other services via a Service Level Agreement with Brighton Dome & Festival Limited. The value of these services totalled £55,814 (2021 - £24,892).

30. Controlling party

The Trustees who are also directors control the charity.

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31. Principal subsidiaries

The following was a subsidiary undertaking of the Society:

Name	Company registered number	Class of shares	Holding	Included in consolidation
Sussex Past Trading Limited	03355746	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the period £	Net assets £
Sussex Past Trading Limited	346,326	(313,945)	32,381	158,709

The subsidiary's registered office is: Bull House, 92 High Street, Lewes, East Sussex, BN7 1XH.

The principal activity of the trading subsidiary is that of the operation of the cafes, shops, weddings and events in the historical sites and buildings owned by The Sussex Archaeological Society across Sussex and related activities.