

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 2023

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 2023**

Trustees	Adam Bates Paul Basu (appointed 15 October 2022) Laurence Bresh Lys Drewett (retired 15 October 2022) Jane Hodgkins Amanda Jones, Chair Glynn Jones Clotilde Lemarie (resigned 2 March 2023) Janet Oldham (retired 15 October 2022) Harriet O'Neill (passed away 19 May 2023) John Orna-Ornstein (appointed 15 October 2022) Matthew Pope Joseph Sullivan Peter Vos (retired 15 October 2022) Sarah Watson
Company registered number	00202795
Charity registered number	207037
Registered office	Barbican House 169 High Street Lewes East Sussex BN7 1YE
Company secretary	Stuart Chatfield (appointed 13 February 2023)
Senior executive	Andrew Edwards (resigned 9 September 2022) Leanne O'Boyle (appointed 26 September 2022)
Independent auditors	Kreston Reeves LLP Chartered Accountants Registered Auditors 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 2023

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 2023

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 2023. Prior year comparatives for the year ended 31 March 2022 are included where relevant, though it is important to note the impact of the covid closures and the receipt of government grants.

The Trustees confirm that the Trustees' report and financial statements of the Society comply with 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 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 making 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)'.

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.

However, the organisation, alongside many others, is going through a period of significant change. Declining visitor numbers, increasing costs and the impact of the Covid pandemic is now set against the wider impact of climate change, AI, big data and many other factors. The very way we experience and learn things is changing and the Society has had to seriously consider its offer against this backdrop. Hence, the focus for 2022/23 was on developing a sustainable and fit-for-purpose organisation; one that has the ability to thrive well into the future.

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Trustees' report (continued)
for the year ended 31 March 2023

Objectives and activities (continued)

The detail and implications of the increasing challenges was continually assessed by trustees and the Executive across the winter of 2022/23 and a series of mitigating actions taken. Trustees developed a Strategic Action Plan which sets out three priority areas – the Team, the Offer and the Reach of the Society. This plan was developed with the input and assistance of a number of heritage professionals including experienced arts & heritage consultant John Lancaster, Boyd Thorpe Associates and Ben Gammon Consulting. The plan aims to augment our admissions, membership, and trading model with significant fundraising input, an expanded quality events programme, whilst reshaping and rationalising the staff structure to take into account the currently seasonal nature of much of the organisation's activities. A submission was made (in June 2023) to the National Lottery Heritage Fund's (NLHF) resilience fund for £249,993 to enable the strategy to be delivered and Trustees are pleased to report this application has since been successful.

Throughout 2022/23 the Society continued its role as a founding partner of Good Space (funded by DCMS Volunteering Futures). This important and significant collaboration with Brighton Dome & Brighton Festival and mental health charity Heads On champions the wellbeing benefit of volunteering and is a hugely important initiative that will both expand the Society's volunteering opportunities as well as strengthen the framework for how existing and new volunteer members of the team are supported and developed.

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

For the year ended 31 March 2023, the Trustees held central and due regard to the guidance published by the Charity Commission on public benefit. A summary of the organisations main activities during the year follows.

Achievements and performance

a. Key performance indicators

Consolidated results are presented for the year ended 31 March 2023 reporting a net deficit on unrestricted operations of £587,867 (2022: £153,533) and a net surplus of £90,959 (2022: deficit £155,900) on restricted activity.

Unrestricted income in the period was £1,485,034 (2022: £1,390,733) an increase of 6.8%. Unrestricted donations totalled £125,389 (2022: £161,019), a decrease of 22%. The Society remains hugely grateful 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. Trading activities reported a net surplus of £44,119 (2022: surplus £32,381), a net margin of 12% (2022: 9%) on sales.

Expenditure in the period on unrestricted funds was £2,065,582 (2022: £1,315,633), an increase of 57% reflecting the organisation's steady return to normal operations after the Covid lockdowns. Our most significant revenue investment was made in staffing costs which totalled £1,228,933 (2022: £994,900), an increase of 23.5%.

Cash and listed investments, excluding investment properties, decreased during the financial period to £589,251 (2022: £857,886) as restricted funds received in prior periods were utilised. This movement included investment deficits of £7,319 (2022: deficit of £11,614).

Trustees' report (continued)
for the year ended 31 March 2023

Achievements and performance (continued)

b. Review of activities

Continuing to navigate the impact of the post-pandemic period on visitor numbers and the ongoing challenges presented by the difficult financial climate, 2022/23 represented another year of real change for the Society. Significant steps were taken to restructure our operations in a way that modernised the organisation and enabled greater efficiencies, whilst critical funding was sought to support the further substantial change required 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, we were delighted that by May 2022 all properties were open to the public for the first time since the pandemic, requiring a huge amount of effort from staff, volunteers and our Friends groups. We are enormously grateful to them all.

In 2022/23, 125,382 people visited our historic sites, generating £676,255 of income (2022: £635,248). While we were pleased to see so many visitors return to our properties post-pandemic, significant challenges remain for everyone in the heritage sector. Impacting on visitor numbers, and visits by groups, senior citizens and international visitors in particular, these post-pandemic challenges include a rising cost of living, delivery costs and overheads.

Following the wider sector trends, although down still from pre-pandemic levels (with the exception of admissions to Fishbourne Roman Palace and Marlipins Museum which saw modest increases) we were pleased that admissions income in 2022-23 increased by 24% since the previous year. There were strong attendances at a range of events, including the Ermine Street Guard at Fishbourne Roman Palace and the Classic Car Show and the Sussex Guild Craft Fair at Michelham Priory. We were also delighted to develop new events, including the Festive Fayre at Fishbourne Roman Palace and scale up returning events, such as the wassail at Michelham Priory - both events working and collaborating with local partners and communities.

Throughout summer 2022 we were delighted to partner with Sussex Modern on the presentation of 'Tentative Words Change Everything', with Brack Mount hosting one of six illuminated text sculptures by contemporary British artist Nathan Coley. This was an exciting collaboration that showed the significant potential for the Society and its historic properties to work closely with other partners in Sussex to help play a central role in the cultural life of our communities.

As part of our commitment to the historic properties within our care, an extensive conditions survey was undertaken at Michelham Priory and important works undertaken across the wider estate, including work on the South Tower roof at Lewes Castle and the improvement of the toilets at Michelham Priory, the latter generously funded by the Friends of Michelham Priory, to whom we record our immense gratitude.

In November 2022 a decision was taken to rest Michelham Priory for the remainder of the financial year with the Priory remaining open only for pre-booked visits from groups and schools, in addition to events and at peak times (including school holiday activities) and private hires (such as weddings and external filming). This change enabled the team to significantly review the property's operating model, relieve pressure on staff and provide space to develop clear plans for the medium and long term that strengthen the Society's finances.

Income from our retail and catering operations struggled against forecasts, not helped by a shortage of hospitality staff across the industry, cost-of-living crisis and the challenges of adverse weather.

Following a Society-wide business review and consultation, café operations at Michelham Priory transferred from a Society-run operation to third-party operation. This change has enabled the continued offer of a broad range of food and drink to the property's visitors whilst removing much of the financial risk.

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Trustees' report (continued)
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Achievements and performance (continued)

Our historic properties continue 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 donating their free time to help the Society through a wide range of activities, from gardening to conservation.

Curatorial & Collections

Everyone involved in the Society was incredibly saddened by the death of our Honorary Librarian, Esme Evans in June 2022. Esme made a huge contribution across her 25 years of service to the Society and she continues to be much missed.

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.

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. Additional funds were made available from the British Museum to support the appointment of a part-time Finds Liaison Assistant to support the great work our Finds Liaison Officer, Jane Clark is doing. We were therefore pleased to welcome Finlay Larkin who started with us in November 2022.

A review of the Fishbourne collections was completed in May 2022, and is the first time that such an exercise has been undertaken at the Palace. The use of a RAG (Red, Amber, Green) rating system enabled the consequent report to be concise and avoided unnecessary repetition. The process has highlighted priority areas for conservation, packaging, documentation, cataloguing and research.

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 (NT) and forming a new relationship with the Maori community, the Society continues to care for Hinemihi, a collection of carvings of great cultural significance. In September 2022, we hosted four Maori carvers, who restored one of the carvings ahead of a visit from a delegation of 43 of the New Zealand Maori community, plus others from the UK and NT partners. The event was highly successful and significantly strengthened our partnership with the community and the National Trust. The Society is immensely proud to be caring for these valuable carvings.

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

Fishbourne hosted an internship from Exeter University, starting in late July. During his 28-week internship, Ben Cooper focussed on the site's extensive photographic slide collection – sorting, digitising, and adding digital images to the catalogue. He also worked on the administration of a week-long archaeological science workshop held at the Palace in October 2022.

In June 2022, Bull House hosted the launch of a new visual biography of Thomas Paine by Paul Fitzgerald, providing an opportunity for the Society to open Bull House to an invited audience. The team connected with several local associated peers/partners including members of Lewes Town Council, the Headstrong Club, Harvey's, Visit Lewes, the South Downs National Park Authority as well as Members. The event built upon continuing engagement work to reconnect the Society with its local communities.

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Trustees' report (continued)
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Achievements and performance (continued)

During the autumn/winter 2022 successful grant applications were made to the Art Fund, the Arts Council England/Victoria and Albert Purchase Grant Fund and The Headley Museums Archaeological Acquisition Fund to support the purchase of an Iron Age gold alloy torc (PAS 2019 T560). This important metal detecting find will be going on display at Barbican House in early spring, 2024. There will be a planned programme of public engagement activities around the exhibition.

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.

The exhibition at Marlipins Museum for the summer season 2022 displayed paintings from the ship portrait collections. The ships histories and where possible details of their masters, crew, passengers and cargoes were researched by a small team of Marlipins volunteers. The group wrote labels and compiled files of additional associated information as well as assisting in selecting and hanging the exhibition.

The Sussex Archaeological Collections

Under the direction of 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. Volume 159 was published in December 2022.

The inclusion of the entire digital back catalogue of SAC volumes on the Archaeology Data Service (ADS) website in 2021 led to a huge increase in downloads of SAC articles. In 2020-21, before the back catalogue was made available, there were just 1,376 article downloads; in 2021-22 there were 8,624 downloads, and in 2022-23 this rose to 8,657. In 2023, there have been 5,532 downloads to October.

In addition to the SAC volumes and articles available online via the ADS, some out-of-copyright SAC volumes were digitised by Google (volumes 1848–1922), and some more recent articles have been made available on sites such as Academia.edu and Researchgate.net on an ad hoc basis.

Learning & Participation

Alongside the Society's active schools' programme, which welcomed over 20,000 school children during the 2022-23 financial year, learning teams provided holiday activities across our Lewes Properties, Fishbourne Roman Palace and Michelham Priory, including Morning Explorer quiet sessions for families with additional needs. We also continued to widen opportunities for participation to our local communities with vouchers for foodbanks and refugee support groups.

In the winter of 2022, we undertook a substantial review of our learning operations, which resulted in a restructure of the Learning & Participation functions at our Lewes Properties and at Michelham Priory in early 2023. These changes allowed us to move to a much more flexible and cost-efficient model of delivery for our schools' programmes and remain agile to the seasonality of our business.

Membership

The Society's members continue to be an important part of our work, just as they were when the organisation was founded more than 176 years ago. The support, loyalty and generosity shown by members is instrumental in ensuring the Society can continue its important work and trustees are indebted to them for their ongoing support and loyalty.

Membership numbers as at 31 March 2023 were 1,783 (2022: 1982) a decrease of 11.16%. This is a trend we are seeing across the heritage sector given the impact of the increasing cost of living and we are hence working hard to develop initiatives to attract new Members, whilst continually restoring meaningful value for our existing supporters.

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Trustees' report (continued)
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Achievements and performance (continued)

The Society's Annual Conference was held in Lewes in April 22, the first of its type in person for more than three years. The day-long event explored how the flint mines of Sussex played a role in the life of communities 6,000-years-ago - and the connections they formed with other Neolithic communities in Europe.

The Society's 2022/23 series of online autumn and winter talks, an initiative originally instigated during the Covid lockdown in 2020, covered topics ranging from the Bronze Age Sussex Loops to Iron Age hillforts and Roman London. The series deliberately sought to build a balanced programme of guest lecturers in terms of expertise, career stage, sector and gender and more than 1,311 tickets were issued for the programme of 7 talks.

The Society was pleased to host its AGM in October 2022 at Michelham Priory and welcome the attendance of so many members both in person and online.

Fundraising

In recognition that the Society has been largely reliant on seasonal income from its properties, we have prioritised fundraising as a key strategic area. In October 2022 a freelance fundraising consultant led senior team members in a fundraising workshop to develop the Society Case for Support and fundraising proposition and build the framework for a developing fundraising strategy.

Building on the Society's existing 'adoption' sponsorship opportunities, in Winter 2022 we began a fundraising campaign for members of the public to symbolically 'adopt' one of the Long Man's bricks for the year. This campaign saw significant public interest and engagement, highlighting the iconic status of this important historic site. The campaign secured coverage on ITV Meridian and raised over £10,000 for the ongoing work of the Society.

Successful funding grants have enabled us to develop a variety of projects across the year, including securing training for Front of House staff in disability awareness as well as equality, diversity and inclusion training for all staff. We are incredibly grateful to our funders, including NLHF, South-East Museums Development, Chichester District Council and Royal Society, for their support of our work.

As a key strand of its Strategic Action Plan, the Society's Council of Trustees commenced development of a significant application to the NLHF's for resilience funding to enable the strategy to be delivered.

Marketing & Communications

Promotion and awareness of the Society's work is crucial to achieving its charitable and commercial aims. A focus on improving the customer journey included improving the quality and regularity of content across all channels, including a revamped Sussex Past & Present magazine for members, part of a wider targeted membership campaign to support growth in this area.

The year saw a continued focus on updating the organisation's brand and putting people at the heart of our work, making sure the Society is increasingly visible, for example through new signage installed at Fishbourne Roman Palace and Michelham Priory and the creation of new property leaflets.

A continued focus on supporting and driving forward a range of work across the organisation, focused on three key priorities:

- Raising Awareness of the Society and its sites
- Driving Growth in Revenues
- Improving Engagement

As part of our ongoing drive to understand our audiences, in Summer 2022 a survey was undertaken at both Fishbourne Roman Palace and our Lewes properties by a student from the University of Sussex student, as part of a two-month marketing internship with the Society. The survey provided useful insights that we are drawing on to inform strategy going forward.

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Trustees' report (continued)
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Achievements and performance (continued)

The integration of website ticketing with the Society's admissions system Access Gamma (which went live in August 2022) has allowed for more accurate and accessible reporting. The website continues to be an important gateway for the Society with the creation and upgrading of content a regular task for the marketing team, as well as ensuring those pages already built are delivering search engine optimisation.

A new social media strategy has driven growth in audience and engagement across digital channels while also providing platforms to celebrate the work of staff and volunteers across the organisation. The Society's Facebook channels saw an average growth in followers of 183% and an average growth in reach of 709%. This is a hugely important area for the Society that we continue to develop.

Finance

Following a positive start to 2022/23, the Society has been navigating a series of financial challenges, including the recruitment of suitably qualified and experienced staff into key financial roles.

In the autumn of 2022, Trustees took up an enhanced role at strategic level to work with the Executive Director in helping to tackle the challenging economic headwinds the Society has been facing, spearheading the development of a Strategic Action Plan (SAP), to inform an application for critical resilience funding from the NLHF.

A strategic working group of trustees and the Executive Director met weekly from November 2022 through to April 2023 to maintain and drive momentum in the development of the SAP. Finances were extensively reviewed and plans developed to secure the Society's future based on a new sustainable business model.

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

Human Resources

During 2022/23, the Society continued to review its policies and procedures to ensure that we remained compliant with changes in employment legislation. As a result, a number of new policies were implemented such as the Sickness Policy which was updated (June 2022), Occupational Maternity Policy (July 2022), an updated Staff Handbook (July 2022), new probation procedure (Feb 2023) and a new Dignity & Respect at Work policy which was launched in March 2023. These documents are all available to staff via the Breathe HR system in a central document library.

Staff are assigned training via the IHASCO e-learning portal when they join the Society and are reminded through the system about ensuring that they have completed the modules assigned to them.

A new Code of Conduct for staff was developed and shared with staff for their input and contribution before being launched in June 2022.

Recruitment and retention to front of house and hospitality roles has continued to prove difficult during the year and the Society has been working hard to address and react to these ongoing challenges. Part of this work has included further expanding our staff benefits offer e.g. eye tests for staff and continued promotion of our Employee Assistance Programme (EAP) and Wider Wallet Staff Benefits Platform.

To additionally support well-being, the Society introduced free NHS health checks which were arranged in December 2022 for all staff. Our EAP provider also introduced a new referral system so that staff can speak to advisors and counsellors for a series of up to five sessions.

In terms of our work on equality and diversity, the Equality & Diversity Action Plan for the Society, was updated having been first rolled out in 2021.

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Trustees' report (continued)
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Achievements and performance (continued)

c. Investment policy and performance

The amounts held by the Society in investments decreased by £7,313 from £168,282 as at 1 April 2022 to £160,963 at 31 March 2023, a decrease of 4%.

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.

Trustees remain committed to delivering a truly sustainable annual operating model for the Society that provides a platform from which to secure future growth and success. The Trustees approved an updated operating budget for the 2023/24 financial year, based on the Strategic Action Plan priorities to chart a path to financial sustainability and submitted a resilience bid to NLHF for £249,993.

The Board are delighted to report that the application was successful. This sum is an endorsement of the Society's direction of travel and comes in the form of a 12-month investment to really kick start our transformation plans.

One of the first steps on this transformation journey is the appointment of Counterculture, an organisation that specialises in just this kind of work - a team with a wealth of experience in working within the heritage sector providing strategic advice to help organisations plan, manage and thrive.

Financial review

a. Going concern

Trustees have considered in detail 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 organisation's current financial position and the swiftly increasing challenges of the external financial climate.

Based on the actions the Society is taking, trustees believe the preparation of these financial statements on a going concern basis is appropriate.

Trustees however remain seriously concerned about the level of income and resources available to the Society to continue operating into the longer-term and continue to monitor closely the impact of the new Strategic Action Plan and the external operating environment. 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.

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Trustees' report (continued)
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The Trustees consider that reserves equating to three months of its unrestricted expenditure, being £450,000, are necessary to meet these requirements. The free reserves for the Group as at 31 March 2023 are as follows:

Unrestricted reserves per balance sheet:	£1,901,887
Less: Tangible Fixed Assets:	£1,327,206
Free reserves:	£574,679

Free reserves of £574,679 (2022: £642,747) therefore sit significantly below the target level. Trustees hence remain understandably concerned and with secured investment of £249,993 from the NLHF are working hard with Counterculture and the Executive teams on delivering the recovery strategy at pace (see p15 for further details). The Society needs to significantly diversify its income streams and is hence prioritising investing in the strategic fundraising and commercial expertise required to deliver that.

Restricted grants and donations received in the year totalled £129,857 (2022: £540,019). £38,898 (2022: £619,500) 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 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 83% (2022: 90%) of its in-year funding from operating income. 60% (2022: 72%) was derived from its charitable activities, primarily from its properties and 24% (2022: 18%) from its trading activities including its shops, cafes and the hosting of events.

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 was founded in 1846. The Society and the Group is registered as a company limited by guarantee, first established by a Memorandum and Articles of Association on 1 January 1925. Subsequent modifications have been made to the memorandum and articles when required. On 23 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. Further minor amendments, formally agreed with the Charities Commission, came into force on 1 November 2022.

The Society is registered as a charity with the Charity Commission (registration number 207037). It had a paying membership as at 31 March 2023 of 1,783 (2022: 1,982), comprising 2,100 Members 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 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.

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Trustees' report (continued)
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Structure, governance and management (continued)

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 October 2022, the Council comprised a total of 12 elected trustees 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 as an observer but does not hold 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 transparent and fair recruitment, annual vote of members and co-option opportunities under the terms of the Society's articles. Four members of Council stepped down in 2022-23, namely Lys Drewett, Clotilde Lemarie, Jan Oldham and Peter Vos. Trustees are hugely indebted to Lys, Clotilde, Jan and Peter for their service, commitment and wise counsel during their respective terms of office.

Both trustees and the Executive were devastated to lose Dr Harriet O'Neill, who passed away on 19 May 2023 and Lys Drewett who passed away on 4th April 2023. Both Lys' and Harriet's commitment, passion and specialist knowledge are very much missed.

d. Pay policy for senior staff

The Executive Director recommends pay changes for staff annually, which are reviewed by Council and, if approved, included in operating budgets. The Executive Director'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 2022 due to the ongoing financial challenges being experienced in the wake of the Covid pandemic and the economic crisis.

The Society pays all of its staff at or above the National Living Wage.

e. Charity governance code

The Society's governance structures are described in its new Articles of Association adopted at the 2021 Annual General Meeting, with minor amendments formally agreed with the Charities Commission, coming into force on 1 November 2022. 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 four 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.

Trustees' report (continued)
for the year ended 31 March 2023

Structure, governance and management (continued)

Whilst recognising the significant progress that has been made, we continue to work towards continually strengthening 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.
- The sustainability of our income has been severely tested by recent events. We have developed a plan to realise a sustainable income model and are prioritising its delivery.
- 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.

f. Organisational structure and decision making

In 2022/23 the Council of Trustees met on six (2022: five) occasions and each of the sub-committees, quarterly. The Finance & General Purposes Committee met more regularly (nine times) to discuss and agree adjusted budgets and the new Strategic Action Plan.

The role of Executive Director, 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 2022/23 there were an average of 22 full time (2022: 23), and 94 part time (2022: 104) staff members, totalling 116 (2022: 127).

Andrew Edwards stepped down from the role as Chief Executive Officer in September 2022. The Society would like to thank Andrew sincerely for his time as Chief Executive in steering the organisation through the many challenges presented by the impact of the Covid pandemic.

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 2022/23, the Society carried out a wide-ranging review and update of its Health & Safety policies and procedures and continues to review all of its organisational 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 delivering a truly sustainable annual operating model for the Society that provides a platform from which to secure future growth and success. The Trustees approved an updated operating budget for the 2023/24 financial year, based on the Strategic Action Plan priorities to chart a path to financial sustainability and submitted a resilience bid to NLHF.

The Sussex Archaeological Society
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2023

Plans for future periods (continued)

The actions the Society has subsequently taken have yielded improved results, but it is not yet enough to secure a sustainable financial position for the longer-term. Trading in the 2023/24 financial year has so far continued to prove challenging - largely due to the macro-economic factors putting pressure on household incomes and an associated reduction in secondary spend.

The detail and implications of these challenges have been shared with staff along with the proposed mitigating actions and next steps.

Continuing its progress with establishing a new organisational structure, an Interim Head of Operations and Commercial Activities has been appointed, to provide crucial operational leadership. Injection of temporary strategic level support is also being made to the Society's learning & participation, fundraising and event activities.

Following the award of £249,993 from NLHF, Trustees have appointed Counterculture LLP to lead delivery of their Strategic Action Plan and drive forward the necessary organisational change at pace. Counterculture is an organisation that specialises in just this kind of work - a team with a wealth of experience in working within the heritage sector providing strategic advice to help organisations plan, manage and thrive.

The next 12 months will hence be a further period of rapid organisational change as the Society streamlines its organisational operations and diversifies its business model while still delivering on the organisation's core charitable objectives.

We will continue to focus on growing and diversifying our membership and continually improving our engagement 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 working in partnership to increase our reach and impact.

Determining how we can increasingly make our heritage properties and collections more accessible will be key in helping shape our vision for the future. As part of this the Society will be extending its galleries at Bull House and Barbican House, developing a programme to commemorate Thomas Paine leaving Lewes 250 years ago, and putting the Wealden Iron collection on display.

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 fundraising agencies are used and there were no complaints received in the year in respect of fundraising activities (2022: NIL).

The Sussex Archaeological Society
(A company limited by guarantee)

Trustees' report (continued)
for the year ended 31 March 2023

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 . 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.

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 MSc DPA BA(Hons)
Chair of the Council of Trustees
Date: 20 December 2023

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 2023 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 2023 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.

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.

The Sussex Archaeological Society
(A company limited by guarantee)

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional 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: 21 December 2023

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 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	127,318	125,389	252,707	154,109
Charitable activities	5	2,539	962,198	964,737	1,388,322
Other trading activities	6	-	381,247	381,247	346,326
Investments	7	-	16,200	16,200	38,043
Total income		129,857	1,485,034	1,614,891	1,926,800
Expenditure on:					
Raising funds		-	424,194	424,194	342,227
Charitable activities	8	38,898	1,641,388	1,680,286	1,598,554
Total expenditure		38,898	2,065,582	2,104,480	1,940,781
Net income/(expenditure) before net (losses)/gains on investments		90,959	(580,548)	(489,589)	(13,981)
Net (losses)/gains on investments		-	(7,319)	(7,319)	11,614
Net movement in funds		90,959	(587,867)	(496,908)	(2,367)
Reconciliation of funds:					
Total funds brought forward as previously stated		391,159	2,489,754	2,880,913	2,912,664
Prior year adjustment		-	-	-	(29,384)
Total funds brought forward as restated		391,159	2,489,754	2,880,913	2,883,280
Net movement in funds		90,959	(587,867)	(496,908)	(2,367)
Total funds carried forward		482,118	1,901,887	2,384,005	2,880,913

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

The notes on pages 26 to 53 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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,327,206	1,347,007
Investments	16	160,963	168,282
Investment property	15	500,000	500,000
		1,988,169	2,015,289
Current assets			
Stocks	17	39,877	43,450
Debtors	18	134,404	369,312
Cash at bank and in hand		428,288	689,604
		602,569	1,102,366
Creditors: amounts falling due within one year	19	(206,733)	(236,742)
Net current assets		395,836	865,624
Total assets less current liabilities		2,384,005	2,880,913
Net assets excluding pension asset		2,384,005	2,880,913
Total net assets		2,384,005	2,880,913
Charity funds			
Restricted funds	20	482,118	391,159
Unrestricted funds	20	1,901,887	2,489,754
Total funds		2,384,005	2,880,913

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

Consolidated balance sheet (continued)
as at 31 March 2023

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 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 MSc DPA BA(Hons)
Chair of the Council of Trustees

Date: 20 December 2023

The notes on pages 26 to 53 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 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	1,327,206	1,347,007
Investments	16	310,963	318,282
Investment property	15	500,000	500,000
		2,138,169	2,165,289
Current assets			
Debtors	18	134,404	369,312
Cash at bank and in hand		338,226	689,581
		472,630	1,058,893
Creditors: amounts falling due within one year	19	(279,622)	(351,978)
Net current assets		193,008	706,915
Total assets less current liabilities		2,331,177	2,872,204
Total net assets		2,331,177	2,872,204
Charity funds			
Restricted funds	20	482,118	391,159
Unrestricted funds	20	1,849,059	2,481,045
Total funds		2,331,177	2,872,204

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

Society balance sheet (continued)
as at 31 March 2023

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 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 MSc DPA BA(Hons)
Chair of Council of Trustees
Date: 20 December 2023

The notes on pages 26 to 53 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 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(256,111)	(332,706)
Cash flows from investing activities		
Dividends, interests and rents from investments	9,707	38,043
Purchase of tangible fixed assets	(14,889)	(69,067)
Net cash used in investing activities	(5,182)	(31,024)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(261,293)	(363,730)
Cash and cash equivalents at the beginning of the year	689,581	1,053,311
Cash and cash equivalents at the end of the year	428,288	689,581

The notes on pages 26 to 53 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 2023

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:

Barbican House
169 High Street
Lewes
East Sussex
BN7 1YE

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 £.

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 £587,867.

The Society, alongside many others, is going through a period of significant change. Declining visitor numbers, increasing operating costs and the residual impact of the Covid pandemic is now set against the wider impact of the increasing cost of living, climate change and many other factors. The very way we experience and learn things is changing and the Society has had to seriously consider its offer against this backdrop. Hence, the focus for 2022/23 was on developing a properly sustainable and fit-for-purpose organisation; one that has the ability to thrive well into the future.

Significant steps were taken in the year to establish the right strategy to address these issues and to restructure our operations in a way that modernised the organisation and secured greater efficiencies.

A submission was subsequently made (in June 2023) to the NLHF's resilience fund for £249,993 to enable delivery of the next stage of transformation and Trustees are pleased to report this application has since been successful.

Notes to the financial statements
for the year ended 31 March 2023

2. Accounting policies (continued)

2.2 Going concern (continued)

Trustees have assessed the resources available and considered the impact of the financial challenges. Subject to the above actions, the preparation of these accounts on the going concern basis is considered to be appropriate - as the NLHF funding will enable crucial organisational change and improved opportunities for income generation. If these reasons subsequently prove to be inadequate, then adjustments may have to be made to re-value assets to their recoverable amount, in order to provide for any further liabilities which might arise and reclassify fixed assets as current assets where necessary.

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 2023

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 £587,867 deficit (2022: £24,538 deficit).

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.

Notes to the financial statements
for the year ended 31 March 2023

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.

Notes to the financial statements
for the year ended 31 March 2023

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.

**Notes to the financial statements
for the year ended 31 March 2023**

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 2023 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 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations and legacies	127,318	47,764	175,082
Members' subscriptions	-	77,625	77,625
	<u>127,318</u>	<u>125,389</u>	<u>252,707</u>

The Sussex Archaeological Society
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Notes to the financial statements
for the year ended 31 March 2023

4. Income from donations and legacies (continued)

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

5. Income from charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Properties	-	924,102	924,102
Grants receivable	2,539	37,664	40,203
Binding fees	-	432	432
	<u>2,539</u>	<u>962,198</u>	<u>964,737</u>

	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>

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Notes to the financial statements
for the year ended 31 March 2023

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Subsidiary trading income	381,247	381,247

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

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income - properties	16,200	16,200

	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
	38,043	38,043

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Notes to the financial statements
for the year ended 31 March 2023

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Properties	38,898	1,519,922	1,558,820
Other Charitable Activities	-	121,466	121,466
	<u>38,898</u>	<u>1,641,388</u>	<u>1,680,286</u>

	Restricted funds 2022 £	Unrestricted funds 2022 £
Properties	619,500	886,556
Other Charitable Activities	-	92,498
	<u>619,500</u>	<u>979,054</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Properties	1,037,182	521,638	1,558,820
Other Charitable Activities	121,466	-	121,466
	<u>1,158,648</u>	<u>521,638</u>	<u>1,680,286</u>

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Notes to the financial statements
for the year ended 31 March 2023

9. Analysis of expenditure by activities (continued)

	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>

Analysis of direct costs

	Properties 2023 £	Other Charitable Activities 2023 £	Total funds 2023 £
Staff costs	722,059	53,570	775,629
Rates, utilities and insurance	142,500	5,055	147,555
Other expenditure	56,249	-	56,249
Advertising and publicity	1,893	1,763	3,656
Office costs	18,126	28,229	46,355
Special events	8,635	-	8,635
Buildings and ground maintenance	85,932	-	85,932
Other research costs	1,788	-	1,788
Sussex Archaeological Collections	-	21,267	21,267
Newsletter and postage	-	11,582	11,582
	<u>1,037,182</u>	<u>121,466</u>	<u>1,158,648</u>

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Notes to the financial statements
for the year ended 31 March 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	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
	1,005,262	92,498	1,097,760

Analysis of support costs

	Properties 2023 £	Total funds 2023 £
Staff costs	200,699	200,699
Depreciation	34,690	34,690
Rates, utilities and insurance	13,201	13,201
Other expenditure	53,011	53,011
Office costs	78,071	78,071
Buildings and ground maintenance	36,467	36,467
Auditors remuneration	35,512	35,512
Professional fees	53,987	53,987
Bad debt	16,000	16,000
	521,638	521,638

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Notes to the financial statements
for the year ended 31 March 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	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
Auditors remuneration	19,900	19,900
Professional fees	69,566	69,566
	<u>500,794</u>	<u>500,794</u>

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £11,350 (2022 - £9,500), and a fee for the preparation of the trading subsidiary's accounts of £3,300 (2022 - £3,000).

11. Staff costs

	Group 2023 £	Group 2022 £	Society 2023 £	Society 2022 £
Wages and salaries	1,106,896	907,573	951,862	773,597
Social security costs	80,068	55,876	72,026	50,273
Contribution to defined contribution pension schemes	41,969	31,451	37,258	27,677
	<u>1,228,933</u>	<u>994,900</u>	<u>1,061,146</u>	<u>851,547</u>

Within the pension contribution above, £nil (2022: £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 2023

11. Staff costs (continued)

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

	Group 2023 No.	Group 2022 No.
Full time	22	22
Part time	62	64
	84	86

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	1

The Trustees consider that the Society's key management personnel during the period were Leanne O'Boyle, Executive Director; Andrew Edwards, Chief Executive Office.

The Trustees consider that the Society's key management personnel for the year ended 31 March 2022 were Andrew Edwards, Chief Executive Officer from April 2021 onwards; Louise Marshfield, Chief Operating Officer from October 2020 to January 2022.

Key management personnel received total aggregate remuneration, including NI and pension, of £138,442 (2022: £129,240).

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 (2022 - £Nil).

During the year ended 31 March 2023, £Nil Trustee expenses have been claimed for travel (2022 - £26).

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Notes to the financial statements
for the year ended 31 March 2023

14. Tangible fixed assets

Group

	Computer equipment, fixtures and fittings £	Fishbourne Palace Collections Discovery Centre £	Total £
Cost or valuation			
At 1 April 2022	484,949	1,188,643	1,673,592
Additions	14,889	-	14,889
At 31 March 2023	499,838	1,188,643	1,688,481
Depreciation			
At 1 April 2022	326,585	-	326,585
Charge for the year	34,690	-	34,690
At 31 March 2023	361,275	-	361,275
Net book value			
At 31 March 2023	138,563	1,188,643	1,327,206
At 31 March 2022	158,364	1,188,643	1,347,007

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Notes to the financial statements
for the year ended 31 March 2023

14. Tangible fixed assets (continued)

Society

	Computer equipment, fixtures and fittings £	Fishbourne Palace Collections Discovery Centre £	Total £
Cost or valuation			
At 1 April 2022	484,949	1,188,643	1,673,592
Additions	14,889	-	14,889
At 31 March 2023	499,838	1,188,643	1,688,481
Depreciation			
At 1 April 2022	326,585	-	326,585
Charge for the year	34,690	-	34,690
At 31 March 2023	361,275	-	361,275
Net book value			
At 31 March 2023	138,563	1,188,643	1,327,206
At 31 March 2022	158,364	1,188,643	1,347,007

Notes to the financial statements
for the year ended 31 March 2023

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 2023 is approximately £72 million (2022: £72 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 2023

15. Investment property

Group

	Freehold investment property £
Valuation	
At 1 April 2022	500,000
At 31 March 2023	<u>500,000</u>

Society

	Freehold investment property £
Valuation	
At 1 April 2022	500,000
At 31 March 2023	<u>500,000</u>

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 2023 the Trustees consider that this value remains appropriate.

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

16. Fixed asset investments

	Listed securities £
Group	
Cost or valuation	
At 1 April 2022	168,282
Revaluations	(7,319)
At 31 March 2023	<u>160,963</u>
Net book value	
At 31 March 2023	<u>160,963</u>
At 31 March 2022	<u>168,282</u>

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Notes to the financial statements
for the year ended 31 March 2023

16. Fixed asset investments (continued)

Society	Investment in subsidiary (see note 30) £	Listed securities £	Total £
Cost or valuation			
At 1 April 2022	150,000	168,282	318,282
Revaluations	-	(7,319)	(7,319)
At 31 March 2023	150,000	160,963	310,963
Net book value			
At 31 March 2023	150,000	160,963	310,963
At 31 March 2022	150,000	168,282	318,282

17. Stocks

	Group 2023 £	Group 2022 £
Finished goods and goods for resale	39,877	43,450

18. Debtors

	Group 2023 £	Group 2022 £	Society 2023 £	Society 2022 £
Due within one year				
Trade debtors	43,254	67,641	43,254	67,641
Other debtors	21,055	16,037	21,055	16,037
Prepayments and accrued income	70,095	285,634	70,095	285,634
	134,404	369,312	134,404	369,312

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Notes to the financial statements
for the year ended 31 March 2023

19. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Society 2023 £	Society 2022 £
Payments received on account	524	524	524	524
Trade creditors	105,185	147,120	105,185	147,120
Amounts owed to group undertakings	-	-	80,852	122,436
Other taxation and social security	35,267	23,027	35,267	23,027
Other creditors	1,574	3,184	1,574	3,184
Accruals	64,183	62,887	56,220	55,687
	206,733	236,742	279,622	351,978

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Notes to the financial statements
for the year ended 31 March 2023

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds	2,481,045	1,103,787	(1,728,454)	(7,319)	1,849,059
SPTL Reserves	8,709	381,247	(337,128)	-	52,828
	<u>2,489,754</u>	<u>1,485,034</u>	<u>(2,065,582)</u>	<u>(7,319)</u>	<u>1,901,887</u>

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Restricted funds					
Michelham Priory Development Fund (Sainsbury's)	101,526	-	-	-	101,526
Michelham Priory Fund (Hasluck & Hotblack)	77,482	-	-	-	77,482
Fishbourne Roman Palace - North Wing Interpretation	11,297	-	-	-	11,297
Collections Discovery Centre Reserve Fund	32,738	2,539	-	-	35,277
AoC Tile, Sculpture & Wealden Iron Gallery	13,075	-	-	-	13,075
Sally Christian Training Fund	13,944	-	-	-	13,944
Donation for Fundraiser	3,171	-	-	-	3,171
Pool FRP	1,000	-	-	-	1,000
SDNP Books	9,750	-	-	-	9,750
SAC Digitilisation Project	3,590	-	-	-	3,590
NLHF Emergency Funding	102,186	-	(21,693)	-	80,493
NLHF Cultural Recovery Funding	1,500	-	(1,500)	-	-
Ann Winsor Legacy	-	106,618	-	-	106,618
Friends of Michelham toilet refurb project	-	20,700	(14,860)	-	5,840
Small Projects - Various	19,900	-	(845)	-	19,055
	<u>391,159</u>	<u>129,857</u>	<u>(38,898)</u>	<u>-</u>	<u>482,118</u>

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Notes to the financial statements
for the year ended 31 March 2023

20. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Total of funds	2,880,913	1,614,891	(2,104,480)	(7,319)	2,384,005

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.

Statement of funds - prior 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>

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.

	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)	-	-

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Notes to the financial statements
for the year ended 31 March 2023

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
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
Pool FRP	3,382	-	(3,382)	-	-	-
SDNP Books	3,477	-	-	(3,477)	-	-
SAC Digitilisation Project	70,291	-	(11,301)	(58,990)	-	-
Small Projects - Various	6,000	-	-	(6,000)	-	-
NLHF Emergency Funding	1,000	-	-	-	-	1,000
NLHF Cultural Recovery Funding	25,000	-	-	(25,000)	-	-
Ann Winser Legacy	9,750	-	-	-	-	9,750
Friends of Michelham toilet refurb 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
Small Projects - Various	37,233	323,800	(359,533)	-	-	1,500
Small Projects - Various	-	191,400	(191,400)	-	-	-

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Notes to the financial statements
for the year ended 31 March 2023

20. Statement of funds (continued)

Statement of funds - prior year (continued)

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
	<u>547,059</u>	<u>540,019</u>	<u>(619,500)</u>	<u>(76,419)</u>	<u>-</u>	<u>391,159</u>
Total of funds	<u><u>2,883,280</u></u>	<u><u>1,926,800</u></u>	<u><u>(1,940,781)</u></u>	<u><u>-</u></u>	<u><u>11,614</u></u>	<u><u>2,880,913</u></u>

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Notes to the financial statements
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20. 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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20. 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 2022 and 2023 which will be spent in the coming periods.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	1,327,206	1,327,206
Fixed asset investments	160,963	-	160,963
Investment property	-	500,000	500,000
Current assets	321,155	281,414	602,569
Creditors due within one year	-	(206,733)	(206,733)
Total	482,118	1,901,887	2,384,005

Analysis of net assets between funds - prior year

	As restated restricted funds 2022 £	As restated unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	1,347,007	1,347,007
Fixed asset investments	168,282	-	168,282
Investment property	-	500,000	500,000
Current assets	222,877	879,489	1,102,366
Creditors due within one year	-	(236,742)	(236,742)
Total	391,159	2,489,754	2,880,913

**Notes to the financial statements
for the year ended 31 March 2023**

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

	Group 2023 £	Group 2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(496,908)	(2,367)
Adjustments for:		
Depreciation charges	34,690	31,789
Gains/(losses) on investments	7,319	(11,614)
Dividends, interests and rents from investments	(9,707)	(38,043)
Decrease/(increase) in stocks	3,573	(10,838)
(Increase)/decrease in debtors	234,908	(264,658)
Decrease in creditors	(29,986)	(36,975)
Net cash used in operating activities	(256,111)	(332,706)

23. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	428,288	689,581
Total cash and cash equivalents	428,288	689,581

24. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	689,604	(261,316)	428,288

25. 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 2024 to be zero.

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26. 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 2023 represents contributions payable by the Society to the fund and amounted to £41,969 (2022: £31,451). Contributions totalling £618 (2022: £404) 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 2023 was £Nil (2022: £Nil), of which employer's contributions totalled £Nil (2022: £Nil). In addition amounts totalling £Nil (2022: £Nil) were paid by the employer towards the pension scheme deficit.

As stated in Note 25, 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 25.

27. Operating lease commitments

At 31 March 2023 the Group and the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £
Not later than 1 year	7,472	15,980
Later than 1 year and not later than 5 years	-	7,472
	<u>7,472</u>	<u>23,452</u>

28. Related party transactions

The Society has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Society at 31 March 2023.

29. Controlling party

The Trustees who are also directors control the charity.

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30. 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	381,247	(336,358)	44,889	203,598

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.