

REGISTERED COMPANY NUMBER: 00013606 (England and Wales)
REGISTERED CHARITY NUMBER: 212538

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
THE PALESTINE EXPLORATION FUND**

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
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THE PALESTINE EXPLORATION FUND

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Board of Trustees presents its annual report and audited financial statements for the year to 31 December 2021. The legal and administrative information set out on pages 7 and 8 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the PEF are as follows:

The advancement of education of the public in the history, archaeology (including biblical aspects), art, languages, ethnology, geography, natural and earth sciences of the Levant by the promotion of research into relevant fields of study as the trustees shall decide and by publishing the useful results thereof.

FINANCIAL REVIEW

Yet again, 2021 proved to be an unusual year for the finances of the PEF, like other organisations. The effects of the COVID-19 pandemic continued, and remained unpredictable. Due to reduced expenses from some activities remaining suspended and unexpected income from government support schemes, there was a surplus of income over expenditure of £41,630. This is somewhat lower than 2020, when the surplus was £58,044, but it means that the PEF is in a solid financial position despite the challenges and uncertainty of the larger economic environment.

The outlook for 2022 is less positive, and it is likely that the Fund will run a deficit. This is a result of several factors. On the expenditure side, there will be liabilities coming due in the form of research grants not yet paid from 2020 and 2021. The Board has also determined that now is the time to invest in a few strategic priorities: needed work in the library, conservation of the collection, and enhanced A/V capacity to allow for greater use of the Greenwich space for events. Less extraordinarily, normal expenses are likely to return to near pre-pandemic levels as more activities can occur. On the income side, there will neither be government support nor rates holidays. Moreover, the larger economic landscape means that the Walter Morrison Endowment is likely to face huge challenges to grow. While income is guaranteed to remain near anticipated levels in 2022 due to the nature of our charity-focused investment partners, it is very likely to fall somewhat short of hoped output. The net result is that the PEF will run a deficit in 2022-though a planned one, which the overall financial position of the Fund can support without unreasonable risk.

With regards to the Walter Morrison Endowment, there are items to report on two fronts. First, in order to manage risk in the most prudent way possible, the Board took the action in 2021 to divide the Endowment across two investment management houses. As a result, half of the Endowment now resides with CCLA. The other half remains with Sarasin & Partners. These managers are the two top performers in the charity investment space over the recent past, meaning that PEF continues to benefit from the guidance of the best possible partners for its investments. Second, in line with larger market performance, the Endowment grew in 2021, ending at £5,405,454. The current value is substantially less than that, also in line with market performance.

Just as in 2021, our Greenwich premises are thought to be worth approximately £3.5 million. The PEF's library and collections have been valued at over £3 million for insurance purposes. These 'Heritage Assets' are not shown in the balance sheet, following the practice in this sector.

Finally, it is important to emphasise that there remains no debts for the PEF to service. This allows the Fund maximum financial flexibility. That will no doubt be important in a time of economic uncertainty, which seems likely to prevail in 2022.

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OBJECTIVES AND ACTIVITIES

Significant activities

The year ending 31 December, 2021 was another active one for the Fund, despite the difficulties imposed by the global pandemic.

Online Lectures and events

- 17th June. With CBRL and UCL Press: online book launch for Jack Green and Ros Henry's recent publication "A Perfect Journey" based on the letters of Olga Tufnell.

- 10th July. With the EES: A joint study day focussing on the Sinai: "Between Africa and Asia".
Co-chaired by Felicity Cobbing (PEF) and Charlotte Jordan (EES)

Tell El-Kedwa: A Saite Period Fortress on Egypt's Eastern Frontier (664-525 B.C.)
Dr Hesham M. Hussein, Ministry of Tourism and Antiquities

Mount Sinai: Knowledge-making in "Biblical South" and across the peninsula
Dr Ahmed Shams, Durham University and Sinai Peninsula Research (SPR)

From Nabataea to Provincia Arabia and Palaestina Tertia Salutaris: Cultural Continuity in the Sinai Peninsula
Dr Konstantinos D. Politis, Hellenic Society for Near Eastern Studies

Derring-do and derring-don't: the ill-fated Palmer Sinai Expedition of 1882
Dr Jamie Fraser, British Museum

- Inspired by the grant project from Dr. Melissa Cradic and Dr. Sam Pfister (Bade Museum, Pacific School of Religion)
Unsilencing the Archives: Laborers at the Tell en Nasbeh Excavations (1926 - 1935), an online lecture series co-hosted by the Bade Museum & Pacific School of Religion, the University of Berkeley's Archaeological Research Facility, and the PEF, consisting of the following speakers and subjects:

4th November. Guarding Archaeology: Everyday Labour in the British Mandate Department of Antiquities.
Dr Sarah Irving, Staffordshire University

2nd December. The Career of Labib Sorial (1917 - 1935): "A rather unusual Egyptian."
Dr Jeffrey R. Zorn, Cornell University.

These talks were hosted on the Archaeological Research Facility's YouTube channel <http://bit.ly/arf-channel>
Further talks in this series are scheduled for 2022.

- The PEF also continued to post interviews, lectures and discussions on a range of subjects on its YouTube channel
<https://www.youtube.com/channel/UCQUegUpDcOQN7ou8qto4A>

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OBJECTIVES AND ACTIVITIES

Field Research Grant Awards

The allocated budget was £9,000. Six applications were received (3 men, 3 women; 1 PhD student) for a total sum of £8,358.45

The Research Grants brief was altered this year to fund post-fieldwork costs such as finds processing, lab testing, publication, specialist staff etc., in light of the difficulties the pandemic posed for fieldwork.

Alexandra Arriotti (independent).

Dating the lost fortress of Umm Tawabin in Jordan - £2,500

John Green (ACOR).

Tell es-Sa'idiyeh Cemetery Publication Project - £1,000

Melissa Cradic and Samuel Pfister (Bade Museum).

Digitising Primary Source Material at the Bade Museum for Open Access Virtual Exhibitions - £1,000

Claudine Dauphin (independent)

Towards final publication of the Umayyad Syro-Jordanian Hajj Roads to Mecca and their Pilgrim Camps:

Mapping "Sacred Landscapes" - £2,194

Summary

Budget: £9,000

Grants Awarded: £6,694

The Board **Approved** the awards made by the subcommittee.

PEF-AIAR Fellowship

An annual award of £3,000 is made to a scholar for a project which requires them to work in both London and Jerusalem. Accommodation is provided in Jerusalem by the Albright Institute of Archaeological Research (AIAR), and £3,000 is provided by the PEF to cover London costs.

The recipient of the award in 2021 was Morag Kersel (DePaul University) for her project:

"Hidden Histories - the private lives of Levantine Neolithic masks".

Routledge Philip R. Davies Early Career Publication Award

This annual award, generously funded by our publishers Routledge Taylor & Francis, honours the memory of Professor Philip R. Davies, previous Chair of the Fund, who died suddenly and before his time in May 2018. The Award recognises his unique contribution to scholarship, his enthusiasm for academic publishing, and his desire to develop younger scholars. The award encourages early career scholars in producing original, high quality research articles. To this end, rather than a single prize, the Fund offers prizes to the winner and up to two runners up, as well as the chance to publish their articles in the PEF's own peer-reviewed journal, the Palestine Exploration Quarterly (PEQ).

The winner receives a cash prize of £750, with the first runner up awarded £350 and the second runner up £100. All three winning pieces will be considered for publication in PEQ, subject to the normal peer review process.

In 2020-2021 there was a winner and two runners-up. The winner was Mr Joseph Scales for his paper "Bathing Jewish, Bathing Greek: Developing an Approach to De-Categorising Hellenism and Judaism". The first runner-up was Dr Assaf Kleiman for his paper "The Cultural Biography of Two Volute Capitals in Iron Age Hazor". The second runner-up was Dr Marieke Dhont for her paper "The Use of Greek in Palestine: Eupolemus as a Case Study"

Palestine Exploration Quarterly

PEQ was published by Taylor and Francis in 2021.

J Bjørnar Storfjell was the Editor of the PEQ throughout 2021. Penny Butler and Adam Fraser were the Assistant Editors. John Ritzema, Elisabeth Sawerthal, and Adam Fraser were the Reviews Editors. The PEQ continued to include articles, reviews and reports of high quality and wide interest. Four issues of PEQ appeared in 2021.

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The first, PEQ 153.1, carried a picture of 'The synagogue at Meron, Khirbet Shema*, in the Galilee looking North' Photo by Sgt. Henry Phillips R.E., 1866, PEF catalogue number PEF-P-362, illustrating the article 'Tel Rosh: the Forgotten Rehob in the Upper Galilee' by Hayah Katz and Yigal Levin. (* The identification of Meron with Khirbet Shema is incorrect. Thanks to subscriber Richard Woolf for the correction). Other articles were: 'Via Nova Trajana between Petra and al-Khirbet al-Samra in Arabia Petraea' by Fawzi Abudana, Mansour A. Shqiarat, Adeeb al-Sakameen and Mohammed B. Tarawneh; 'Estates' or 'Forts' in Persian Period Yehud' by Raz Kletter and Jason M. Silverman; and 'Eusebios' Aedicula Tombstone from Hippos' by Michael Eisenberg and Gergor Staab. The Guest Editorial was 'A Response to 'On delays in the publication of excavation reports' by P. J. Parr (PEQ 152.3, 181-83)' by Aren M. Maeir.

The second issue, PEQ 153.2, carried a cover image of 'General view of spring and ravine at Ayun Musa or Ain Nebbeh (Nebo), Jordan', photograph by Sgt. Henry Phillips R.E., 1867, PEF catalogue number PEF-P-1152, illustrating the article 'Iron Age Nebo: Preliminary investigations at Khirbat al-Mukhayyat and Rujm al-Mukhayyat, Jordan' by Andrew Danielson and Debra Foran. Other articles were: 'Gorer Tower and the Biblical Edom Road' by Eli Cohen-Sasson, Oz. Varoner, Eyal. Frieman and Conn. Herriott; 'A Note on Olive Oil Production in Iron Age Philistia: Pressing the consensus' by Aren M. Maier, Eric L. Welch and Maria Eniukhina; and 'Insufficient evidence for metal butchering marks at Tell el Hesi during the Early Bronze Age: Critique of the Analysis of microscopic grooves in 'Cultural Modification Analyses on Faunal Remains in Relation to Space Use and Direct Provisioning from Filed VI EBIIIA Tell el Hesi' ' by Kara Larson, James W. Hardin and Sara Cody' by Haskel J. Greenfield.; and there was a Report 'On the Mediaeval and Ottoman Syro-Jordanian Hajj Roads to Mecca: The Pilgrim Camps in their Landscapes: 2015 Report' by Claudine Dauphin. The Editorial was 'To Flip or not to Flip' by J. Bjørnar Storfjell.

The third issue, PEQ 153.3, carried a cover image of 'The spring of Robinson's Arch at the south east end of the enclosure wall of the Temple Mount-Haram al Sharif as it appeared at ground level in 1867'. Photography Frank Mason Good, 1875, PEF catalogue number PEF-P-2114 to illustrate the article 'Archival notes on Robinson's Arch and the Temple Mount/Haram al Sharif in Jerusalem' by Shimon Gibson. Other articles were; 'The Murder of James Leslie Starkey near Lachish. A different view from a Colonial Office File' by Josef Mario Briffa SJ; 'Frankish Viticulture, Wine Presses, and wine production in the Levant: New Evidence from Castellum Regis (M'ilya)' by Rabel G. Khamisy; and 'On the Archaeology of 10th Century BCE Israel and the Idea of the 'State' by Zachary Thomas. The Editorial was 'Hidden in Plain Sight' by J. Bjørnar Storfjell.

The fourth issue, PEQ 153.4, carried a cover image of: 'Caravan in northern Sinai-Wadi Arabah, 'Ain Ghandaral'. Photo by T.E. Lawrence, 8th February 1914, PEF Catalogue number PEF-P-WL-7, to illustrate the article 'I am sorry for troubling you with the bother of replying! But I really want to know': An unpublished letter by T.E. Lawrence to Max van Berchem about a Mameluke Inscription from Naqb (Sinai/Negev)' by Massimiliano Munzi and Corinne Sandoz. Other articles were; 'The Lion's Mausoleum of Hippos of the Decapolis' by Michael Eisenberg; 'Building 101 at Tel 'Eton, the Low Chronology, and the Perils of a Bias-Perpetuating Methodology: A Response and a Proposal for the Study of All the Phases in the History of Buildings' by Avraham Faust and Yair Sapir, The Guest Editorial was 'The Rockefeller Museum' by Jonathan N. Tubb.

Reviews and Short Notices of important new publications are published in the PEQ with the help of the Reviews Editors Elisabeth Sawerthal, John Ritzema, and Adam Fraser. Nine reviews and short notices were published in the PEQ in 2021.

Membership

Overall subscription to the PEF had fallen in the past year, and the balance had shifted from 270 individuals and 150 institutions, a total of 420 as of 31st December 2020, to 268 individuals and 139 institutions as of 31st December 2021, a total of 407, a loss of 13 members overall.

The number of institutional journal exchanges has gone down from 69 to 68, a loss of 1.

Although only 139 institutions were subscribing in the traditional manner, Taylor and Francis sells HSS packages that PEQ is included in to over 3,000 institutions. So, the loss of traditional institutional subscribers has been made up with the increase in the sales packages uptake and therefore, contrary to what the figures might suggest, institutional subscribers to the PEF are not suffering adversely in comparison to other journals. Taylor and Francis are confident that the journal is doing well and our royalties are hardly affected. Our royalty percentage has risen from 33.33% to 35%.

Library

Books donated or received for review or purchased for the library were listed in the 'Acknowledgements' in the back of PEQ Vol. 153 Issues 1- 4. In total, 3 new titles were recorded. The library was managed by the Librarians, Elisabeth Sawerthal and James Fraser.

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OBJECTIVES AND ACTIVITIES

Use of Archives and Collections

In 2021 the archives and collections have been open intermittently except when public health concerns relating to the Covid-19 pandemic have closed us down. With this situation, it has been possible to welcome back volunteers and researchers as and when conditions have allowed. Consequently, we have made good progress on several projects. The reorganisation of the collections in their storage area was completed, and the large and hitherto untouched PEF Office Archive is being sorted in preparation for cataloguing. The reorganisation has meant that it has been possible to embark on a project to more accurately document the provenance of our archaeological collections (The Matthers Project). This is a complex project which was originally started in the 1970s by the then Honorary Secretary John Matthers, but unfortunately, he died before the project could be completed. In the majority of cases, our artefacts are well-provenanced, but there are some significant gaps. This project is important both because of museum and scholarly best practice, but also has an application in a decolonising programme as we can become more transparent about how our objects have come to be in our collection. A long-anticipated project to transfer the collections records to a new database has begun. We hired Dr. Mathilde Toullion-Ricci to help us choose suitable software and move the data from our existing excel spreadsheets to the new system. The process is well underway, and the data is being checked through to ensure consistency. It is our long-term ambition to make the collections records accessible online, as and when the databases reach a satisfactory level of information.

New acquisitions in 2021 include a collection of 13 architectural plans and elevations from the Colt Expedition to the Negev 1934-36. These plans were sold to us at auction through Bonhams for £1,596. Many of the original finds and records of this project were lost in the political unrest that affected the region at the time, so the acquisition of this original documentary material was considered to align with our brief to improve our value as a research collection, adding as it did to our limited existing material from that expedition.

We also acquired a small collection of 13 images which were donated by Julia Phythian-Adams, the granddaughter of the Rev. John Phythian-Adams, who worked with John Garstang at Ascalon in the 1920s. The photographs are of the excavations at Ascalon, and of other sites in the Levant, including Wadi Rum. They complement the existing archive of photographs from John Garstang.

The joint project with Google Arts and Culture, to put parts of the PEF collections online, in exchange for technical expertise and equipment was restarted, and new items have been added to the database.

Volunteers

During 2021 the PEF benefited from the industry and talents of the following volunteers and interns. Affiliations of student interns are given.

Penny Butler
John MacDermot
Joana Atunes (Birkbeck College, UCL)
India Bingham (UCL)
Alex Worsford (University of Kent)
Rajib Khan (University of Greenwich)
Evie Cranbridge (University of Greenwich)
Alexandra Tanvakis (University of North Carolina at Chapel Hill)
Richard Hills (independent)

Volunteers are engaged in a range of activities, including, direct collections management such as digitising, cataloguing, organising, and re-housing. During periods of lockdown, the work has been remotely based, consisting on collections database projects, and also studies of those collections which have been posted on the PEF's website in the form of blogs and biographies. Volunteers have also provided technical support and expertise developing our new website www.pef.org.uk and our new YouTube channel <https://www.youtube.com/channel/UCQUegUpDcOQN7ou8qto4A>

Photographic Orders

12 photographic orders had been received for a variety of projects both scholarly and commercial.

PEF Publications

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OBJECTIVES AND ACTIVITIES

In 2021, the following titles have continued to be sold: The Levant in Transition (PEF Annual IX) edited by Peter J. Parr, The Hellenistic Paintings of Marisa (PEF Annual VII) by David M. Jacobson, Stone Vessels in the Levant (PEF Annual VIII) by Rachael Thyrza Sparks, Mapping Jordan Through Two Millennia (Annual X) by John R. Bartlett, Tourists Travellers and Hotels in Nineteenth Century Jerusalem (PEF Annual XI), by Shimon Gibson Yoni Shapira and Rupert L. Chapman, Villain or Visionary? R.A.S. Macalister and the Archaeology of Palestine (PEF Annual XII) edited by Samuel R. Wolff, The Excavations of Beth-Shemesh, November - December 1912 (PEF Annual XIII) by Duncan Mackenzie, Shlomo Bunimovitz, Zvi Lederman, and Nicoletta Momigliano, Dolmens in the Levant (PEF Annual XIV), by James Fraser, Distant Views of the Holy Land by David M. Jacobson and Felicity Cobbing.

Copies of Beyond the River: Photographs of Ottoman Transjordan, by R.S. Abujaber and F. Cobbing continued to sell, along with earlier publications including Beneath the Church of the Holy Sepulchre Jerusalem by Joan E. Taylor and Shimon Gibson. A reprint of Below the Temple Mount in Jerusalem, (BAR International Series 637) by David Jacobson and Shimon Gibson is anticipated.

Roman-Period and Byzantine Nazareth and its Hinterland (PEF Annual XV) by Ken Dark, appeared early in 2020 and a second volume The Sisters of Nazareth Convent, a Roman-period, Byzantine and Crusader site in central Nazareth (PEF Annual XVI), was published later in the year, as was PEF Annual XVII by Dr Dino Politis Ancient Landscapes of Zoara I. Surveys and Excavations at the Ghor as-Safi in Jordan, 1997 - 2018. A second volume by Dr Politis is in press and will appear shortly in 2022, and we look forward to a volume on Yusif Kana'an by Dr. Sarah Irving in 2022-23. The publication of the Turkowski Manuscript by Dr. Carol Palmer is also making progress. Looking ahead we anticipate a volume on excavations at Khirbet Gozlan by Dr. James Fraser, and a possible volume on excavations at Solomon's Pools by Dr. Matthew Adams.

Website and Social Media

PEF staff and volunteers have been working hard to continually improve and update content on the website, in the form of blogs, biographies of historical figures, and so on. These have been good projects to give to student volunteers, and so have enabled us to maintain an active, remote student volunteer programme despite the restrictions due to Covid-19. As mentioned earlier, we have also launched our new YouTube channel which we hope will provide a growing platform for exciting and varied online content. We have also been greatly assisted by Mr. Richard Hills of Fabricca Media in the development of both the website and the YouTube channel.

Our Social Media has been managed by our Social Media Officer, Yasmeen el Khoudary, and we have a growing presence on Facebook, Twitter, and Instagram

Other Developments in 2021

Despite Covid-19 restrictions, the cladding work on our building has been completed and the scaffolding has been removed.

Covid-19 has meant our premises remained closed for a part of the year, but we have made good progress of projects which had been delayed.

The drive to modernise our structures, policies, and procedures to bring them in line with current best practice in the Culture and Heritage sector continues and excellent progress has been made with this. These are all important developments which will help us to open as a museum and venue, and as a long-term aspiration, to acquire professional affiliation and recognition.

Avantika Clark continued as our permanent Collections Assistant. Elisabeth Sawerthal's contract as Librarian and Reviews Editor continued. Adam Fraser shared her workload as Reviews Editor.

Yasmeen el Khoudary continued as the PEF's Social Media Officer. Adam Fraser continued as Assistant Editor of PEQ.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and Constitution

Governing Document

As a limited company, for the purpose of the Companies Act 2006, the PEF is governed by its Memorandum and Articles of Association.

Constitution (Memorandum and Articles of Association)

The Charitable Company was incorporated in 1879 as a limited liability company and any liability of the members in the event of winding-up or dissolution of the Charitable Company is limited to the amount of the uncalled issued share capital. The Charitable Company is registered as a charity and as such is not liable to taxation on its income provided this is fully applied to the furtherance of its objectives. The Memorandum and Articles of Association govern the charitable company. Management of the Charitable Company's affairs is vested in its Board of Company Directors (Executive Committee), members of which are regarded as trustees of the charity

Management structure

The Honorary Officers Group comprises: Chairman; Honorary Secretary; Honorary Treasurer; Honorary Keeper of Collections (when applicable) Honorary Editor of PEQ; Honorary Chair of Publications, and Honorary Chair of the Grants Committee. On a day-to-day basis, the Honorary Secretary line manages the Chief Executive. The Honorary Treasurer works with the financial consultant.

Appointment of Trustees

Trustees are appointed according to the rules set out in the Memorandum and Articles of Association. Nominations are sought from the Trustees and membership, for election to the Board of Trustees by membership at the AGM. The Board of Trustees is also permitted, by the terms of the Memorandum and Articles of Association, to co-opt PEF members to the Board of Trustees during the course of the year, as they determine. Such co-opted board appointments require the approval of the membership at the subsequent AGM.

RESERVE POLICY

The Board aims to keep available cash balances equivalent to six months' operating expenditure. With reserves of over £8 million of which some £5 million is in marketable securities a reserves policy is superfluous.

RISK MANAGEMENT

The Board adopts a cautious, risk-averse approach. The investment portfolio, which provides over three quarters' of operating income, is professionally managed with a low risk objective in mind.

AUDITORS

The auditors for 2021 were Hartley Fowler LLP. Following a review in 2020, in line with good practice, the Board has decided retain Hartley Fowler as our auditors.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00013606 (England and Wales)

Registered Charity number

212538

Registered office

5-6 Dreadnought Walk
Greenwich
London
SE10 9FP

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

The PEF is governed by a Board of Trustees, on which the following served at any time in the year ending 31st December 2021:

Dr J. Baird		appointed 14th June 2021
Dr. Sara Boutall		appointed 6th June 2019
Mr C. Glover	Honorary Treasurer	appointed 6th June 2019, resigned 14th June 2021
Dr. C. Fiaccavento	Chair of Publications	appointed 6th June 2019
Dr J Fraser		appointed 14th June 2021
Dr. L. Hulin		resigned 14th June 2021
Ms. S. Kirshner		
Prof. J MacDermot		term of office ended 30th June 2021
Dr. C. Quine	Grants Chair	appointed 6th June 2019
Mr C. A. Strine	Chairman	appointed 7th June 2018
Mr S. Sutton		reappointed 30th June 2020
Dr. M. Talbot	Honorary Secretary	appointed 14th June 2021
Dr Z Khouri Klink-Hoppe		appointed 30th June 2020
Dr J Ritzema		appointed 30th June 2020
Dr. J.Bjørnar Storfjell	Honorary Editor, PEQ	co-opted in January 2020, appointed 30th June 2020

Auditors

Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

Bankers

Bank of Scotland
PO Box 1000
BX2 1LB

Solicitors

Collins Benson, Goldhill LLP
26/28 Great Portland Street
London
W1W 8QT

Investment Managers

Sarasin & Partners LLP
Juxon House
100 St. Paul's Churchyard
London
EC4M 8BU

CCLA Fund Managers Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Palestine Exploration Fund for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the Charitable Company's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable Company. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the PEF's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

Messrs, Hartley Fowler LLP will be proposed as auditors in accordance with the provision of the Companies Act 2006.

The above report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on18/05/2022..... and signed on its behalf by:


.....
Dr. C. A. Strine - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PALESTINE EXPLORATION FUND

Opinion

We have audited the financial statements of The Palestine Exploration Fund (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PALESTINE EXPLORATION FUND

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PALESTINE EXPLORATION FUND

Our responsibilities for the audit of the financial statements

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks.

Audit approach to identifying and assessing potential risks related to irregularities

Our procedures for identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiring of management and the audit committee, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team and involving internal specialists in tax, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- Obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the company.

The key laws and regulations we considered to have a direct effect on the financial statements included the Financial Reporting Standard FRS 102 "The Financial Reporting applicable in the UK and Republic of Ireland" and the Companies Act 2006, distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The key laws and regulations we considered to have had a fundamental effect on the operations of the company was the Charities Act 2011.

Audit approach in response to identified risks

Our procedures to respond to risks identified included the following:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the entity is in compliance with such laws and regulations.- Inspecting correspondence, if any, with the relevant licensing or regulatory authorities.
- Reviewing the financial statement disclosures and test to supporting documentation to assess compliance with reporting requirements.
- Reviewing meeting minutes where available for any indication of non-compliance.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PALESTINE EXPLORATION FUND

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Through these procedures, we have not become aware of any actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements. This is particularly true for those laws and regulations far removed from transactions reflected in the financial statements. As with any audit, there remained a higher risk of non-detection of irregularities that result from fraud, due to an implied intent behind this, than from those that result from error. As stated in the audit standards, we are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Daniel Chapman (Senior Statutory Auditor)
for and on behalf of Hartley Fowler LLP
Statutory Auditors
Chartered Accountants
Pavilion View
19 New Road
Brighton
East Sussex
BN1 1EY

Date: 1st June 2022

THE PALESTINE EXPLORATION FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies		3,861	59,913
Charitable activities			
General		47,057	3,000
Other trading activities	3	47,252	53,605
Investment income	4	146,395	152,152
Total		<u>244,565</u>	<u>268,670</u>
EXPENDITURE ON			
Charitable activities	5		
Expenditure on charitable activities		202,935	210,626
Net gains on investments		367,337	287,453
NET INCOME		<u>408,967</u>	<u>345,497</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		8,499,091	8,153,594
TOTAL FUNDS CARRIED FORWARD		<u><u>8,908,058</u></u>	<u><u>8,499,091</u></u>

The notes form part of these financial statements

THE PALESTINE EXPLORATION FUND

STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2021

		2021 Unrestricted funds £	2020 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	12	3,312,944	3,335,234
Heritage assets	13	3,096	1,500
Investments	14	5,405,454	5,032,831
		<u>8,721,494</u>	<u>8,369,565</u>
CURRENT ASSETS			
Stocks	15	1,244	1,252
Debtors	16	18,550	14,195
Cash at bank and in hand		210,202	151,527
		<u>229,996</u>	<u>166,974</u>
CREDITORS			
Amounts falling due within one year	17	(43,432)	(37,448)
NET CURRENT ASSETS		<u>186,564</u>	<u>129,526</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,908,058</u>	<u>8,499,091</u>
NET ASSETS		<u>8,908,058</u>	<u>8,499,091</u>
FUNDS	18		
Unrestricted funds:			
General fund		8,634,947	8,248,197
Reverend LEC Evans Will Trust Fund		218,505	194,133
Property Management Fund		6,759	6,759
Collection Conservation Fund		40,000	40,000
Digital Strategies Fund		7,845	10,000
Share Capital		2	2
		<u>8,908,058</u>	<u>8,499,091</u>
TOTAL FUNDS		<u>8,908,058</u>	<u>8,499,091</u>

The notes form part of these financial statements

THE PALESTINE EXPLORATION FUND

STATEMENT OF FINANCIAL POSITION - continued 31 DECEMBER 2021

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

The financial statements were approved by the Board of Trustees and authorised for issue on 18th May 2022 and were signed on its behalf by:



Dr M H Talbot - Trustee



Dr. C.A. Strine - Trustee

The notes form part of these financial statements

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. STATUS OF THE PEF

The PEF was incorporated in 1879 as a limited liability company and any liability of the members in the event of winding-up or dissolution of the PEF is limited to the amount of the uncalled issue share capital. The PEF is registered as a charity and as such is not liable to taxation on its income provided this is fully applied to the furtherance of its objectives.

STATUTORY INFORMATION

The PEF is a private company limited by shares, registered in England and Wales. The company's registered number is 00013606 and its registered office address can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the PEF, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the pound sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the PEF:

- a) has entitlement to the funds,
- b) it is probable that the income will be received and
- c) the amount can be measured reliably.

Income from donations and legacies is only recognised when the PEF has unconditional entitlement to the resources and can be measured reliably. Gift aid thereon is recognised when notification of entitlement is received from HMRC.

Income from royalties received on previously published works is recognised in the period to which the royalties relate.

Income from membership subscriptions is recognised on a straight line basis over the period to which the membership relates.

Interest is recognised when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PEF to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Long Leasehold Property	-	Straight line over 900 years
Fixtures and fittings	-	10% on cost
Computer equipment	-	33% on cost

Tangible fixed assets are stated at cost less accumulated depreciation less accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended by management.

At each date of the Statement of Financial Position, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Heritage assets

Heritage assets are only recognised in the Statement of Financial Position if the cost can be measured reliably.

Heritage assets that are recognised at cost are considered to have indefinite lives and therefore are not depreciated.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The PEF is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The unrestricted funds in the financial statements all relate to charitable activities.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor, when funds are raised for a particular restricted purpose or from the donation of assets which have restrictions placed on their use.

Pension costs and other post-retirement benefits

The PEF operates a defined contribution pension scheme. Contributions payable to the PEF's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Government grants in the form of Covid-19 Small Business Support are recognised as revenue grants in accordance with the performance model under Financial Reporting Standard 102 as follows.

Grants received from the local authority in respect of small business rates relief where the local authority has established the entities eligibility to the grant are recognised immediately in the Statement of Financial Activity.

Fixed asset investments

Fixed asset investments are held at fair value with any movement being charged to the Statement of Financial Activity.

Impairment

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each statement of financial position date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivables or payables within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities in charitable activities.

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Subscriptions	10,864	10,880
Royalty income and book sales	35,578	40,125
Reproduction fees - photos	810	2,600
	<u>47,252</u>	<u>53,605</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	146,369	152,120
Investment interest	6	12
Deposit account interest	20	20
	<u>146,395</u>	<u>152,152</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Expenditure on charitable activities	<u>54,474</u>	<u>10,894</u>	<u>137,567</u>	<u>202,935</u>

For details of recipients of grants funding of charitable activities please see the 'Grantmaking' section of the Report of the Trustees.

6. GRANTS PAYABLE

	2021	2020
	£	£
Expenditure on charitable activities	<u>10,894</u>	<u>15,944</u>

The total grants paid to individuals during the year was as follows:

	2021	2020
	£	£
J.M Ross	3,000	-
P.Davies Award	1,200	-
Research grants	8,350	-
	<u>12,550</u>	<u>-</u>

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

6. GRANTS PAYABLE - continued

Activity/Project	Grants to institutions £	Grants to individuals £	Total £
Research and publication	-	10,894	10,894
Total	-	10,894	10,894

For details of recipients of grants please see the Report of the Trustees.

7. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Expenditure on charitable activities	129,579	698	7,290	137,567

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

Management

	2021 Expenditure on charitable activities £	2020 Total activities £
Wages	27,529	23,738
Rates	1,970	2,728
Insurance	10,444	13,070
Light and heat	6,619	8,228
Telephone and postage	1,036	1,981
Stationery and printing	540	238
Advertising	200	1,515
Sundries	577	393
Repairs and maintenance	18,477	18,497
Legal and professional	15,929	16,175
Other labour costs	1,425	3,323
Computer repairs and maintenance	9,368	6,527
Property management services	11,020	8,684
Depreciation of tangible and heritage assets	24,445	27,665
	129,579	132,762

Finance

	2021 Expenditure on charitable activities £	2020 Total activities £
Bank charges	698	726

THE PALESTINE EXPLORATION FUND**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****7. SUPPORT COSTS - continued
Governance costs**

	2021 Expenditure on charitable activities £	2020 Total activities £
Auditors' remuneration	<u>7,290</u>	<u>6,120</u>

8. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Auditors' remuneration	7,290	6,120
Depreciation - owned assets	<u>24,445</u>	<u>27,665</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

During the year travel expenses were reimbursed to 1 trustee (2020: 3 trustees) in relation to their attendance at meetings and conferences. Travel expenses reimbursed to trustees during the year totalled £695 (2020: £604).

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	72,286	69,698
Other pension costs	<u>3,182</u>	<u>3,343</u>
	<u>75,468</u>	<u>73,041</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Direct charitable activity	1	1
Administration of activity	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	59,913
Charitable activities	
General	3,000
Other trading activities	53,605
Investment income	152,152
Total	268,670
EXPENDITURE ON	
Charitable activities	
Expenditure on charitable activities	210,626
Net gains on investments	287,453
NET INCOME	345,497
RECONCILIATION OF FUNDS	
Total funds brought forward	8,153,594
TOTAL FUNDS CARRIED FORWARD	8,499,091

12. TANGIBLE FIXED ASSETS

	Long Leasehold Property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2021	3,198,728	196,673	20,127	3,415,528
Additions	-	-	2,155	2,155
At 31 December 2021	3,198,728	196,673	22,282	3,417,683
DEPRECIATION				
At 1 January 2021	7,998	55,315	16,981	80,294
Charge for year	3,554	19,021	1,870	24,445
At 31 December 2021	11,552	74,336	18,851	104,739
NET BOOK VALUE				
At 31 December 2021	3,187,176	122,337	3,431	3,312,944
At 31 December 2020	3,190,730	141,358	3,146	3,335,234

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

13. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 January 2021	1,500
Additions	1,596
	<u>3,096</u>
At 31 December 2021	
NET BOOK VALUE	
At 31 December 2021	<u>3,096</u>
At 31 December 2020	<u>1,500</u>

The PEF owns heritage assets that include a collection of over 6,000 objects including an archeological collection, books, documents, photographs, maps and watercolours, that were either excavated by the charity between the 1860s to the 1930s or donated to the charity.

For the purposes of obtaining sufficient insurance cover a valuation was undertaken during 2019 by the auctioneers Lyon & Turnbull with the total collection having an estimated value of £3,230,780. However, being an estimate with limited active market data available, it is difficult to ascertain the likelihood that, if sold, any asset would achieve its respective valued amount.

As such, information on the cost or value of the assets cannot be obtained at a cost which is commensurate with the benefits to users of the financial statements and therefore such heritage assets are not recognised in the Statement of Financial Position.

The PEF also owns heritage assets of a similar nature to the above, but which were purchased using charity funds. These are recognised on the Statement of Financial Position at cost as per the table above.

	2021 £	2020 £	2019 £	2018 £	2017 £
Total purchases	<u>1,596</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2021	5,032,831
Additions	2,505,286
Disposals	(2,296,805)
Revaluations	164,142
	<u>5,405,454</u>
At 31 December 2021	
NET BOOK VALUE	
At 31 December 2021	<u>5,405,454</u>
At 31 December 2020	<u>5,032,831</u>

There were no investment assets outside the UK.

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

14. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 December 2021 is represented by:

	Listed investments
Valuation in 2021	£
Cost	645,866
	4,759,588
	<u>5,405,454</u>

The PEF's investment portfolios are independently managed by professional investment managers appointed by the Trustees.

15. STOCKS

	2021	2020
	£	£
Monograph and book stocks	<u>1,244</u>	<u>1,252</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other debtors	3,799	8,201
Accrued income	6,000	-
Prepayments	<u>8,751</u>	<u>5,994</u>
	<u>18,550</u>	<u>14,195</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other creditors	22,181	16,724
Grants payable	13,188	14,844
Accruals and deferred income	<u>8,063</u>	<u>5,880</u>
	<u>43,432</u>	<u>37,448</u>

18. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	Transfers between funds	At 31/12/21
	£	£	£	£
Unrestricted funds				
General fund	8,248,197	384,595	2,155	8,634,947
Reverend LEC Evans Will Trust Fund	194,133	24,372	-	218,505
Property Management Fund	6,759	-	-	6,759
Collection Conservation Fund	40,000	-	-	40,000
Digital Strategies Fund	10,000	-	(2,155)	7,845
Share Capital	2	-	-	2
	<u>8,499,091</u>	<u>408,967</u>	<u>-</u>	<u>8,908,058</u>
TOTAL FUNDS	<u>8,499,091</u>	<u>408,967</u>	<u>-</u>	<u>8,908,058</u>

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	244,565	(202,935)	342,965	384,595
Reverend LEC Evans Will Trust Fund	-	-	24,372	24,372
	<u>244,565</u>	<u>(202,935)</u>	<u>367,337</u>	<u>408,967</u>
TOTAL FUNDS	<u>244,565</u>	<u>(202,935)</u>	<u>367,337</u>	<u>408,967</u>

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	7,963,950	334,247	(50,000)	8,248,197
Reverend LEC Evans Will Trust Fund	182,883	11,250	-	194,133
Property Management Fund	6,759	-	-	6,759
Collection Conservation Fund	-	-	40,000	40,000
Digital Strategies Fund	-	-	10,000	10,000
Share Capital	2	-	-	2
	<u>8,153,594</u>	<u>345,497</u>	<u>-</u>	<u>8,499,091</u>
TOTAL FUNDS	<u>8,153,594</u>	<u>345,497</u>	<u>-</u>	<u>8,499,091</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	268,670	(210,626)	276,203	334,247
Reverend LEC Evans Will Trust Fund	-	-	11,250	11,250
	<u>268,670</u>	<u>(210,626)</u>	<u>287,453</u>	<u>345,497</u>
TOTAL FUNDS	<u>268,670</u>	<u>(210,626)</u>	<u>287,453</u>	<u>345,497</u>

THE PALESTINE EXPLORATION FUND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	7,963,950	718,842	(47,845)	8,634,947
Reverend LEC Evans Will Trust Fund	182,883	35,622	-	218,505
Property Management Fund	6,759	-	-	6,759
Collection Conservation Fund	-	-	40,000	40,000
Digital Strategies Fund	-	-	7,845	7,845
Share Capital	2	-	-	2
	<u>8,153,594</u>	<u>754,464</u>	<u>-</u>	<u>8,908,058</u>
TOTAL FUNDS	<u>8,153,594</u>	<u>754,464</u>	<u>-</u>	<u>8,908,058</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	513,235	(413,561)	619,168	718,842
Reverend LEC Evans Will Trust Fund	-	-	35,622	35,622
	<u>513,235</u>	<u>(413,561)</u>	<u>654,790</u>	<u>754,464</u>
TOTAL FUNDS	<u>513,235</u>	<u>(413,561)</u>	<u>654,790</u>	<u>754,464</u>

Last year, £50,000 of legacy income was received and has been designated by the trustees into the following funds: £10,000 to Digital Strategies Fund and £40,000 to Collection Conservation Fund.

This year, £2,155 was used from the Digital Strategies Fund for the purchase of computer equipment.

19. RELATED PARTY DISCLOSURES

Other than trustees expenses detailed in note 9, there are no other related party transactions for the year ended 31 December 2021.

20. ULTIMATE CONTROLLING PARTY

The PEF is controlled by its Board of Trustees.

THE PALESTINE EXPLORATION FUND**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021****21. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
281	Ordinary Shares	£0.01	<u>2</u>	<u>2</u>

No dividends can be paid to shareholders.

THE PALESTINE EXPLORATION FUND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations and sundry income	1,792	7,227
Gift aid	2,069	1,068
Legacies	-	51,618
	<u>3,861</u>	<u>59,913</u>
Other trading activities		
Subscriptions	10,864	10,880
Royalty income and book sales	35,578	40,125
Reproduction fees - photos	810	2,600
	<u>47,252</u>	<u>53,605</u>
Investment income		
Investment income	146,369	152,120
Investment interest	6	12
Deposit account interest	20	20
	<u>146,395</u>	<u>152,152</u>
Charitable activities		
Government grants	47,057	3,000
Total incoming resources	<u>244,565</u>	<u>268,670</u>
EXPENDITURE		
Charitable activities		
Chief Executive Salary and National Insurance	44,757	45,960
Pensions	3,182	3,343
Quarterly production cost	1,603	1,350
Lecture and exhibition expenses	183	215
Library expenses	1,782	2,551
Archives conservation expenses	2,272	1,142
Officers Expenses	695	513
Grants to individuals	10,894	15,944
	<u>65,368</u>	<u>71,018</u>
Support costs		
Management		
Wages	27,529	23,738
Rates	1,970	2,728
Insurance	10,444	13,070
Light and heat	6,619	8,228
Telephone and postage	1,036	1,981
Stationery and printing	540	238
Advertising	200	1,515
Carried forward	48,338	51,498

This page does not form part of the statutory financial statements

THE PALESTINE EXPLORATION FUND**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Management		
Brought forward	48,338	51,498
Sundries	577	393
Repairs and maintenance	18,477	18,497
Legal and professional	15,929	16,175
Other labour costs	1,425	3,323
Computer repairs and maintenance	9,368	6,527
Property management services	11,020	8,684
Depn of long leasehold	3,554	3,554
Depn of fixtures & fittings	19,021	18,503
Depn of computer equipment	1,870	5,608
	<u>129,579</u>	<u>132,762</u>
Finance		
Bank charges	698	726
Governance costs		
Auditors' remuneration	7,290	6,120
	<u>202,935</u>	<u>210,626</u>
Total resources expended		
Net income before gains and losses	41,630	58,044
Gains/(losses) on investments		
Net gains/(losses) on investments	164,142	287,453
Gain/loss on sale of investments	203,195	-
	<u>408,967</u>	<u>345,497</u>
Net income		

