

**WESSEX ARCHAEOLOGY LIMITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**REGISTERED COMPANY NUMBER: 01712772 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 287786**

**WESSEX ARCHAEOLOGY LIMITED**

**CONTENTS**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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	<b>Page</b>
Executive Summary and Chair's Report	1
Trustees' Report (incorporating the Strategic Report)	3
Independent Auditor's Report	17
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Financial Statements	23

# **WESSEX ARCHAEOLOGY LIMITED**

## **EXECUTIVE SUMMARY AND CHAIR'S REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Executive Summary**

Wessex Archaeology Limited is a charity and a company limited by guarantee. Its aims are the advancement of education, the arts, culture, heritage and science. Beginning as a charitable trust in 1979 and becoming a company in 1983, the Charitable Company derives most of its income from its primary purpose of trading in the provision of professional heritage services to businesses and government organisations throughout the UK and internationally. In addition to the public benefit delivered directly by these activities, the surplus generated is invested in educational and community engagement initiatives.

The Charitable Company serves its clients by deploying a unique range of technical, interpretative, advisory and public engagement capabilities and is recognised as a leader in innovation and high-quality service provision.

The Charitable Company operates from its headquarters in Salisbury, where it has been based for 38 years and maintains regional offices in Edinburgh, Sheffield, Meopham (Kent) and Bristol. During the financial year 2021/22 it generated an annual income of £22.6million and employed an average of 363 staff.

Wessex Archaeology Limited owns a 100% trading subsidiary, Wessex Archaeology Ventures Limited, which in turn has a 100% owned a private company, Trident WA GmbH, registered in Rostock Germany. Since January 2020 Trident WA GmbH has been trading as Trident Archäologie and in January 2022 began offering services from its branch office in Rotterdam in the Netherlands. The three companies are collectively referred to as the "Group" throughout this report.

#### **Chair's Report**

The 2021-22 Financial Year presented many of the same challenges of the previous year and the organisation responded with characteristic resilience, maintaining a flexible but conscientious response to the continuing COVID-19 pandemic. The board and the executive again worked together to prioritise the safety of staff, colleagues, and the public. The organisation maintained its COVID-secure working arrangements and continued to experience very low levels of internal transmission. However, for the first-time, operations were noticeably affected by increased absenteeism due to the virus.

As Public Health regulations were relaxed, the Business Continuity Team met on a weekly basis (until 31<sup>st</sup> May 2022) to maintain established good practice and compliance with Health and Safety regulations. In the later part of the year, and in response to falling risks and increasing staff confidence, a staged relaxation of infection control arrangements was implemented. Policy updates were communicated regularly to employees and the organisation's use of the JRS (Job Retention Scheme) was phased out. The Trustees received quarterly updates on the company's position and its management of the situation.

As commercial activity continued to grow, the Board of Trustees and the executive worked closely to manage the risks associated with the increasing scope and value of projects and the executive team implemented changes to the management structure to take account of opportunities created by the A303 Stonehenge Tunnel Project. These developments proved successful, and the organisation continued to enjoy steady growth in activity and good surpluses. Turnover grew by over 6.6% to £22.7M and the charity produced a surplus of £0.9M (4.0%).

Income from large infrastructure projects remained the mainstay of the organisation's cashflow with COVID era payment behaviour, coupled with close attention to debtor accounts supporting a strong cash position.

Throughout the year investments were made in vehicles, survey equipment, IT infrastructure, staff training, improved management support and business development. Investments in design and legal services and significant capital commitments were also made to support the development of processing facilities for the A303 Stonehenge Tunnel Project.

The Charity's Reserves grew by £0.9m to £7.1m which is comfortably within the bounds set by the Reserves Policy. To preserve the value of reserves against inflation the Board of Trustees agreed an investment policy and appointed a firm of investment advisors to propose a scheme aligned with the organisation's values and ethical position.

The Board of Trustees and the Board of Wessex Archaeology Ventures Limited had previously approved the establishment of a branch office of Trident Archäologie to be located in the Netherlands and the successful accreditation of the business by the Dutch regulators in January 2022 generated new tendering opportunities and two successful commissions for the forthcoming financial year. The Group also continued to receive invitations to tender for work around the world and undertook work in West Africa in association with the University of Cambridge. A pilot project, undertaken as part of the group's strategic alignment with Extent Heritage in Australia, also proved successful and attracted further joint tender invitations from the Australian offshore wind sector.

During the year the Group benefitted from deferring the March 2020 VAT payment for one year. HMRC was fully reimbursed over the 10 months commencing April 2021.

Investment in major infrastructure and renewable energy projects continued to provide a significant proportion of income. Collaboration with various sector partners helped to maintain an adequate supply of skilled field staff and an agreement to form a joint bidding consortium with MOLA for post excavation and analysis work was designed to ensure capacity for these longer-term projects.

Despite active and successful recruitment, increasing activity in the market meant a demanding year for our staff who continued to work flexibly, blending home working, COVID-secure away working and a gradual return to office attendance. Our HR team, the management team and the Prospect union collaborated to continue to provide wellbeing support and development opportunities. The positive impact of our first cohort of Leadership and Management apprentices was noted and an online resource signposting staff to learning resources was also well received. The Board of Trustees recognised the very significant achievements made by staff in recent years and strongly supported improvements in pay and conditions.

Our capabilities in digital engagement techniques, developed in response to recent restrictions, attracted interest from both our traditional and new clients. Income from Community and Engagement activities rose to £1.1m and a commission from National Trust to create our first long-form documentary will provide a high-profile opportunity to demonstrate our live action and animated video production skills.

It is becoming clear that the inflationary effects of the war in Ukraine may have a significant impact on the UK Economy and new leadership has brought changes in government policy, however, current governmental commitments to regional development and to drive economic recovery through infrastructure investment and support for the housing sector continue to offer the prospect of strong demand. The organisational resilience developed during the pandemic and recent success in income and geographical diversification provide continued reassurance for the long-term sustainability of the organisation.

## **WESSEX ARCHAEOLOGY LIMITED**

### **TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their report and the audited financial statements for the year ended 31 March 2022.

The Trustees' Report incorporates the Directors' Report and Strategic Report required by company law. The sections Achievements and Performance, Future Plans and Financial Review comprise the Strategic Report.

#### **Objectives and Activities**

The objects for which the Charitable Company is established are to derive public benefit through:

- the advancement of education; and
- the advancement of the arts, culture, heritage and science.

Which the Charitable Company seeks to achieve by adhering to its core values of:

- Authenticity and Ethics
- Customer Focus
- Applied Knowledge
- Reliability and Resilience
- Communicating Passion
- Collaborative Behaviour
- Innovative Thinking

#### **Mission**

To stimulate positive change in society both through the excellence of the services it supplies to its clients and the quality of the information it shares with its beneficiaries.

#### **Vision**

Our vision is to create a universal appreciation of the value of cultural heritage. We want everyone to understand and appreciate the value of heritage for its social, economic and cultural benefits. By creating knowledge and understanding about the past, and by engaging a wide audience, we will help bring the past into the present, where its value can be understood and appreciated as cultural heritage. We want to highlight and articulate the contribution that cultural heritage can make to sustainability.

In working to achieve this, we recognise our dual responsibility to our clients and the public interest:

Our offer to our clients is summarised as, "Complex problems creatively solved." - We investigate, record, interpret and communicate the value of cultural heritage found below ground, above ground, and underwater. Our team of specialists use innovative combinations of techniques to deliver sustainable solutions which create value for our clients, the historic environment, and the needs of communities.

The aim of our work within the wider community is, "Enriching lives through heritage." - We share the results of our work widely and with a diverse audience, using archaeology to educate the public in science, the arts, culture, and heritage. We leave a positive legacy of social cohesion and wellbeing within local communities, through sharing knowledge, developing skills and promoting sustainability.

#### **Strategic Goals**

We have a three-pillared strategic framework to guide our work towards achieving our vision over the coming decade.

- Maximising Public Benefit: Strengthening our ability to deliver meaningful public engagement.
- Developing Our People: Ensuring our staff are happy, fulfilled and progress.
- Building a Sustainable Business: Delivering high quality professional services that are a sustainable solution to managing heritage risk.

#### **Public Benefit**

Cultural heritage contributes to a sense of place, to community identity and an enhanced appreciation of the environment in which we live. It is both tangible and intangible: contributing to social capital and making our communities more self-

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

reliant and dynamic. Our work delivers public benefit by enhancing social inclusion and cohesion, promoting cultural diversity and contributing to social, physical and economic regeneration.

We continue to invest in new ways to promote an appreciation of cultural heritage and to assist the public in deriving appreciable social value from historic environment resources. We focus on education, community, technology, inclusion and wellbeing and we work to prioritise underserved sections of society.

The beneficiaries of our work encompass a wide spectrum of communities and groups across the UK and beyond. In addition to the organisations or individuals who commission the work, beneficiaries include: fellow heritage professionals; individuals using publications and digital resources; local communities; special interest groups; teachers and students in all sectors of education; disadvantaged groups such as individuals who experience a higher risk of poverty, social exclusion, discrimination or violence than the general population, including, but not limited to, ethnic minorities, migrants, people with disabilities, isolated elderly people and children.

The Trustees confirm that they have had due regard to the Charity Commission guidance on public benefit.

**Achievements and Performance**

**Maximising Public Benefit**

	Our 2021-22 ambition	Our achievements
<b>EDUCATION</b> Deliver our findings to the public in engaging, informative and accessible formats, free of charge.	Invest in a new dissemination platform.	Procured and provisioned the Janeway open-source publishing platform to support open access to reports and publications.  Inaugurated an internal Data Leadership Group to identify our Digital Vision and Data Strategy for the future.  12 articles published in national and local journals, plus a fact-based fictional comic book. Research collaborations included DNA / Human Bone projects led by Harvard University and the Crick Institute.  We supported PhD students from Universities of Bournemouth, Southampton, Sheffield, Cardiff, and York.  We supported staff serving as committee members of ClfA special interest groups, national finds research groups and HE regional workshops for research frameworks.
<b>COMMUNITY</b> Deliver sector-leading community engagement activities to serve the broadest and most diverse audience possible and leave a meaningful legacy.  Become a social prescribing provider in heritage services to promote health, wellbeing	Through a Heritage and Wellbeing Working Group, work in partnership with heritage sector bodies to raise awareness and improve the evidence of the social value of engagement with heritage.  Deliver Year 1 Well City Salisbury Project programmes and evaluate their efficacy.	Delivered Year 1 of Well City Salisbury. The partnership delivered 7 courses overall with 57 participants with mental health needs. The course participants were supported in developing skills in their personal journeys underpinned by the 5 Ways to Wellbeing.  The project was also featured in the report, Creatively Minded and

and social welfare for underserved groups.		Heritage: Creativity & mental health activity in heritage settings. This was published by The Baring Foundation.
<b>TECHNOLOGY</b> Increase our engagement on media channels and technical platforms.	<p>Develop a collaborative platform on which to consolidate the output of not-for-profit organisations.</p> <p>Continue to develop our 3D VR capability to populate heritage settings with characters to support interpretation.</p> <p>Launch our own TikTok social media channel to reach a younger digital audience.</p>	<p>Funded a cross-sectoral programme of developmental workshops to establish the basis for a consolidated video platform.</p> <p>Developed two forms of VR experiences. Based on survey data (Bath Abbey) and built from evidence (Westbury Bronze Age Settlement). Initially developed as proof of concept both examples were later sold for museum settings.</p> <p>Developed Universal Character Rigging System, to create a wide range of repurposable 3D people, and started creating historically accurate animals. Every object/character is added to our assets library to speed up/reduce future VR costs.</p> <p>Our TikTok channel has 1036 followers and received 4192 likes. Data indicates the channel increased/diversified attendance at online events, partner engagement and YouTube subscriptions.</p>
<b>INCLUSION</b> Challenge inherent bias and continue to target and engage underserved groups.	<p>Launch an internal fund to enable staff from across the company to deliver public benefit heritage engagement projects that have access and inclusion at the core.</p> <p>Continue to develop a pilot programme for young people at risk of offending in partnership with Historic England and Isle Heritage CIC.</p> <p>Develop our understanding of underserved communities and provision in the Sheffield region to build partnerships and opportunities for heritage engagement.</p>	<p>Magnifying Public Benefit fund launched and the first project it funded was a co-created Feel-Good Pack for people suffering with feelings of isolation or loneliness. This was undertaken in collaboration with Pound Arts and staff were asked to contribute ideas for heritage themed activities.</p> <p>The second project funded was a pilot called Project Rejuvenate in partnership with Wiltshire Wildlife Trust and a local school providing sessions for young people who have difficulties engaging at school.</p> <p>Launched Dig In Café in Salisbury Art Centre - a monthly wellbeing café for people in the local community aimed at anyone curious about archaeology and heritage.</p> <p>We also work with local communities in Sheffield via Community Network and Connecting Project – there are monthly sessions with MIND, with Sheffield Age UK and Yorkshire Accessible Museums network.</p>

Developing Our People

	Our 2021-22 ambition	Our achievements
Develop our Health, Safety and Environmental Management systems, seeking and maintaining accreditations.	<p>We will gain ISO 45001 Health and Safety accreditation.</p> <p>We will continue to develop a close working relationship with the operational teams ensuring that we deliver an OHS process focussed on:</p> <ol style="list-style-type: none"> <li>1. OHS Culture and development</li> <li>2. H&amp;S systems management</li> <li>3. Proactive OH&amp;S monitoring</li> <li>4. Reactive OH&amp;S monitoring</li> <li>5. Training and Development</li> </ol>	<p>Mapped the ISO 45001 Health and Safety Management systems and booked in for ISO Audits in 2022/23.</p> <p>Refreshed the OHS objectives to:</p> <ul style="list-style-type: none"> <li>• Implementing an OH&amp;S Management system that is confirmed as being commensurate with ISO 45001.</li> <li>• Emerging from the Coronavirus pandemic with a supportive health and safety culture where staff well-being continues to be valued.</li> <li>• Ensuring we meet the health and safety expectations of clients on all sizes and types of projects.</li> </ul> <p>The focus of the OHS team was to continue to manage the H&amp;S response to the coronavirus and help ensure safe systems of work in line with government guidance.</p>
Streamline our Human Resources functions.	<p>We will recruit into the HR team, to develop the capacity and capability of the HR function to influence, steer, and implement a people strategy which aligns capabilities across the whole organisation.</p>	<p>Successfully recruited a junior supervisor role into the HR team to increase capacity.</p> <p>Successfully used the Visa Sponsorship route to alter 2 internal student visas to skilled workers.</p> <p>Processed 51 new job roles, attracted 946 applicants and resulted in 144 new starters.</p>
Increase the wellbeing of our staff.	<p>We will continue to develop the implementation of our Wellbeing Strategy.</p> <p>We will deliver Mental Health Awareness training to all staff and improve our sign posting to assistance via our trained mental health first aiders.</p> <p>We will review our employee benefit offering and establish opportunities for improvement.</p>	<p>Implemented Wellbeing Hub page with links to resources on mental and physical wellbeing</p> <p>Established improved access to employee support and external counselling services.</p> <p>Added 5 days carers leave and increased Paternity Pay to 2 weeks paid.</p>
Extend our staff development capabilities by progressing our training and career support functions.	<p>We will continue to progress our staff training and development opportunities.</p> <p>We will implement an ILM accredited Leadership &amp; Management development programmes for junior and middle managers and implement Personal Development Plans for all staff.</p>	<p>Developing People Strategy published internally - focussed on</p> <ul style="list-style-type: none"> <li>• Increasing Diversity</li> <li>• Promoting Development</li> <li>• Improving Line Management and Leadership</li> </ul> <p>Launched two ILM leadership and Management apprenticeship programmes:</p>



		<p>Level 3 – Excelling in Team Leadership Level 5 – Excelling in operational Management</p> <p>Created a job specification for a Level 3 Archaeologist Apprenticeship and successfully recruited 4 people.</p>
Engage staff with our values and define our culture.	<p>We will undertake a periodic staff survey to gain feedback, understand what really matters to our people and inform our plans for improvement. We will improve engagement through better internal communications and collaboration.</p>	<p>An Equality Diversity and Inclusivity survey was carried out in November 2021 which targeted individual profiles, experiences of working at Wessex Archaeology and social mobility. Reports were published to all staff, and the outcomes informed the Developing People Strategy to increase diversity, equality, and inclusivity in the organisation. The survey was a collaborative effort between the HR Director, Prospect representatives and a member of the Engagement team.</p>

#### Building a Sustainable Business

	Our ambition	What we achieved
Digital	<p>Continue to implement our Information Technology Development Plan focussing on</p> <ul style="list-style-type: none"> <li>• Security</li> <li>• Infrastructure and storage</li> <li>• Integrated Communications</li> <li>• Digital Recording and</li> <li>• Knowledge Management</li> </ul>	<p>Maintained and improved security performance in compliance with Cyber Essentials. Improved Firewall / perimeter security and upgraded backup server capacity. Cyber essential certification achieved Early "out of print" Wessex Archaeology monographs scanned and made available for internal access. Configured and tested Janeway e-publishing platform. Consulted on a digital video platform.</p>
Services	<p>Develop an integrated suite of innovative archaeological and historic environment management services that ensure that we deliver a high-quality solution.</p>	<p>Delivered over £22M of integrated data collection, research, dissemination, and community engagement services to commercial clients.</p> <p>Enhanced Project/Contract Management capabilities.</p> <p>Developed Sustainability Strategy including a commitment to a Net Zero target of 2030.</p>
Diversification	<p>Continue to diversify revenue streams into related areas to enhance our public benefit capability.</p>	<p>Trident WA GmbH successfully gained accreditation to practice in Netherlands.</p> <p>Delivered £1.1m of developer funded community engagement services.</p> <p>Successfully attracted grant funding to deliver the Well City and Rejuvenate projects.</p>
Reach and Influence	<p>Increase our national and international reach, through developing new and existing partnerships, refining our</p>	<p>Engaged with sector bodies and delivery partners to improve public appreciation of cultural heritage. Sponsored the CBA Festival of Archaeology and Archaeology Awards.</p>

**WESSEX ARCHAEOLOGY LIMITED**

**TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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	international offering and proactively seeking global opportunities.	<p>Successfully delivered archaeological assessment work in West Africa.</p> <p>Successfully delivered a pilot marine archaeological assessment and interpretation project in association with Extent Archaeology and the Gunditj Mirring Traditional Owners Aboriginal Corporation.</p>
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TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Our Plans for the Future

Maximising Public Benefit

Our 2022-23 ambition	What we will do
<b>EDUCATION</b> Deliver our findings to the public in engaging, informative and accessible formats, free of charge.	Experiment with new digital dissemination platforms for <ul style="list-style-type: none"> <li>Digital Video</li> <li>Research Outcomes</li> </ul>
<b>COMMUNITY</b> Deliver sector-leading community engagement activities to serve the broadest and most diverse audience possible and leave a meaningful legacy.  Become an established social prescribing provider in heritage services to promote health, wellbeing and social welfare for underserved groups  Demonstrate verifiable impact metrics for our wellbeing services.	Through a Heritage and Wellbeing Working Group, work in partnership with heritage sector bodies to raise awareness and improve the evidence of the social value of engagement with heritage.  Develop community links and programmes with partners in Sheffield. Social Prescribing - deliver Year 2 Well City Salisbury Project programmes, evaluate their efficacy using a refined the evaluation model. Leverage our Magnifying Public Benefit Fund to support heritage themed community initiatives (Burntisland, Fife project). Submit a HLF bid for a prison project (Erlestoke). Deliver a heritage and climate themed community project in Salisbury for the Environment Agency (Ripple Effect)  Commence delivery of the Historic England funded Project Rejuvenate pilot and develop social value measures in conjunction with partners
<b>TECHNOLOGY</b> Increase our engagement on media channels and technical platforms.	Expand and deepen engagement on social media platforms.  Develop a collaborative platform on which to consolidate the output of not-for-profit organisations.  Continue to develop and widen our 3D capability to bring the past to life, to support heritage interpretation and meet learning objectives.  To develop a wider range of digital dissemination products to engage both local communities and a wider global audience.
<b>INCLUSION</b> Challenge inherent bias and continue to target and engage underserved groups.	Review and improve our use of our internal Magnifying Public Benefit fund to enable staff from across the company to deliver public benefit heritage engagement projects that have access and inclusion at the core.  Extend our work with underserved communities to other cities and build partnerships and opportunities for heritage engagement.  Continue to develop a pilot programme for young people at risk of offending in partnership with Historic England and Isle Heritage CIC.

Developing Our People

Our 2022-23 ambition	What we will do
Develop our Health, Safety, seeking and maintaining accreditations.	Implement an OH&S Management system that is continues to comply with ISO 45001. Emerging from the Coronavirus pandemic with a supportive health and safety culture where staff well-being continues to be valued. Ensuring we meet the health and safety expectations of clients on all sizes and types of projects.

TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

Streamline our Human Resources functions.	We will develop the capacity and capability of the HR function to influence, steer, and implement a people strategy which aligns capabilities across the whole organisation.
Increase the wellbeing of our staff.	We will continue to develop the implementation of our Wellbeing Strategy. We will deliver Mental Health Awareness training to all staff and improve our sign posting to assistance via our trained mental health first aiders. We will review our employee benefit offering and establish opportunities for improvement.
Extend our staff development capabilities by progressing our training and career support functions.	We will continue to progress our staff training and development opportunities. We will extend our ILM accredited Leadership & Management development programmes for junior and middle managers and implement Personal Development Plans for all staff.
Engage staff with our values and define our culture.	We will undertake a periodic staff survey to gain feedback, understand what really matters to our people and inform our plans for improvement. We will improve engagement through better internal communications and collaboration.

**Building a Sustainable Business**

<b>Our 2022-23 ambition</b>	<b>What we will do</b>
Implement our Sustainability Strategy	<p>Implement our sustainability plan for the business by establishing baseline metrics and monitoring arrangements and aligning all functions, operational practice and infrastructure with opportunities to reduce energy use and carbon emissions.</p> <p>Implement an Environmental Management System in compliance with ISO14001</p> <p>Consolidate our sustainability offer for our clients by continuing to engage with our customers and supply chain to identify further sustainability improvements and where possible share best practice.</p>
Develop our Procurement Strategy	We will continue to develop our procurement strategy to improve our supply chain and to provide our clients with assurance that our procurement is aligned with statutory as well as client requirements.
<p>Continue to implement our Information Technology Development Plan focussing on</p> <ul style="list-style-type: none"> <li>• Security</li> <li>• Infrastructure and storage</li> <li>• Integrated Communications</li> <li>• Digital Recording and Knowledge Management</li> </ul>	<p>Obtain Cyber Essentials Plus accreditation. We will maintain and improve our cyber security including improvements to web filtering and malware detection systems.</p> <p>We will complete the implementation of our data storage strategy.</p> <p>We will continue to develop our use of web-based collaboration and communications tools.</p>
Develop an integrated suite of innovative archaeological and heritage management services that ensure that we deliver a high-quality solution.	<p>We will develop our customer facing functions continue to strengthen our project management and contractual control functions to ensure greater organisational resilience</p> <p>We will work to improve our management of our supply chain and use collaborative frameworks to strengthen partnerships.</p>
Continue to diversify revenue streams into related areas to enhance our public benefit capability.	We will seek funding to experiment with the development of digital engagement and social prescribing offers.
Increase our national and international reach, through developing new and existing partnerships, refining our international offering and proactively seeking global opportunities.	Support the work of our partnership arrangements by engaging in marketing and lobbying activity to promote the broader understanding of good cultural heritage management practices.

## **WESSEX ARCHAEOLOGY LIMITED**

### **TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Financial Review**

Income for the year was £22,690,461 an increase of 6.6% over the previous year. Expenditure grew by 7.7% which resulted in a net operating profit of £896,971 with a net margin of 4.0%. which was slightly down on the previous year's £1,049,259. The total funds of the Charitable Company at 31st March 2022 were £7,115,137 (2021 - £6,218,166) of which £16,514 is restricted (Well City funding). The increased revenue was the result of income levels and surpluses ahead of forecasts derived from large infrastructure projects and strong core demand.

The Charity continues to improve its systems and to invest in equipment to improve efficiency and with significant expenditure on IT and Geosurvey technology with £490,916 (2021 - £248,533) expended on fixed assets during the year.

Working capital was supported by new finance leases totalling £279,273 (2021 - £127,088) and operating leases continued to support investment in key infrastructure and equipment to improve efficiency and the maintenance and provision of our regional offices.

Overall expenditure on salaries and benefits increased by 20.7% to £11,976,487 (2021 - £9,923,110) and this remains the largest single category of expenditure. Average headcount was 363 (2021 - 318). Salary increases were awarded in the second half of the year, in line with market conditions.

The number of Group Personal Pension Plan members at 31<sup>st</sup> March 2022 was 361 (2021 - 294) with only 4 (2021 - 6) staff opting out. The total employer's contribution for the year was £578,212 (2021 - £401,266). The Charity has worked closely with Aviva to increase the visibility of Pension Information and online Pension Management to members during the year. In Feb 2022 the company implemented a Salary Sacrifice scheme for pensions contributions to provide greater flexibility to staff in determining their lifestyle choices.

#### **Investment powers and restrictions**

The Charitable Company may invest monies not immediately required for its purposes in such investments, securities or property as it thinks fit, subject to charities and corporate law.

#### **Reserves Policy**

The Risk and Audit Committee is established as a subcommittee of the Board and comprises three serving Trustees. The Committee meets four times per year with the Chief Executive and Chief Financial Officer invited as guests.

Following a review by the Risk and Audit Committee in July 2022, the Trustees have approved the standing Reserves Policy as appropriate. Based on an assessment of cashflow demand, the cash contingency requirement was set at £1,250,000 (2021- £750,000) and the minimum reserves were set at £4.5m (2021- £3.5m). In determining the reserve level consideration was given to the level of working capital required to satisfy the expected cash flow requirements of projects. If, at any point, the Charitable Company does not have retained earnings of £4.5 million the policy requires that this position be included on the Charitable Company's Risk Register and addressed with an appropriate action plan.

Total Group net assets in the Balance Sheet as 31st March 2022 stood at £7,115,137 (an increase of £896,971) on the previous year). Unrestricted funds totalled £7,098,623 and Restricted funds £16,514. Total assets include fixed assets of £1,673,332 (2021 - £1,574,287) leaving available reserves of £5,425,291 (2021 - £4,643,879). While reserves were £0.9m in excess of the minimum reserve reserves are reviewed on a continuing basis in the light of the working capital requirements of our project workload.

Supporting strategies and activities designed to meet the Reserves Policy include marketing, productivity improvement, service development, overhead reduction initiatives and working capital optimisation. Responsibility for these is delegated to the executive. The policy is reviewed annually to balance delivery of the Charitable Company's objectives and the need to maintain the resilience of the operation in the short and long terms.

#### **Risk Management**

The Wessex Archaeology Group has both a risk management policy and a risk management procedure in place. The Risk and Audit sub-committee, formed by the Board to guide its work, met quarterly during the year and reviewed current risk management procedures. This included updates to the Risk Management Policy and Procedure, a statement of Risk Appetite and a review of the Reserves Policy. The Executive Management Team is responsible for the execution of the Risk Management Procedure and the maintenance of the Risk Register for approval by the Board. It is supported in this work by the Resilience Team which comprises the Directors with accountability for HR, H&S and Quality.

The key areas of risk identified are as follows:

**Governance Risks**

Organisational integrity and effectiveness may be impacted by:

- failure to respond to changes in legal or regulatory requirements.
- failure to be represented at Board level by relevant heritage expertise.
- failure to nominate interim postholders at executive level; and
- legal exposure arising from the management of complex commercial contracts.

Governance risks are mitigated through regular monitoring of the regulatory and operational environment and the performance of internal systems. This includes the use of external advisors and internal measures which bring potential problems to the attention of the Trustees and the management team. Reduced Board expertise is mitigated by a proactive and informed recruitment strategy. Reduced executive level oversight is mitigated by responsive delegation of powers of authority and clear documentation of roles and responsibilities.

**Operational Risks**

Operational effectiveness may be impacted by:

- a major incident / disruption to business continuity.
- failure to monitor organisational performance (finance and wellbeing).
- failure to report on major incidents (safety or environmental management) resulting in harm/reputational damage.
- poor quality of service delivery.
- failure to monitor or mitigate contractual supply chain and procurement responsibility.
- failure to recruit and/or retaining suitable staff; and
- failure of IT systems (including security).

Operational risks are mitigated by the design and maintenance of management systems which direct and document decisions made by the management team, provide performance monitoring and include responsive procedures to minimise the impact of adverse events.

**Financial Risks**

Projected financial performance may be impacted by:

- poor management of contractual terms.
- trading limited by cash flow / available credit.
- trading limited by external economic and market forces.
- failure to monitor and control income and expenditure; and
- bad debts and slow payment by significant trade debtors.
- adverse currency movements.
- poor investment performance.

Financial risks are mitigated through careful financial forward planning, the monitoring of budgets and hierarchical reporting mechanisms. The Finance team also has access to in house Quantity Surveyors as well as external financial advice and the support of legal and payment collection services.

**External Risks**

The organisational business model may be impacted by:

- a deterioration in general economic conditions.
- geopolitical instability.
- competitor growth or consolidation.
- changes in planning regulations and a continued decline in public spending.
- reduced funding of curatorial services.
- a reduced commitment to sustainability at international levels.

External Risks are mitigated by careful strategic planning and service development programmes which remain flexible and able to respond to market and regulatory change.

**Compliance Risks**

The organisation's legal, contractual, professional, reputational or ethical standing may be impacted by behaviours or performance which fall short of regulatory/stakeholder expectations, such as:

- failure to comply with law, regulations or to meet professional responsibilities.
- failure to implement/follow professional standards.
- poor client relationship management.
- poor quality control; and
- business relationships with unethical or unprofessional organisations.

Compliance risks are mitigated by continuous efforts to maintain and project a strong organisational culture. Staff are required to demonstrate and communicate the company's core values throughout their work and are empowered to challenge behaviours and potential outcomes which fall below our standards.

### **Principal Risks and Uncertainties**

These are events or circumstances which alone or in combination, pose a significant threat to the organisation's charitable aims or its status as a going concern.

**Economic Risk** – in common with many businesses, the charity is exposed to changes in the wider economy. The economic changes resulting from the government's COVID19 recovery plans, the war in Ukraine and the resulting energy crisis are yet to be fully ascertained. Inflationary impacts and staff / skills shortages are of particular concern. In mitigation the Trustees and the Executive continue to monitor economic developments closely and the Trustees have maintained their support for a series of business development and diversification strategies which seek to explore alternative income streams. The organisation continues to interact with organisations in the archaeological sector to balance demand for staff and share good practice in learning and development.

**Client Failure** – The global economic picture remains highly volatile, and failures of large-scale consulting and engineering firms continue to be a risk. The Trustees recognise that many potential client organisations may be directly or indirectly affected by such failures in the future. Impacts are controlled by close attention to the level of outstanding debt and the financial stability of all client organisations.

**Risks to People** – The organisation is dependent upon its people and turbulent times can place our team under increased personal and professional strains which can result in lowered performance, ill health, staff losses or recruitment difficulties. The Board of Trustees and the management team treat the health, safety, wellbeing and retention of our people as a priority, ensuring a safe, supportive and developmental environment.

**Regulatory Risk** – Current income streams depend upon environmental regulations and planning policy guidance. The loss of overarching legislation from the EU and the potential use of deregulation and policy change as an economic stimulant at national level pose threats to these income streams.

The Trustees and executive team maintain contacts within the heritage disciplines, across the wider environmental sector and within government. These provide insight into the potential for change and the organisation makes the most of any opportunity to influence the development of policy. Several diversification and business development strategies targeting new income streams are in progress.

### **Structure, Governance and Management**

Wessex Archaeology Limited is a registered charity and is incorporated as a company limited by guarantee and without share capital. The governing document is its updated Articles of Association, which were adopted by a special resolution on 20 March 2015. Members of the Charitable Company may vote at general meetings and their liability for its debts is limited to £10 each. At the date of this report there are currently eight members, and the maximum number is twenty.

The Charity has a trading subsidiary, Wessex Archaeology Ventures Limited which is the sole shareholder of Trident WA GmbH Germany. The Trading results of these subsidiaries have been incorporated within the Group financial statements. Wessex Archaeology Ventures Limited also agreed to close its US trading partnership, CEWA Inc. of Delaware, USA in July 2021

On appointment, all Directors of the Company also become Trustees of the Charitable Company. The procedure for appointment of the Directors and Trustees is described in the Charitable Company's Articles of Association. Trustees are appointed by the Board of Directors. New Trustees spend time at one of the Charitable Company's offices at the beginning of their appointment. Their induction day includes meetings with the Charitable Company's Chief Executive Officer and with the Chairman of Trustees. The induction process is designed to familiarise new Trustees with the work of the Charitable Company and its aims and objectives. Further training and awareness-raising is provided by the Trustees, Chief Executive Officer, and Principal Officers as appropriate.

## **WESSEX ARCHAEOLOGY LIMITED**

### **TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees are responsible for the overall strategic direction and policy objectives of the Charitable Company. Day-to-day management is delegated to the Chief Executive Officer and the other Principal Officers.

The Charitable Company maintains partnership working relationships with a range of charitable and commercial enterprises in the archaeological sector and in related fields. The Trustees are satisfied that these relationships serve to further the charitable aims.

The Trustees have reviewed the events or actions which would adversely affect the Charitable Company's ability to achieve its stated charitable objects or its legal obligations. The Trustees have also implemented a risk management system based on Charity Commission guidance. They are satisfied that the major risks have been identified and that suitable measures are in place to monitor the possible occurrence of these risks and to avoid or, if necessary, to mitigate their effects.

#### **Pay policy for senior staff**

The Board of Trustees and the Executive Management Team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. Except for the Chief Executive, who is remunerated, all Trustees give their time freely and no director received remuneration in the year. Details of remuneration of the Chief Executive, Trustees' expenses and related party transactions are disclosed in notes 6 and 15 to the Financial Statements.

The pay of the Executive Management Team and all staff is reviewed annually and is increased in line with a minimum level set by the Remuneration Committee. In view of the nature of the charity, the Trustees benchmark pay awards against pay levels in other charities.

#### **Inclusive employment Policies**

Wessex Archaeology welcomes applications for employment from all prospective employees regardless of gender, race, belief or disability. We aim to actively promote equality of opportunity and maximise the abilities, skills and experience of all employees, to ensure that management practices are inclusive.

#### **Employee information**

Wessex Archaeology places great importance on ensuring that employees are regularly updated and have appropriate opportunities to engage with senior management. A staff newsletter is circulated to all offices and by email and all staff are provided with an account on an internal social network. A Staff Forum meeting is convened on a quarterly basis which is attended by staff representatives, the Prospect Union and a member of the Executive Management Team.

#### **Gender Pay information**

As an organisation of over 250 employees, Wessex Archaeology is required to monitor and publish Gender Pay Gap information. To comply with these regulations the Group;

- reports and publishes gender pay gap information annually,
- reports gender pay gap information to the government online, using the Gender Pay Gap Service and
- publishes gender pay gap information on its public-facing website at <https://www.wessexarch.co.uk/gender-pay-reporting>

Wessex Archaeology strives to maintain a workplace where people can engage in a fulfilling career and can thrive at work. To do this we make a consistent effort to attract as diverse a range of candidates as possible, create opportunities so that everyone can explore a career in a way that works for them and ensure that we have the right processes in place to make pay and progression fair for everyone.

Wessex Archaeology is committed to the development of our staff, by fostering a culture of inclusion, fairness and flexibility. Wessex strives to maintain a workplace where people can engage in a fulfilling career and can thrive at work. We make a consistent effort to build a culture that ensures that all employees feel a sense of belonging and that everyone is valued for the differences they bring. Every level of our business is challenged to create opportunities so that everyone can explore a career in a way that works for them ensuring we have the right processes in place to make pay and progression fair for everyone.



**Fundraising**

Wessex Archaeology does not actively fundraise from the general public, either directly or through the use of third-party fundraising providers. No complaints were received in respect of fundraising in either the current or previous financial year. The organisation does respond to funding calls from government and civil agencies. Such opportunities are subject to the same risk management and auditing criteria as the company's commercial activities.

The organisation does respond to funding calls from government and civil agencies. Such opportunities are subject to the same risk management and auditing criteria as the company's commercial activities.

# WESSEX ARCHAEOLOGY LIMITED

## TRUSTEES' REPORT (INCLUDING THE STRATEGIC REPORT)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### Reference and administrative details

**Registered Company number**

01712772 (England and Wales)

**Registered Charity number**

287786

**Registered office**

Portway House  
Old Sarum Park  
Salisbury  
Wiltshire  
SP4 6EB

**Trustees**

Dr I C Selby (Chair)  
Mrs R K V Cook  
Mr C M Brayne  
Mrs J N Johnson  
Mr C M Watson  
Dr R P Whimster  
Mrs S L U Voaden  
Mr P H Jamieson

**Secretary**

Mr P A Sealey

**Scottish Charity:**

Registered as part of Wessex Archaeology Limited

**Scottish Charity Register Number:**

SC042630

**Further offices:**

21-23 Slater's Steps, Edinburgh EH8 8PB  
Logix House, Wrotham Road, Meopham Kent DA13 0QB  
Unit R6, Riverside Block, Sheaf Bank Business Park, Prospect Road, Sheffield S2 3EN  
Unit 9, City Business Park, Easton Road, Bristol BS5 0SP

**Principal Officers:**

C M Brayne	Chief Executive Officer
P A Sealey	Chief Finance Officer
P A Baggaley	Chief Technology Officer
G D Woodhouse	Chief Strategy Officer
C Budd	Chief Operating Officer
A H N Bryant	Deputy Chief Operating Officer
D E Atkinson	Regional Director, Scotland

**Bankers:**

Lloyds Bank PLC, 39 Threadneedle St, London EC2R 8AU

**Auditors:**

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

**Solicitors:**

Wilsons Solicitors LLP, Alexandra House, St Johns Street, Salisbury, SP1 2SB  
Beechmast Solicitors, Wellgarth, Rivar Road, Shalbourne, Marlborough SN8 3PU

## WESSEX ARCHAEOLOGY LIMITED

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

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#### Statement of the Board of Trustees responsibilities for the financial statements

The Trustees, who are also directors of Wessex Archaeology Limited for the purposes of company law, are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year and not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of the affairs of the Charity and the Group as at the balance sheet date and of the incoming resources and application of resources, including income and expenditure, of the Charity and Group for the year then ended.

In preparing those financial statements which give a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles of the Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of recommended practice 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 assume that the charitable company will continue on that basis

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Trustees are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

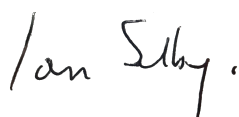
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the directors, who held office at the date of approval of this Trustees' Report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

#### Auditors

Haysmacintyre LLP have expressed their willingness to continue in office as auditors. A resolution proposing that Haysmacintyre LLP be reappointed as auditors of the charitable company for the forthcoming year will be put to members at the Annual General Meeting.

The Trustees' Report (incorporating the Strategic Report) was approved by the Trustees on 19 December 2022 and signed on their behalf by:



.....  
Dr I C Selby – Trustee

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WESSEX ARCHAEOLOGY LIMITED  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Opinion**

We have audited the financial statements of Wessex Archaeology Limited for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group'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 Executive Summary, Chair's Report, and the Trustees' 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.

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

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WESSEX ARCHAEOLOGY LIMITED**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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

**Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 17, 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.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission and health and safety regulations, and 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, The Charities Act 2011, VAT, and payroll taxes.

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 and management bias in certain accounting estimates and judgements such as the income recognition policy applied to work in progress. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates, such as the recognition of work in progress.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

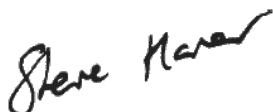
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF WESSEX ARCHAEOLOGY LIMITED  
FOR THE YEAR ENDED 31 MARCH 2022**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Steven Harper (Senior Statutory Auditor)**  
For and on behalf of Haysmacintyre LLP  
Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: 20 December 2022

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>INCOME FROM:</b>					
<b>Charitable activities</b>	3				
Archaeological projects		22,605,280	85,181	22,690,461	21,291,097
<b>Total income</b>		<u>22,605,280</u>	<u>85,181</u>	<u>22,690,461</u>	<u>21,291,097</u>
<b>EXPENDITURE ON</b>					
Charitable activities	4	21,724,823	68,667	21,793,490	20,241,838
<b>Total expenditure</b>		<u>21,724,823</u>	<u>68,667</u>	<u>21,793,490</u>	<u>20,241,838</u>
<b>NET INCOME/(EXPENDITURE)</b>		880,457	16,514	896,971	1,049,259
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		6,218,166	-	6,218,166	5,168,907
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>7,098,623</u>	<u>16,514</u>	<u>7,115,137</u>	<u>6,218,166</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. A charity only Statement of Financial Activities is included in note 18.

All income received was unrestricted during the year ended 31 March 2021.

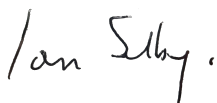
The notes on pages 23 to 37 form part of these financial statements.

## CONSOLIDATED AND CHARITY BALANCE SHEETS

AT 31 MARCH 2022

		Group		Charity	
	Notes	2022 £	2021 £	2022 £	2021 £
<b>FIXED ASSETS</b>					
Tangible assets	8	1,673,332	1,574,287	1,673,183	1,574,287
Investments		-	-	10	10
<b>Total fixed assets</b>		<u>1,673,332</u>	<u>1,574,287</u>	<u>1,673,193</u>	<u>1,574,297</u>
<b>CURRENT ASSETS</b>					
Debtors	9	6,344,781	6,787,725	6,659,717	6,964,483
Cash at bank and in hand		<u>4,497,526</u>	<u>4,096,778</u>	<u>4,452,284</u>	<u>4,050,281</u>
<b>Total current assets</b>		<u>10,842,307</u>	<u>10,884,503</u>	<u>11,112,001</u>	<u>11,014,764</u>
<b>CREDITORS: amounts falling due within one year</b>	10	<u>(4,828,606)</u>	<u>(5,754,272)</u>	<u>(4,711,441)</u>	<u>(5,690,089)</u>
<b>NET CURRENT ASSETS</b>		<u>6,013,701</u>	<u>5,130,231</u>	<u>6,400,560</u>	<u>5,324,675</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,687,033</u>	<u>6,704,518</u>	<u>8,073,753</u>	<u>6,898,972</u>
<b>CREDITORS: amounts falling due after one year</b>	11	<u>(174,851)</u>	<u>(147,176)</u>	<u>(174,851)</u>	<u>(147,176)</u>
<b>PROVISIONS FOR LIABILITIES</b>	13	<u>(397,045)</u>	<u>(339,176)</u>	<u>(397,045)</u>	<u>(339,176)</u>
<b>NET ASSETS</b>		<u><u>7,115,137</u></u>	<u><u>6,218,166</u></u>	<u><u>7,501,857</u></u>	<u><u>6,412,620</u></u>
<b>FUNDS</b>					
<b>Restricted funds</b>					
Well City fund	14	16,514	-	16,514	-
<b>Unrestricted funds:</b>					
General fund		6,861,315	5,980,858	7,248,035	6,175,312
Revaluation reserve		<u>237,308</u>	<u>237,308</u>	<u>237,308</u>	<u>237,308</u>
<b>TOTAL FUNDS</b>		<u><u>7,115,137</u></u>	<u><u>6,218,166</u></u>	<u><u>7,501,857</u></u>	<u><u>6,412,620</u></u>

Financial statements were approved by the Board of Trustees and authorised for issue on 19 December 2022 and are signed on its behalf by:



.....  
Dr I C Selby - Trustee

The notes on pages 23 to 37 form part of these financial statements.



**WESSEX ARCHAEOLOGY LIMITED**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Note</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Cash flows from operating activities:</b>			
Cash generated from operations	A	819,498	2,703,764
Interest paid		(11,791)	(7,871)
Interest element of hire purchase and finance lease rental payments		(15,128)	(13,741)
<b>Net cash provided by operating activities</b>		<b>792,579</b>	<b>2,682,152</b>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(490,916)	(248,533)
<b>Net cash provided by (used in) investing activities</b>		<b>(490,916)</b>	<b>(248,533)</b>
<b>Cash flows from financing activities:</b>			
Assets purchased under finance leases		279,273	127,088
Capital repayments in the year		(180,188)	(143,393)
<b>Net cash provided by (used in) financing activities</b>		<b>99,085</b>	<b>(16,305)</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>400,748</b>	<b>2,417,314</b>
Cash and cash equivalents at the beginning of the reporting period		4,096,778	1,679,464
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>4,497,526</b>	<b>4,096,778</b>
<b>A. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
		<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Net income for the reporting period (as per Statement of Financial Activities)</b>		<b>896,971</b>	<b>1,049,259</b>
<b>Adjustments for:</b>			
Depreciation charges		391,871	404,479
Interest paid		11,791	7,871
Interest element of hire purchase and finance lease rental payments		15,128	13,741
Increase in provisions		57,869	52,833
(Increase)/decrease in debtors		442,944	(1,518,129)
Increase/(Decrease) in creditors		(997,076)	2,693,710
<b>Net cash provided by (used in) operating activities</b>		<b>819,498</b>	<b>2,703,764</b>

The notes on pages 23 to 37 form part of these financial statements

**1. STATUTORY INFORMATION**

Wessex Archaeology Limited is a company limited by guarantee (company number 01712772), registered in England and Wales, without share capital. Wessex Archaeology Limited is also a charity registered with the Charity Commission in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The guarantors are the trustees to the extent of £10 each. There were 8 trustees at the balance sheet date (2021 – 8 trustees). The company's registered office address can be found in the Trustees' Report.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, 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) (Second Edition, 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 financial statements are presented in Sterling, which is also the functional currency of the company. The financial statements are rounded to the nearest Pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**Basis of consolidation**

These financial statements consolidate the results of the Charity and its wholly owned subsidiary, Wessex Archaeology Ventures Limited, on a line-by-line basis. Wessex Archaeology Ventures Limited has its own wholly owned subsidiary, Trident WA GmbH, a company registered in Germany, which is also included in these consolidated financial statements.

**Income**

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Income from charitable activities includes amounts invoiced in the year, exclusive of Value Added Tax. In respect of long-term contracts, income represents the value of work done in the year, including estimates of amounts not invoiced and is recognised by reference to the stage of completion.

Income claimed under the coronavirus job retention scheme is recognised when the associated staff costs are incurred.

**Long term contracts**

Where contracts are not complete at the end of the financial year provision is made for the anticipated value of income where the cost of work exceeds the actual value of income, provided that there is reasonable certainty that the anticipated value will be realised in the next accounting period. This is separately disclosed within debtors as "amounts recoverable on contracts". Any surplus of income over expenditure is not recognised unless there is reasonable certainty that the surplus will crystallise in a future period. This is separately disclosed within creditors as "payments on account on contracts". Full provision is made for losses on all contracts in the year which they are first foreseen.

**Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure on the provision of the charitable company's activities, which includes education and community engagement, may be either costs that can be allocated to specific archaeological projects or costs that cannot be allocated to specific projects, but which are incurred only for archaeological projects collectively.

Support costs enable the Charity to carry out its activities but do not themselves produce the output of these activities. They include items which are wholly identifiable as support costs and an apportionment of shared costs, which are allocated on the basis of the number of support staff.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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2. ACCOUNTING POLICIES - continued

Governance costs associated with the general running of the Charity as opposed to the direct management of the Company's operations are classed as governance costs and include direct and related support costs.

**Tangible fixed assets**

Assets are capitalised where the cost of an item exceeds £2,000 and the useful economic life of the asset is longer than the year of acquisition. Assets are disposed of in the accounts and removed from the fixed asset register when the useful economic life of the asset comes to an end and the net book value is nil. The charitable company operates a policy of revaluation on freehold land and property. Freehold land and property are included at current value at the balance sheet date.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, evenly over the useful economic life of that asset, as follows:

Leasehold buildings	Calculated evenly over the remaining period of the lease
Computer equipment	3 years straight line basis
Archaeology Evaluation Equipment	3 years straight line basis
Motor vehicles	4 years straight line basis
All other assets	3-, 5- and 10-years straight line basis

**Investments**

Investments in subsidiaries are valued at cost less impairment.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and highly liquid bank accounts. Cash held as part of an investment portfolio is included with the investment to which it relates.

**Provisions**

Provisions are recognised when the charitable company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

**Taxation**

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

**Fund accounting**

Where funds are received for specific purposes set out by the donor or implied by the terms of appeal, these are shown as restricted income in the Statement of Financial Activities. Expenditure for the purposes specified is applied against the income and any amount unexpended at the balance sheet date is shown within Restricted Funds.

General funds are Unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Deficit balances incurred on specific Restricted funds are funded from Unrestricted funds where no further Restricted fund income is expected to offset the expenditure incurred.

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within Unrestricted Funds. Where the trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general Unrestricted Funds.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension scheme**

The charitable company operates a defined contribution pension scheme for all its employees. The assets of the Scheme are held separately from those of the charitable company. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the charitable company in the year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**2. ACCOUNTING POLICIES - continued****Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that the company will have sufficient funds to operate into the future. At the date of signing these statements the trustees considered the current and expected levels of funds held together with current performance of the Company from April 2022 and the date of signing and the forecast levels of income and expenditure for the 12 months from authorising these financial statements.

In determining their forecasts, the Trustees consider current performance, company strategy, the likely impact of ongoing economic and political instability, changes in staffing levels and terms and conditions and forecast capital expenditure on Company infrastructure.

**Judgements and key sources of estimation uncertainty**

In the application of the charitable company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and the underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The most significant areas of judgement in preparing the financial statements are the anticipated value and costs in relation to incomplete long-term contracts and the estimate of costs for the future deposition of archaeological archives.

**Hire purchase and leasing commitments**

Assets funded through finance leases are capitalised as fixed assets and depreciated on a straight-line basis over the shorter of their useful economic life and the lease term. Interest is charged to the Statement of Financial Activities on a straight-line basis. Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

**3. INCOME FROM CHARITABLE ACTIVITIES**

Analysis of income by activity:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Coastal	684,981	600,127
Community	1,082,691	303,626
Fieldwork	16,100,498	15,581,521
Geoservices	2,434,033	2,307,879
Graphics	45,257	343,845
Heritage	1,023,456	732,217
Research	1,057,268	888,834
Other	262,277	80,375
Amounts received under the Coronavirus Job Retention Scheme	-	452,673
	<u>22,690,461</u>	<u>21,291,097</u>

Income relating to Community engagement is allocated directly. Surpluses or deficits on projects are allocated directly to each activity. The remaining income is apportioned to each activity on the basis of total staff charge values for the year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**4. CHARITABLE ACTIVITIES COSTS**

Provision of charitable activities:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Archaeological & Community projects	18,056,518	17,163,191
Support costs	3,574,838	2,962,431
Governance costs	162,134	116,216
	<u>21,793,490</u>	<u>20,241,838</u>

Governance costs include £26,190 (2021: £23,941) salaries (incl. pensions and employer's national insurance).

Analysis of archaeological projects &amp; education costs:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries (incl. pensions and employer's national insurance)	9,031,341	7,473,166
Plant/Buildings hire and other site costs	3,240,626	5,056,424
Travel and vehicle hire	1,208,603	878,591
Staff accommodation	961,331	755,862
External specialists' fees	1,029,445	1,306,191
Direct facilities and services costs	1,212,603	941,905
Other project costs	1,033,475	401,048
Depreciation	339,094	350,004
	<u>18,056,518</u>	<u>17,163,191</u>

Included in direct facilities and services costs is an operating lease charge of £173,568 for land and buildings (2021 - £181,436). Included in travel and vehicle hire costs is an operating lease charge of £28,947 for other operating lease charges (2021 - £41,714). In addition, the Charity incurred other operating lease costs relating to software and IT assets of £111,146 (2021 - £113,639).

Analysis of support costs:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries (incl. pensions and employer's national insurance)	2,825,705	2,426,003
Travel and subsistence	121,752	75,294
Telephone and IT related services	101,242	78,312
Print, postage and stationery	21,879	23,392
Professional fees and services	151,039	40,343
Insurance	11,009	7,527
Utilities and facilities costs	140,256	133,914
Other support costs	149,179	123,171
Depreciation	52,777	54,475
	<u>3,574,838</u>	<u>2,962,431</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

## 4. CHARITABLE ACTIVITIES COSTS (continued)

Analysis of direct charitable expenditure by activity:

Year ended 31 March 2022

	Archaeological & Community Projects £	Support costs £	Governance costs £	Total £
Coastal	595,272	120,724	5,873	721,869
Community	1,194,796	242,311	-	1,437,107
Fieldwork	736,523	149,371	7,267	893,161
Geoservices	12,786,283	2,506,008	121,923	15,414,214
Graphics	1,780,439	361,082	17,567	2,159,088
Heritage	180,328	36,571	1,779	218,678
Research	782,877	158,771	7,725	949,373
Other				
	<u>18,056,518</u>	<u>3,574,838</u>	<u>162,134</u>	<u>21,793,490</u>

Analysis of direct charitable expenditure by activity:

Year ended 31 March 2021

	Archaeological & Community Projects £	Support costs £	Governance costs £	Total £
Coastal	528,084	92,694	3,685	624,463
Community	508,712	39,089	-	547,801
Fieldwork	13,065,270	2,288,066	90,691	15,414,297
Geoservices	1,413,005	248,023	9,860	1,670,888
Graphics	277,947	48,788	1,940	328,675
Heritage	589,330	103,444	4,112	732,216
Research	810,483	142,327	5,658	958,828
Other	-	-	-	-
	<u>17,163,191</u>	<u>2,962,431</u>	<u>116,216</u>	<u>20,241,838</u>

Costs relating to Community are allocated directly to the relevant activity. Other archaeological & community projects and support costs are apportioned to each activity on the basis of total staff charge values for the year.

## 5. NET INCOME/(EXPENDITURE)

Net Income and Expenditure is arrived at after charging:

	2022 £	2021 £
Depreciation	391,871	404,479
Operating leases - land and buildings	173,568	181,436
Operating leases - other	140,093	155,353
Auditors' remuneration - audit	20,200	19,150
Auditors' remuneration - other	4,740	4,850
	<u></u>	<u></u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**6. TRUSTEES' REMUNERATION AND BENEFITS**

Trustees' remuneration was paid in the normal course of duties, and for the period of trusteeship was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries	88,648	81,596
Pension contributions	5,100	4,121
Benefit in Kind	5,899	6,834
	<u>99,647</u>	<u>92,551</u>

The above was all in relation to Mr C M Brayne for the current and previous year.

Authority to pay trustees remuneration is provided by the Articles of Association of the charitable company.

**Trustees' expenses**

No trustees were reimbursed expenses of during the year (2021: £nil expenses were reimbursed to 0 trustees).

**7. STAFF COSTS**

The aggregate payroll costs were:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	10,372,105	8,569,531
Employer's national insurance	1,009,433	812,302
Pension contributions	578,212	401,266
Redundancy payments	16,737	140,011
	<u>11,976,487</u>	<u>9,923,110</u>

**Particulars of employees:**

The average number of staff employed by the charitable company during the financial year amounted to:

	<b>2022</b>	<b>2021</b>
Archaeologists	286	262
Education/Outreach staff	4	3
Support staff	73	53
	<u>363</u>	<u>318</u>

The number of employees whose earnings for the year exceeded £60,000 are within the following bands:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
£60,000 - £69,999	1	3
£70,000 - £79,999	3	2
£80,000 - £89,999	2	1
	<u>6</u>	<u>6</u>

**7. STAFF COSTS (Continued)**

The key management personnel of the charity during the year comprised the Non-Executive Trustees and the Senior Management Team (Chief Executive Officer, Chief Operating Officer, Chief Technical Officer, Deputy Chief Operating Officer, Chief Financial Officer, Chief Strategy Officer, an 8 Directors covering Costal and Marine, Geoservices, Human Resources, Quality, Research, Compliance, Consultancy, IT and Fieldwork. The total costs or consultancy fees where appropriate, comprising salary, compensation for loss of office, pension contributions and benefits in kind and associated national insurance costs of the 14 (2021 – 15) key management personnel of the charity were £1,033,639 (2021: £1,009,397).



## 8. TANGIBLE FIXED ASSETS

## GROUP

	Freehold property £	Leasehold improvements £	Archaeology Evaluation Equipment £	Motor Vehicles £	Office & computer equipment, fixtures & fittings £	Total £
<b>COST OR VALUATION</b>						
At 1 April 2021	750,000	74,204	581,091	32,175	1,231,526	2,668,996
Additions	-	12,550	333,517	-	144,849	490,916
<b>At 31 March 2022</b>	<u>750,000</u>	<u>86,754</u>	<u>914,608</u>	<u>32,175</u>	<u>1,376,375</u>	<u>3,159,912</u>
<b>DEPRECIATION</b>						
At 1 April 2021	-	35,025	369,855	10,545	679,284	1,094,709
Charge for year	-	7,470	181,322	6,180	196,899	391,871
<b>At 31 March 2022</b>	<u>-</u>	<u>42,495</u>	<u>551,177</u>	<u>16,725</u>	<u>876,183</u>	<u>1,486,580</u>
<b>NET BOOK VALUE</b>						
<b>At 31 March 2022</b>	<u>750,000</u>	<u>44,259</u>	<u>363,431</u>	<u>15,450</u>	<u>500,192</u>	<u>1,673,332</u>
<b>At 31 March 2021</b>	<u>750,000</u>	<u>39,179</u>	<u>211,236</u>	<u>21,630</u>	<u>552,242</u>	<u>1,574,287</u>

## 8. TANGIBLE FIXED ASSETS (CONTINUED)

## CHARITY

	Freehold property £	Leasehold improvements £	Archaeology Evaluation Equipment £	Motor Vehicles £	Office & computer equipment, fixtures & fittings £	Total £
<b>COST OR VALUATION</b>						
At 1 April 2021	750,000	74,204	581,091	32,175	1,231,526	2,668,996
Additions	-	12,550	333,463	-	144,754	490,767
<b>At 31 March 2022</b>	<b>750,000</b>	<b>86,754</b>	<b>914,554</b>	<b>32,175</b>	<b>1,376,280</b>	<b>3,159,763</b>
<b>DEPRECIATION</b>						
At 1 April 2021	-	35,025	369,855	10,545	679,284	1,094,709
Charge for year	-	7,470	181,322	6,180	196,899	391,871
<b>At 31 March 2022</b>	<b>-</b>	<b>42,495</b>	<b>551,177</b>	<b>16,725</b>	<b>876,183</b>	<b>1,486,580</b>
<b>NET BOOK VALUE</b>						
<b>At 31 March 2022</b>	<b>750,000</b>	<b>44,259</b>	<b>363,377</b>	<b>15,450</b>	<b>500,097</b>	<b>1,673,183</b>
<b>At 31 March 2021</b>	<b>750,000</b>	<b>39,179</b>	<b>211,236</b>	<b>21,630</b>	<b>552,242</b>	<b>1,574,287</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**8. TANGIBLE FIXED ASSETS (continued)**

Included within the net book value of £1,673,183 is £338,970 (2021 - £182,127) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £131,014 (2021 - £137,874).

The charitable company had the freehold property valued on 9 November 2020 by Aitchison Raffety, Chartered Surveyors and Property Consultants. The value of the property at this date was £750,000. The Trustees consider this to be the most accurate valuation of the property at 31 March 2022 and are satisfied that there is no material difference between the valuation at 31 March 2022 and the valuation at 9 November 2020.

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

The aggregate payroll costs were:

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	3,578,880	4,611,102	3,560,851	4,601,212
Amounts recoverable on contracts	1,366,684	1,078,713	1,366,684	1,078,713
Amounts owed by subsidiary undertakings	-	-	333,116	188,518
Other debtors	1,229,659	954,344	1,229,508	954,192
Prepayments	169,558	143,566	169,558	141,848
	<u>6,344,781</u>	<u>6,787,725</u>	<u>6,659,717</u>	<u>6,964,483</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Finance lease (see note 12)	205,110	133,700	205,110	133,700
Payments on account	2,592,911	2,250,833	2,592,911	2,250,833
Trade creditors	601,081	1,533,787	490,859	1,465,418
Social security and other taxes	900,864	1,513,417	898,319	1,501,601
Other creditors	429,676	256,555	430,881	276,148
Accruals and deferred income	98,964	65,980	93,361	62,389
	<u>4,828,606</u>	<u>5,754,272</u>	<u>4,711,441</u>	<u>5,690,089</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (GROUP AND CHARITY)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Finance lease (see note 12)	174,851	147,176

**12. LEASING AGREEMENTS (GROUP AND CHARITY)**

	<b>Finance leases</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	205,110	133,700
Between one and five years	174,851	147,176
	<u>379,961</u>	<u>280,876</u>

The tangible fixed assets held under finance lease agreements are provided as security for the obligations under finance lease agreements.

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	291,247	313,679
Between one and five years	840,779	456,105
	<u>1,132,026</u>	<u>769,784</u>

**13. PROVISIONS FOR LIABILITIES (GROUP AND CHARITY)**

	<b>Bad debts</b>	<b>Publication</b>	<b>Deposition</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2019	50,362	11,004	224,977	286,343
Arising and charged in the year	30,890	7,592	61,929	100,411
Utilised in the year	-	(8,454)	(39,124)	(47,578)
At 1 April 2021	<u>81,252</u>	<u>10,142</u>	<u>247,782</u>	<u>339,176</u>
Arising and charged in the year	16,129	-	90,531	106,660
Utilised in the year	-	(10,142)	(38,649)	(48,791)
At 31 March 2022	<u>97,381</u>	<u>-</u>	<u>299,664</u>	<u>397,045</u>

**Publication provision**

This provision relates to liabilities associated with publishing project reports in archaeological journals. These journals are produced periodically whenever there are sufficient articles to warrant publication.

**Deposition provision**

The deposition provision relates to costs which will be incurred when project archives are deposited in the relevant museum. As many of these museums are currently at full capacity, it is not possible to give a certain date as to when this provision will be utilised.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

## 14. MOVEMENT IN FUNDS

With the exception of the revaluation reserve all of the unrestricted funds have been generated from surplus income on archaeological projects which have been carried out in the furtherance of the charitable company's objectives. These funds have been, and continue to be fully utilised in meeting the needs of the charitable company, as explained in the Trustees' report, without which its objectives could not be pursued.

The movement in general funds is analysed in the Statement of Financial Activities. There were no movements in the revaluation reserve during the year (2021: no movement).

**Movement in restricted funds (group and charity)**

	At 1 April 2021 £	Income	Expenditure £	At 31 March 2022 £
Well City fund	-	85,181	(68,667)	16,514
<b>Total restricted funds</b>	-	85,181	(68,667)	16,514

The Well City fund is a fund provided by The National Lottery Community Fund to four partner organisations to make a positive change to the mental health of everyone involved in the project. Other objectives of the fund include creating a legacy of trained artist, facilitators and volunteers who will work to the benefit of those with mental health need in their community and to improve mental health services in Salisbury and across Wiltshire.

The Charity held no restricted funds at any stage during the year ended 31 March 2021.

## 15. NET ASSETS BY FUND

Group net assets by fund at 31 March 2022.

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fixed assets	1,673,332	-	1,673,332
Current assets	10,825,793	16,514	10,842,307
Current liabilities	(4,828,606)	-	(4,828,606)
Non-current liabilities	(174,851)	-	(174,851)
Provisions for liabilities	(397,045)	-	(397,045)
<b>Net assets</b>	<b>7,098,623</b>	<b>16,514</b>	<b>7,115,137</b>

Charity-only net assets by fund at 31 March 2022.

	Unrestricted funds £	Restricted Funds £	Total Funds £
Fixed assets	1,673,193	-	1,673,193
Current assets	11,095,487	16,514	11,112,001
Current liabilities	(4,711,441)	-	(4,711,441)
Non-current liabilities	(174,851)	-	(174,851)
Provisions for liabilities	(397,045)	-	(397,045)
<b>Net assets</b>	<b>7,485,343</b>	<b>16,514</b>	<b>7,501,857</b>

All net assets held by the group, and the parent charity, at 31 March 2021 were held in unrestricted funds.

**16. RELATED PARTY DISCLOSURES**

Dr R Whimster is a freelance editor for Historic England Limited. The Charitable Company received £173,266 from, Historic England Limited during the year (2021: £353,626). Wessex Archaeology received services from Historic England totalling £2,352 (2021-£210)

Mrs R K V Cook is a shareholder and director of Beechmast Consultancy Limited. Beechmast Consultancy Limited provided legal services to the charitable company and its subsidiary Wessex Archaeology Ventures Limited, where she is also a Director to the value of £16,993 (2021 - £24,598).

Mr C M Brayne is the Vice Chair / Director of FAME (Federation of Archaeological Managers and Employees) and the charitable company pays an annual subscription of £ 1,140 (2021 - £1,090).

Mr C M Brayne is also a Commissioner for Royal Commission on the Ancient and Historic Monuments of Wales (RCAHMW). The charitable company sold services to RCAHMW to the value of £nil (2021 - £3,816).

Mrs S L U Voaden is a director of Vhroom Limited and the Charitable Company received services totalling £6,772 (£2021- £nil) from the company.

There were no further related party transactions in the current or previous year.

**18. SUBSIDIARY UNDERTAKINGS**

Wessex Archaeology Limited owns 100% of the share capital of Wessex Archaeology Ventures Limited. A summary of Wessex Archaeology Ventures Limited's financial performance is shown below. Full audited accounts are available publicly available at Companies House.

**Profit and loss account**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Turnover	8,709	34,095
Expenditure	(49,007)	(60,246)
Operating loss	(40,298)	(26,151)
Interest receivable	5,232	2,537
Interest payable	(7,457)	(3,678)
Loss for the year	(42,523)	(27,292)
Total capital and reserves	(71,816)	(29,293)

**Balance sheet**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investments	22,389	22,389
Current assets	332,088	196,255
Current liabilities	(426,293)	(247,937)
Net liabilities	(71,816)	(29,293)
Called up share capital	10	10
Profit and loss account	(71,826)	(29,303)
Total capital and reserves	(71,816)	(29,293)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

**18. SUBSIDIARY UNDERTAKINGS (continued)**

Wessex Archaeology Ventures Limited owns 100% of the share capital of Trident WA GmbH, a company limited by shares and registered in Germany. A summary of Trident WA GmbH's financial performance is shown below:

**Profit and loss account**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Turnover	197,126	87,366
Expenditure	(351,794)	(193,294)
Operating loss	(154,668)	(105,928)
Interest payable	(5,012)	(2,306)
Loss for the year	(159,680)	(108,234)

**Balance sheet**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current assets	31,551	26,521
Current liabilities	(324,017)	(159,154)
Net liabilities	(292,466)	(132,633)
Called up share capital	21,148	21,302
Profit and loss account	(313,615)	(153,935)
Total capital and reserves	(292,466)	(132,633)

## 19. CHARITY-ONLY STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
<b>INCOME FROM:</b>				
<b>Charitable activities</b>				
Archaeological projects	22,436,507	85,181	22,521,688	21,291,097
<b>Total income</b>	<u>22,436,507</u>	<u>85,181</u>	<u>22,521,688</u>	<u>21,291,097</u>
<b>EXPENDITURE ON</b>				
Charitable activities	21,363,785	68,667	21,363,785	20,241,838
<b>Total expenditure</b>	<u>21,363,785</u>	<u>68,667</u>	<u>21,363,785</u>	<u>20,241,838</u>
<b>NET INCOME/(EXPENDITURE)</b>	1,072,722	16,514	1,089,236	1,049,259
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	<u>6,412,621</u>	<u>-</u>	<u>6,412,621</u>	<u>5,168,907</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>7,485,343</u></u>	<u><u>16,514</u></u>	<u><u>7,501,857</u></u>	<u><u>6,218,166</u></u>