

**Company registered number: 00202795**  
**Charity registered number: 207037**

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Trustees' report and financial statements**  
**for the period ended 31 March 2021**

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

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**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Reference and administrative details of the Society, its Trustees and advisers**  
**for the period ended 31 March 2021**

**Trustees**

Joseph Bates (appointed 12 September 2020)  
Laurence Bresh (appointed 12 September 2020)  
Allan Course  
Lys Drewitt  
Peter Heslip  
Jane Hodgkins (appointed 12 September 2020)  
Amanda Jones  
Glynn Jones (appointed 12 September 2020)  
Jamie Kaminski (resigned 30 April 2021)  
Clotilde Lemarie (appointed 12 September 2020)  
John Manley (resigned 29 May 2020)  
Christine Medlock (resigned 12 September 2020)  
Janet Oldham  
Harriet O'Neill (appointed 12 September 2020)  
Matthew Pope  
David Rudling (resigned 14 September 2020)  
Joseph Sullivan  
Peter Vos  
Sarah Watson (appointed 12 September 2020)

**Company registered number** 00202795

**Charity registered number** 207037

**Registered office**

Bull House  
92 High Street  
Lewes  
East Sussex  
BN7 1XH

**Independent auditors**

Kreston Reeves LLP  
Chartered Accountants  
Plus X Innovation Hub  
Lewes Road  
Brighton  
East Sussex  
BN2 4GL

**Bankers**

Barclays Bank Plc  
The Old Bank  
High Street  
Lewes  
East Sussex  
BN7 2DF

**Solicitors**

Adams & Remers  
School Hill  
Lewes  
East Sussex  
BN7 2NN

**The Sussex Archaeological Society**  
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**Reference and administrative details of the Society, its Trustees and advisers (continued)**  
**for the period ended 31 March 2021**

<b>Investment advisor</b>	Cazenove Fund Management Limited 3 Copthall Avenue London EC2R 7BH
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**The Sussex Archaeological Society**  
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**Trustees' report**  
**for the period ended 31 March 2021**

The Trustees (who are also directors of the Society for the purposes of the Companies Act) present their annual report together with the audited financial statements of the Group and the Society for the fifteen-month period ended 31 March 2021. The Trustees confirm that the trustees' report and financial statements of the Society comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

A decision was taken by the Trustees to change the financial reporting date to 31 March as this date is operationally more beneficial. This report and accounts hence reflect a fifteen-month period to extend the reporting date to this point and as a result any financial or performance comparisons between this and the previous period are comparing fifteen months to twelve months.

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

**Objectives and activities**

**a. Policies and objectives**

The object of the Society, as defined in the Memorandum, is to promote, encourage and foster the study of archaeology and history in all their branches (with special reference to the Counties of East and West Sussex). The Memorandum defines how the Society is empowered to do this, inter alia:

- By acquiring by any lawful means and either as absolute owner or as Trustee or custodian, buildings and places of historical or archaeological interest and any other real or personal property.
- By locating, securing or endeavouring to secure the preservation of all objects, records, buildings, earthworks, open spaces and places of historical or archaeological interest or value or of natural beauty or public resort and all other antiquities and by providing so far as may be lawful or expedient for ready access to them by the public and where appropriate by providing for their exhibition in museums.
- By forming and carrying on a permanent or temporary safe depository for Deeds, Court Rolls, Printed Books, Historical Papers, Registers, Maps, Manuscripts, Prints, and other Pictures, Photographs and other similar objects and records generally.
- By rendering assistance to archaeologists, historians and others whether within or without the United Kingdom in connection with archaeological or historical research.

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

**b. Strategies for achieving objectives**

The Society has historically welcomed visitors to its properties, sites and museums and provided high quality support to the archaeological and historical communities in Sussex. The organisation has recently gone through, and continues to go through, a period of significant change. Following an extensive and highly competitive recruitment process Andrew Edwards was appointed as the Society's new Chief Executive Officer in April 2021. Work on developing a refreshed vision and new strategy for the organisation is underway to identify its priorities, activities and partnerships through to 2025.

**The Sussex Archaeological Society**  
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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Objectives and activities (continued)**

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

For the fifteen-month period ended 31 March 2021, the Trustees have had due regard to guidance published by the Charity Commission on public benefit. As a result of Covid-19 and Government imposed lockdowns, much of the Charity's activities were restricted, not least access to Society properties, sites and museums.

Like so many other organisations in the cultural sector, the 2020-21 year was hugely challenging and distressing due to the impact of the Covid-19 pandemic. All of the Society's properties abided by the government-imposed lockdown from 20 March 2020, remaining entirely closed until August. A modest late summer offer saw reduced opening days and hours, with key attractions including the Lewes Castle Towers and Fishbourne Roman Palace's Centre for Discovery and other interactive areas remaining closed due to the need for social distancing. The second lockdown was implemented from 31 October 2020 through to April/May 2021 requiring all our properties to close yet again.

Michelham Priory managed to facilitate 3 themed weekends throughout December whilst maintaining appropriate safety measures.

Anne of Cleves House Museum and Marlipins Museum did not open following the lifting of restrictions and continue to be closed. The Priest House re-opened in May 2021.

**Achievements and performance**

**a. Key performance indicators**

Consolidated results are presented for the fifteen months ended 31 March 2021 reporting a net surplus on unrestricted operations of £563,400 (2019: net deficit of £353,790) and a net surplus of £149,724 (2019: £29,631) on restricted activity.

The majority of income from grants and donations in the period was restricted and relates to projects with a delivery timetable within the financial period and the 2021-22 year.

Unrestricted income in the period was £1,790,537 (2019: £1,716,904), an increase of £73,633. Unrestricted donations were £596,648 (2019: £24,624), an increase of £572,024, for which the Society is deeply grateful. Trading income from the Society's catering, retail and events business continued to be carried out through Sussex Past Trading Ltd, a subsidiary company, albeit it was significantly impacted due to the pandemic and imposed closures. Trading activities reported a net deficit of £29,424 (2019: surplus £130,782), a net margin loss of -26% (2019: 21.5% surplus) on sales. Expenditure in the period on unrestricted funds was £1,235,693 (2019: £1,943,440), a decrease of £707,747. Our most significant revenue investment was in staffing costs which were supported by the government furlough scheme and in the financial period these totalled £1,234,320 (2019: £1,280,408), a decrease of £46,088.

During the financial period the Society sold investment property worth £215,000 resulting in cash received after costs of £206,793. Based on the net-book valuation of the investment property, being £211,623, the sale made a loss on disposal after costs of £4,830.

Due to the operational surplus, and sale of investment properties, cash and listed investments excluding investment properties increased during the financial period to £1,209,979 (2019: £246,236). This movement included investment losses of £29,886 (2019: £38,223 gains).

**The Sussex Archaeological Society**  
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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Achievements and performance (continued)**

**b. Review of activities**

Despite major restrictions arising from the pandemic, 2020/21 represented a year of significant investment and development across major activity areas of the Society.

We gratefully received substantial support from the UK government's Emergency and Cultural Recovery Funds through the National Lottery Heritage Fund, specifically 2 grants within the period: Emergency Fund (£250,000) and Cultural Recovery Fund (CRF) Round 1 (£497,500). We are also extremely grateful for further support received through the CRF Round 2 (£323,800) which we applied for during this period. These grants ensured that the Society had the ability to sustain ongoing expenditure such as key staffing and operating costs whilst providing much needed project monies and investment to help deliver sustainability and future financial resilience.

After a thorough tendering process, we had the opportunity to work with a web design agency that operates mainly in the heritage and attractions arena. This has resulted in a completely refreshed and vibrant online presence including the ability to purchase online tickets. A suite of new imagery, both stills and video, were commissioned to showcase our properties, sites, museums and collections and provided wonderful opportunities for our curators to talk about some of their favourite artefacts on video. This work has greatly enhanced our presence on social media and enabled us to share our work with wider audiences across the world.

An audience development and visitor experience professional has been engaged to undertake collaborative work with our property managers to provide a structured approach to our knowledge of existing and potential new audiences. This hugely important work underpins our continued commitment to grow and diversify engagement in the wide-ranging work of the Society.

Improved IT infrastructure was seen as essential to the Society's ability to thrive in a changed world of remote working and to aid this, new servers to enable information sharing and the introduction of Wi-Fi connectivity at the properties was rolled out. This initiative also provided an opportunity to install contactless donation points across our key properties.

Of equal importance, was the need to invest in our people to ensure our teams once returned from furlough, had the necessary skills to grow and develop the business. Training was provided both face to face and virtually including equality & diversity awareness, visitor focussed, commercial awareness post pandemic, NEBOSH, digital marketing, salvage & disaster planning, and coaching skills for key managers using the model of Continue and Begin Fast Coaching®.

Our Learning and Participation offer also benefitted from CRF funding by enabling refreshed equipment and materials to be purchased. Fishbourne Roman Palace now has a tablet to deliver virtual tours, new replica roman pottery and foods, Michelham Priory new outfits, storage and monolithic structures within the grounds and Lewes Castle and Museum outside equipment to provide outdoor learning and an indoor interactive family area.

Visitor experience and heritage care was also invested in with refreshed welcome signage for properties re-opening, conservation works such as the repair of timber window frames at the Priest House, improved gallery lighting, installation of ambient atmospheric sound at Michelham Priory together with replacement external play area equipment and essential health and safety repairs. Essential electrical work and remedial repairs have also been undertaken/are underway at Marlipins Museum - greatly improving the lighting in the historic galleries.

The purchase of a specialised Customer Relationship Management system that will fully integrate into our existing systems will now enable us to segment, target and communicate with our audiences in a fully compliant and resource effective way.

The Society's major properties maintained their TripAdvisor excellence awards and all were approved by Visit England as meeting the "Good to Go" standard reassuring visitors that we operated in a safe and covid secure manner. Thanks are given to the dedicated staff, volunteers and supportive Friends groups who have helped achieve these high standards. Whilst visitor numbers naturally fluctuated in line with the Governments restrictions the quality and safety of the delivery of visitor experiences and virtual learning workshops was

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Achievements and performance (continued)**

maintained at a high level. The virtual tour of Anne of Cleves House was listed as one of the “10 virtual tours of spectacular buildings around the world” in The Guardian newspaper (2 March 2021).

The Society's Library closed on 17 March 2020, to both volunteers and visitors. Work continued on-line with the digitisation of the Sussex Archaeological Collections. As a result, all 136 volumes are now available. We would like to record our gratitude to all the Library volunteers who made this project possible. The Society is especially grateful to Gill Lindsay who managed this project and wishes Gill well in her retirement. The Library Volunteers started returning on 19 May 2021, and visitors have been allowed pre-booked visits since 2 August 2021.

Between October 2020 and April 2021 the Society responded to the impact of the pandemic by delivering a programme of bi-weekly lectures on the prehistory and history of Sussex. Advertised as The Sussex Archaeology at Home lecture series, the programme drew regular audiences of between 100 and 200 members into an informal and virtual space via zoom. Lectures were received from Martin Bell, Matt Pope, Dawn West Cansfield, Sue Berry, Janet Pennington, Teresa Viera, Mel Giles, Miles Russell, Andy Margetts, Jane Clarke and Elly Griffiths. The series deliberately sought to build a balanced programme in terms of expertise, career stage, sector and gender where possible, principles we continue to work with and widen.

Despite the disruption due to the pandemic and associated lockdowns the Society's curatorial teams have continued to answer enquiries, provide access to collections information/images throughout the year. It has also been possible to support a range of major funded research projects. These include DNA and morphometric studies of Roman Cattle, an investigation of animal-feeding in the ancient world and a digital reconstruction of the Palace's formal garden. Funding for other projects is also under discussion such as the chemical analysis of Roman and later copper alloy, construction of a UK-wide catalogue of democratic heritage, a partnership project with the National Trust on the chalk Downlands of East Sussex.

Despite the difficulties with regards to students visiting our properties, it has also been possible to support five unfunded student projects on a broad range of topics at a variety of levels including; a PhD from Reading University looking at imported lava quern stones, an undergraduate from Exeter University looking at worked bone from the site, a PhD from the University of Zaragoza (Spain) looking at our “Defixio” (lead “ritual figurine”), a Masters student from Exeter University using geometric morphometrics to identify cattle breeds and a PhD from University of Kent looking at Flue tile, to create a typology, understand the organization and introduction of flue tile production. In-house research into a suspected Iron Age/Roman transition jewellery box from the 2002 excavations has continued, albeit gradually.

Despite the lockdown and extended periods of furlough, all routine collections management tasks continued with little disruption. In addition, significant progress has been made in digitizing key parts of the collection and uploading images onto the computer catalogue.

The relocation of all collection material held in the Margary store to facilitate the proposed property sale was undertaken in August 2020 and necessitated the packing and moving of the local and social history collections bulk store and the ironwork collection. Given the time constraints and the lack of alternative storage space these collections were relocated to the main house at Anne of Cleves. Whilst plans have now changed with respect to the property sale, this exercise has provided a useful opportunity for a review of the collections held, allowing for preventative conservation packing and measures to be implemented and checked. Funding received from the CRF has also allowed for the purchase of conservation materials/packing consumables to facilitate this programme.

Planning and preparation for the 'In a Field of Flowers' exhibition at Michelham Priory was progressed during the year. Whilst this had already been hung at Lewes the transfer to a larger space has allowed for additional images to be hung. The additional costs of producing professional interpretation/narrative panels, framing and additional conservation consumables for the flora collection has been met by the CRF grant.

In developing our new vision and strategy through to 2025 we plan to further enrich the learning and interpretation at our sites as well as continue to invest in the upkeep of our wonderful buildings and to strengthen our charitable and commercial activities.



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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Achievements and performance (continued)**

**c. Investment policy and performance**

The amounts held in investments fell by £29,886 from £185,554 as at 1 January 2020 to £156,668 at 31st March 2021, a decrease of 16%. The Society's investments continued to be held in a charitable multi-asset fund managed by Cazenove Fund Management Limited, with low investment risk exposure.

To aid the Society's cashflow one of the Society's investment properties, The Old Parsonage was sold during the period for a sale value of £215,000 resulting in a net contribution to cash flows, after costs, of £206,793. Based on the net-book valuation of the investment property, being £211,623, the sale made a loss on disposal after costs of £4,830.

**d. Post balance sheet events**

Since the year end, the COVID-19 pandemic has continued to have a significant impact on the ability of the Society to operate. With the continued closure of all sites through April and early May due to lockdown, normally expected levels of income from admissions and trading have been significantly reduced. Financial support from the Cultural Recovery Fund (Round 2) has assisted the Society during this period whilst work has continued on a phased reopening of some of the properties and a refreshed visitor offer. The impact of the pandemic has been taken into consideration by Trustees in coming to their going concern conclusion (see below).

**Financial review**

**a. Going concern**

Trustees have considered the level of funds currently held by the Society and the expected level of income and expenditure for a period of twelve months from the date of signature of these financial statements. These considerations have taken into account the continued impact of COVID-19 on income and funding streams. After reviewing the funding streams available to it and making appropriate enquiries, Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

**b. Reserves policy**

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

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

Unrestricted reserves per balance sheet:	£2,365,605
Less Tangible Fixed assets:	£1,309,729
Free reserves:	£1,055,876

Whilst reserves remain above the target level, Trustees are understandably concerned that these may need to be drawn upon and are working with the Chief Executive on a recovery strategy to 2025.

The Society needs to urgently improve its flow of income and invest in the strategic fundraising skills required to deliver that. This will need to be a key element in delivering the new 2025 vision.

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

The Society owns land and properties which are not currently part of the museum or visitor offer. These were reviewed during 2019 with a view to identifying properties that were not considered to be of major strategic value to the Society. A proposal to divest of three properties, namely The Parsonage, Tarring; The Margary Block, Lewes and the freehold to Wilmington Priory was placed in front of members at an EGM on 18 January 2020 and approval given for Council to sell at their discretion. The sale of The Parsonage in Tarring was completed in May 2020 releasing much needed operational funds. The need to release funds through the sale of the Margary Block and the freehold to Wilmington Priory is not currently required and therefore any decision has been deferred.

Restricted grants and donations in the fifteen-month period totalled £791,750 (2019: £278,323) of which £642,026 (2019: £97,039) was spent or committed during the period. The Society does not otherwise designate funds for specific projects. Trustees remain determined to fully honour the wishes of its donors and maintains careful records to ensure that funds are spent as intended. These policies are reviewed annually.

**c. Principal funding**

The Society generated 52% (2019: 80%) of its funding from operating income. 48% (2019: 49%) is derived from its charitable activities, primarily from its properties and 4% (2019: 31%) from its trading activities including its shops, cafes and hosting of events. The proportion of trading income reduced dramatically over the period in comparison with the prior year due to the inability to trade due to COVID-19 restrictions.

**d. Material investments policy**

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

**Structure, governance and management**

**a. Constitution**

The Society and the Group is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 1 January 1925 with subsequent modifications when required. It is registered as a charity with the Charity Commission (registration number 207037). The Society had a paying membership as at 31st March 2021 of 1,486 (2019: 1,546) each of whom have agreed to contribute £1 in the event of the company being wound up.

**b. Methods of appointment or election of Trustees**

The Council of the Society, with between 10 and 14 elected Trustees is the only body empowered to take decisions on behalf of the Society. Trustees are elected to Council by the members at the AGM and must be fully paid-up members of the Society. Any member of the Society can stand for Council for a term of three years. No Council member can serve as an elected member on the Council for more than three consecutive terms of three years without standing down for at least one year. The Council is also able to co-opt a total of 4 members. After the AGM in September 2020, the Council comprised a total of 13 elected trustees and 3 co-opted trustees under the chairmanship of Amanda Jones. Our President also attended a number of Council meetings and Society events during the period.

The Trustees are ultimately responsible for setting the future strategic direction of the organisation, monitoring progress of that direction and safeguarding the financial welfare of the Society. There are three committees, Finance & General Purposes, Governance, Audit & Risk and Collections, Engagement & Research and a number of functional leads all actively contributing to the work of Council.

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Structure, governance and management (continued)**

**c. Policies adopted for the induction and training of Trustees**

Every year the Council undertakes a skills audit, matching skills and experience against future needs, and identifying gaps which they seek to fill through annual vote of members and co-option opportunities under the terms of the Society's articles. Three members of Council stepped down in 2020, namely John Manley, Christine Medlock and David Rudling and seven new Trustees were appointed, namely Adam Bates, Laurence Bresh, Jane Hodgkins, Glynn Jones, Clotilde Lemarie, Harriet O'Neil and Sarah Watson. We are deeply indebted to John, Christine and David for all their service and commitment to Council during their terms of office, and warmly welcome our new Council members who bring a wealth of skills and experience to the Society.

**d. Pay policy for key management personnel**

There was no pay award made in 2020. This decision was taken by Trustees as a result of the difficult financial position the Society found itself in and the projected financial impact of the COVID-19 pandemic.

The Trustees review the pay policy each year prior to the 1st January when the budget is set with changes implemented on 1 April annually. The CEO and HR Advisor recommend pay changes for staff which are reviewed by Council. The pay for all staff is included in any approved budget and there is no differentiation for the Senior Management Team (SMT). The CEO's pay is reviewed by Council following recommendation from the Chairman and consideration by Council. The major criteria taken into account in setting all these pay levels are the performance of the technical requirements of the roles, the market rates for the roles and the ability of the Charity to pay.

**e. Charity governance code**

The Society's governance structures are described in its Articles of Association. In addition, a range of policies and procedures assist with the practical management of the Society's day-to-day governance-related matters. The Trustees reformulated the Governance Committee last year expanding the remit to include Governance, Audit and Risk. The Committee has reviewed and continues to review the whole suite of policies and documentation with Governance implications. Whilst recognising the significant progress that has been made, we continue to work towards increasing our alignment with the Charity Governance Code revised in 2020.

The major areas where explanation is required relate to:

- The development of a new and visionary Strategic Plan for the period 2021 – 25 which remains a priority.
- The sustainability of our income which has been severely tested by recent events and particularly by the pandemic induced closures. We are actively working on the development of a sustainable income model.
- Our Council currently has 15 members (12 elected, 3 co-opted) which for historical reasons is more than the maximum of 12 recommended by the Code. New Articles, subject to agreement with our Members, should put us in compliance next year.
- Our commitment to openness and accountability remains a priority. The Council has identified the key stakeholders with an interest in our work and continues to review its strategy for regular and effective communication with these stakeholders about the Charity's purposes, values, work and achievements.
- The Council has not initiated an external evaluation of its own performance. We plan to do this in due course.
- The Governance Code has much expanded its requirements on equality, diversity and inclusion. Both the Council and executive are committed fully to these principles.

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Structure, governance and management (continued)**

**f. Organisational structure and decision making**

In 2020/2021 the Council of Trustees met on 11 (2019: 11) occasions. The role of CEO, with delegated authority, oversees the management of the business and administrative affairs of the Society. The role manages, directly or indirectly, both staff and volunteers. In 2020/2021 there were an average of 26 full time, and 119 part time staff members, total 145 (2019: 28 full time, 116 part time, total 144). The Society would like to thank Catherine Cavanagh, Helen Anson and Simon Dowe for their terms as Interim Chief Executive and Louise Marshfield appointed as Interim Chief Operating Officer during 2020.

**g. Risk management**

An annual assessment of Corporate Risk, with ranked scoring, is undertaken every year by the Council of the Society. The most significant risk being the need to address the annual deficit incurred by the organisation. The focus on governance issues has reduced the exposure to some of the risks previously identified. In terms of Health and Safety matters, the Society revised its Health and Safety Policy in 2018, and has developed a wide range of policies, supported by training where appropriate. Risk Assessments are carried out regularly.

Trustees and the Executive are embracing an enhanced approach to Risk Management, particularly in light of the COVID-19 pandemic, including assessment and review of the organisation's staff training, and risk management.

**Plans for future periods**

As a result of financial support received from the Society's membership and the wider public, the government's Culture Recovery Fund, the National Lottery Heritage Fund, Coast to Capital LEP and each of our local authority partners the Society has achieved some financial stability over the last 15 months, but it is clear a new operating model must be developed to ensure a healthy and sustainable future.

In July 2021 the Council approved a financial budget and plan for the 2021/22 financial year. This should see a much-improved financial position by year end, a new organisational structure in place and a greater focus on diversifying sources of income. Learning, engagement and widening participation across all our activities will ensure we are confidently delivering our charitable objects. Supporting the wider archaeological community through effective advocacy and embedding community-based archaeology within our core educational activities will be key priorities. Understanding fully the current condition of our properties, exploring the many different opportunities they offer us, reviewing our collections and determining how we can make them more accessible to new audiences will be key steps forward in helping shape a new vision for the future.

Underpinning all of this will be a focus on both growing and diversifying our membership as well as deeper engagement with our existing members. Building on the success of our virtual lectures during lockdown, we will be launching a new series of online lectures, debates and conversation pieces later this year. We will also be reaching out to the membership in early autumn with a questionnaire that will seek their views on the Society's work, areas of interest and reasons for being members. This will help shape future work and enable further cohesion amongst everyone in the wider organisation moving forward.

Looking ahead, the Society has every reason to be optimistic. Visitors are returning to our historic properties, funding received through 2020 and 2021 has not only helped address our loss of income and operating costs resulting from lockdown, but also provided some much-needed investment in key areas of the organisation including property maintenance, health and safety, fundraising, technology, improved communications and a new website. The exhibitions "In a Field of Flowers" at Michelham Priory and the "175 Years of Collecting" at Barbican House in Lewes have attracted new audiences to the Society and received some extensive media coverage. The digitisation of the Sussex Archaeological Collections has provided a new platform upon which to share our work more widely.

Under the leadership of its new Chief Executive the Society has embarked on a major programme of change and development. This new strategy will be developed alongside and widely shared with all our strategic partners and

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Plans for future periods (continued)**

stakeholders. Learning and participation for all will be at the core of the Society's activities, supported by major fundraising and new income generating initiatives. As a direct result of the pandemic and associated lockdowns the Society has extended the "Celebrating 175 years" fundraising campaign for a further 12 months. The campaign has raised over £500,000 to date. The historian Tom Holland has agreed to remain the Campaign's Patron.

**Information on fundraising practices**

The Society complies with the standards and compliance requirements set out by the Fundraising Regulator and with the requirements of the General Data Protection Regulations (GDPR). This is overseen by key senior staff and reviewed by trustees. No external agencies are used. There were no complaints received in the period in respect of fundraising activities (2019: none).

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Society for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Society and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

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

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

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**Trustees' report (continued)**  
**for the period ended 31 March 2021**

**Auditors**

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

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



.....  
**A Jones**  
Chair of Council of Trustees  
Date: 4 October 2021

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

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

**Opinion**

We have audited the financial statements of The Sussex Archaeological Society (the 'parent charitable company') and its subsidiaries (the 'group') for the period ended 31 March 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the period 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 Act 2011.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

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

**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

**Responsibilities of trustees**

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

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



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

**Auditors' responsibilities for the audit of the financial statements**

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

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

*Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the group and sector, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. 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, Statement of Recommended Practice, and taxation legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase incoming resources or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of heritage assets and investment properties. Audit procedures performed by the group engagement team included:

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

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

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Kreston Reeves LLP*

**Alison Jones FCA (Senior statutory auditor)**

for and on behalf of  
**Kreston Reeves LLP**  
Chartered Accountants  
Registered Auditors  
Brighton

Date: 4 October 2021

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Consolidated Statement of financial activities (incorporating income and expenditure account)**  
**for the period ended 31 March 2021**

	Note	Restricted funds 15 month period ending 31 March 2021 £	Unrestricted funds 15 month period ending 31 March 2021 £	Total funds 15 month period ending 31 March 2021 £	Total funds 12 month period ending 31 December 2019 £
<b>Income from:</b>					
Donations and legacies	4	-	1,194,730	1,194,730	332,444
Charitable activities	5	791,750	454,945	1,246,695	966,631
Other trading activities	6	-	111,247	111,247	607,099
Investments	7	-	29,615	29,615	68,383
		<u>791,750</u>	<u>1,790,537</u>	<u>2,582,287</u>	<u>1,974,557</u>
<b>Total income</b>					
<b>Expenditure on:</b>					
Raising funds		-	257,385	257,385	480,413
Charitable activities	8	642,026	978,308	1,620,334	1,744,118
		<u>642,026</u>	<u>1,235,693</u>	<u>1,877,719</u>	<u>2,224,531</u>
<b>Total expenditure</b>					
<b>Net income/(expenditure) before net gains/(losses) on investments</b>		<b>149,724</b>	<b>554,844</b>	<b>704,568</b>	<b>(249,974)</b>
Net gains/(losses) on investments		-	8,556	8,556	(84,185)
<b>Net movement in funds before other recognised gains</b>		<u><b>149,724</b></u>	<u><b>563,400</b></u>	<u><b>713,124</b></u>	<u><b>(334,159)</b></u>
<b>Other recognised gains:</b>					
Actuarial gains on defined benefit pension schemes		-	-	-	10,000
<b>Net movement in funds</b>		<u><u><b>149,724</b></u></u>	<u><u><b>563,400</b></u></u>	<u><u><b>713,124</b></u></u>	<u><u><b>(324,159)</b></u></u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		397,335	1,802,205	2,199,540	2,523,699
Net movement in funds		149,724	563,400	713,124	(324,159)
<b>Total funds carried forward</b>		<u><u><b>547,059</b></u></u>	<u><u><b>2,365,605</b></u></u>	<u><u><b>2,912,664</b></u></u>	<u><u><b>2,199,540</b></u></u>

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

The notes on pages 23 to 52 form part of these financial statements.

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

**Consolidated balance sheet**  
**as at 31 March 2021**

	Note	31 March 2021 £	31 December 2019 £
<b>Fixed assets</b>			
Tangible assets	14	1,309,729	1,278,464
Investments	16	156,668	186,554
Investment property	15	500,000	711,623
		<u>1,966,397</u>	<u>2,176,641</u>
<b>Current assets</b>			
Stocks	17	32,612	48,706
Debtors	18	104,654	85,972
Cash at bank and in hand		1,053,311	59,682
		<u>1,190,577</u>	<u>194,360</u>
Creditors: amounts falling due within one year	19	(244,310)	(171,461)
		<u>946,267</u>	<u>22,899</u>
<b>Total assets less current liabilities</b>		<u>2,912,664</u>	<u>2,199,540</u>
<b>Total net assets</b>		<u>2,912,664</u>	<u>2,199,540</u>
<b>Charity funds</b>			
Restricted funds	20	547,059	397,335
Unrestricted funds	20	2,365,605	1,802,205
<b>Total funds</b>		<u>2,912,664</u>	<u>2,199,540</u>

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

**Consolidated balance sheet (continued)**  
**as at 31 March 2021**

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

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

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



.....  
**A Jones**  
Chair of Council of Trustees  
Date: 4 October 2021

The notes on pages 23 to 52 form part of these financial statements.

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

**Society balance sheet**  
**as at 31 March 2021**

	Note	31 March 2021 £	31 December 2019 £
<b>Fixed assets</b>			
Tangible assets	14	1,309,729	1,278,464
Investments	16	306,668	336,554
Investment property	15	500,000	711,623
		<u>2,116,397</u>	<u>2,326,641</u>
<b>Current assets</b>			
Debtors	18	101,276	79,491
Cash at bank and in hand		1,053,304	59,603
		<u>1,154,580</u>	<u>139,094</u>
Creditors: amounts falling due within one year	19	(334,642)	(271,948)
<b>Net current assets / liabilities</b>		<b>819,938</b>	<b>(132,854)</b>
<b>Total assets less current liabilities</b>		<b>2,936,335</b>	<b>2,193,787</b>
<b>Total net assets</b>		<b>2,936,335</b>	<b>2,193,787</b>
<b>Charity funds</b>			
Restricted funds	20	593,087	397,335
Unrestricted funds	20	2,343,248	1,796,452
<b>Total funds</b>		<b>2,936,335</b>	<b>2,193,787</b>

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

**Society balance sheet (continued)**  
**as at 31 March 2021**

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

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

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



.....  
**A Jones**  
Chair of Council of Trustees  
Date: 4 October 2021

The notes on pages 23 to 52 form part of these financial statements.

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Consolidated statement of cash flows**  
**for the period ended 31 March 2021**

	<b>15 month period 2021 £</b>	12 month period 2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>814,985</b>	(293,561)
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>29,615</b>	14,836
Proceeds from the sale of investment property	<b>215,000</b>	-
Purchase of tangible fixed assets	<b>(65,971)</b>	(17,560)
Proceeds from sale of investments	-	274,147
<b>Net cash provided by investing activities</b>	<b>178,644</b>	<b>271,423</b>
<b>Cash flows from financing activities</b>		
<b>Net cash provided by financing activities</b>	-	-
<b>Change in cash and cash equivalents in the period</b>	<b>993,629</b>	<b>(22,138)</b>
Cash and cash equivalents at the beginning of the period	<b>59,682</b>	81,820
<b>Cash and cash equivalents at the end of the period</b>	<b>1,053,311</b>	59,682

The notes on pages 23 to 52 form part of these financial statements



**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 March 2021**

**1. General Information and Company Status**

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

The address of the registered office is:

Bull House  
92 High Street  
Lewes  
East Sussex  
BN7 1XH

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

The current period covers the 15 months ending 31 March 2021, the comparatives are for the 12 months ending 31 December 2019 and are therefore not entirely comparable.

**2.2 Going concern**

The financial statements have been prepared on a going concern basis. The Society had a net increase in funds during the period of £713,124 due to additional emergency funds made available to The Society as a result of the COVID-19 pandemic.

The COVID-19 pandemic compelled the properties operated by the Society to close on 20 March 2020 and many have remained closed throughout the 15 month period to 31 March 2021. Michelham Priory and Fishbourne Roman Palace were partially opened in July 2020 and August 2020 with social distancing restrictions in place. All the properties were closed during the second and third national lockdowns in the winter of 2020/2021.

The government's job retention scheme enabled the Society to meet the cost of its furloughed employees but nevertheless certain continuing costs have had to be met at a time when cash resources were very low. Careful management has so far enabled the Society to meet operating costs as they fall due. However, the social distancing, cleaning and other requirements continue to be extremely challenging, and there is considerable uncertainty as to how the pandemic will affect

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 March 2021**

**2. Accounting policies (continued)**

**2.2 Going concern (continued)**

people's travel and leisure activities. In addition events entirely outside the Society's control, such as government action in response to continued spread of the virus, may result in additional operational restrictions or even a further closure.

Following guidance the Society was able to re-open the gardens at Michelham Priory on 29 March 2021 and then fully re-opened Fishbourne Roman Palace & Gardens, Lewes Castle and Museum and Michelham Priory House and Gardens from 17 May 2021 with social distancing measures in place. From 19 July 2021 all restrictions in England were lifted and no restrictions remained in place.

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

**2.3 Income**

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

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

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

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

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

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

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

**Notes to the financial statements**  
**for the period ended 31 March 2021**

**2. Accounting policies (continued)**

**2.4 Expenditure**

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

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

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

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

**2.5 Basis of consolidation**

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

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

The Income and Expenditure account for the year dealt with in the accounts of the Society was £742,548 surplus (2019 - £211,129 deficit).

**2.6 Government grants**

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

**2.7 Interest receivable**

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

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 March 2021**

**2. Accounting policies (continued)**

**2.8 Tangible fixed assets and depreciation**

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

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

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

Depreciation is provided on the following bases:

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

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

**2.9 Investments**

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

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

**2.10 Stocks**

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

**2.11 Debtors**

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

**The Sussex Archaeological Society**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 March 2021**

**2. Accounting policies (continued)**

**2.12 Cash at bank and in hand**

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

**2.13 Liabilities and provisions**

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

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

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

**2.14 Financial instruments**

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.15 Operating leases**

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

**2.16 Pensions**

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

During the previous period the Society operated a defined benefit pension scheme and the pension charge included within the comparatives is based on a full actuarial valuation dated 31 March 2019. The Society ceased to be an active member of the scheme at the end of the prior period and the pension costs and provision for the year ended 31 December 2019 are based on the cessation report and related advice of a professionally qualified actuary.

**2.17 Fund accounting**

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

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**for the period ended 31 March 2021**

**3. Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

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

The value of the Local Government Pension Scheme defined benefit liability included within the 2019 figures depended on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions that were used in determining the net cost for pensions included the discount rate. Any changes in these assumptions, which are in Note 26, will have impacted the carrying value of the pension liability and the contingent liability disclosed in Note 25.

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

Critical areas of judgment:

*Depreciation*

The Society exercises judgement to determine useful lives and residual values of office equipment, computers, fixtures & fittings and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

*Heritage Assets*

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

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

**4. Income from donations and legacies**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations and legacies	-	596,648	<b>596,648</b>
Members' subscriptions	-	84,455	<b>84,455</b>
Government grants	-	513,627	<b>513,627</b>
	<hr/>	<hr/>	<hr/>
	-	1,194,730	<b>1,194,730</b>
	<hr/>	<hr/>	<hr/>

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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**4. Income from donations and legacies (continued)**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Donations	244,114	24,624	268,738
Members' subscriptions	-	63,706	63,706
	<u>244,114</u>	<u>88,330</u>	<u>332,444</u>

**5. Income from charitable activities**

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

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Properties	2,164	968,660	970,824
Grants refunded	(20,670)	-	(20,670)
Grants receivable	11,217	4,354	15,571
Binding fees	-	906	906
	<u>(7,289)</u>	<u>973,920</u>	<u>966,631</u>

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**Notes to the financial statements**  
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**6. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Subsidiary trading income	111,247	<b>111,247</b>

	Unrestricted funds 2019 £	Total funds 2019 £
Subsidiary trading income	607,099	607,099

**7. Investment income**

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

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Investment income - properties	9,375	44,172	53,547
Investment income - listed investments	11,453	3,065	14,518
Interest received	-	318	318
	<u>20,828</u>	<u>47,555</u>	<u>68,383</u>



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**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Properties	642,026	862,942	<b>1,504,968</b>
Other Charitable Activities	-	115,366	<b>115,366</b>
	<u>642,026</u>	<u>978,308</u>	<u><b>1,620,334</b></u>

	<b>Restricted funds 2019 £</b>	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Properties	281,091	1,298,777	1,579,868
Other Charitable Activities	-	164,250	164,250
	<u>281,091</u>	<u>1,463,027</u>	<u>1,744,118</u>

**9. Analysis of expenditure by activities**

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

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**9. Analysis of expenditure by activities (continued)**

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Properties	1,241,264	338,604	1,579,868
Other Charitable Activities	164,250	-	164,250
	<u>1,405,514</u>	<u>338,604</u>	<u>1,744,118</u>

**Analysis of direct costs**

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

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

**Analysis of direct costs (continued)**

	Properties 2019 £	Other Charitable Activities 2019 £	Total funds 2019 £
Staff costs	719,432	119,656	839,088
Rates, utilities and insurance	131,143	5,000	136,143
Other expenditure	210,922	12,341	223,263
Advertising and publicity	48,813	439	49,252
Office costs	24,525	5,223	29,748
Special events	4,212	-	4,212
Buildings and ground maintenance	101,346	-	101,346
Other research costs	871	-	871
Sussex Archaeological Collections	-	16,603	16,603
Newsletter and postage	-	4,988	4,988
	<u>1,241,264</u>	<u>164,250</u>	<u>1,405,514</u>

**Analysis of support costs**

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

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

**Analysis of support costs (continued)**

	Properties 2019 £	Total funds 2019 £
Staff costs	198,462	198,462
Depreciation	32,379	32,379
Rates, utilities and insurance	11,664	11,664
Other expenditure	13,740	13,740
Office costs	40,488	40,488
Buildings and ground maintenance	21,635	21,635
ESLGPS - net interest cost	4,000	4,000
Auditors remuneration	8,276	8,276
Professional fees	7,960	7,960
	<u>338,604</u>	<u>338,604</u>

**10. Auditors' remuneration**

The auditors' remuneration amounts to an auditor fee of £9,500 (2019 - £9,500), and a fee for the preparation of the trading subsidiary's accounts of £3,000 (2019 - £3,000).

**11. Staff costs**

	<b>Group</b> <b>2021</b> £	Group 2019 £	<b>Society</b> <b>2021</b> £	Society 2019 £
Wages and salaries	<b>1,120,747</b>	1,153,292	<b>972,077</b>	940,610
Social security costs	<b>55,918</b>	63,219	<b>50,505</b>	56,864
Contribution to defined contribution pension schemes	<b>57,655</b>	63,897	<b>53,576</b>	60,963
	<u><b>1,234,320</b></u>	<u>1,280,408</u>	<u><b>1,076,158</b></u>	<u>1,058,437</u>

Total redundancy and termination payments made in the period were £nil (2019: £31,470) relating to payments in lieu of notice and under settlement agreements. These have been accounted for at the date notice was given and were settled in full in the period they occurred in.

Within the pension contribution above, £nil (2019: £31,158) were the contributions to the defined benefit pension scheme (see Note 26).

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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**11. Staff costs (continued)**

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

	<b>Group 2021 No.</b>	Group 2019 No.
Full time	<b>26</b>	28
Part time	<b>119</b>	116
	<hr/> <b>145</b> <hr/>	<hr/> 144 <hr/>

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

	<b>Group 2021 No.</b>	Group 2019 No.
In the band £70,001 - £80,000	-	1

The Trustees consider that the Society's key management personnel during the period were Catherine Cavanagh, Interim Chief Executive Officer from February to July 2020; Helen Anson, Interim Chief Executive Officer from July 2020 to October 2020; Simon Dowe, Interim Chief Executive Officer from October 2020 to February 2021; Louise Marshfield, Chief Operating Officer from October 2020 onwards.

The Trustees consider that the Society's key personnel for the year end 31 December 2019 was Tristan Bareham, Chief Executive Officer until November 2019.

Key management personnel received total aggregate remuneration, including NI and pension, of £86,227 (2019: £96,498).

**12. Taxation**

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

**13. Trustees' remuneration and expenses**

During the period, no Trustees received any remuneration or other benefits (2019 - £Nil).

During the period ended 31 March 2021, no Trustee expenses have been claimed (2019 - £Nil).

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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**14. Tangible fixed assets**

**Group**

	<b>Computer equipment, fixtures and fittings £</b>	<b>Fishbourne Palace Collections Discovery Centre £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2020	349,911	1,188,643	1,538,554
Additions	65,971	-	65,971
At 31 March 2021	<u>415,882</u>	<u>1,188,643</u>	<u>1,604,525</u>
<b>Depreciation</b>			
At 1 January 2020	260,090	-	260,090
Charge for the period	34,706	-	34,706
At 31 March 2021	<u>294,796</u>	<u>-</u>	<u>294,796</u>
<b>Net book value</b>			
At 31 March 2021	<u>121,086</u>	<u>1,188,643</u>	<u>1,309,729</u>
At 31 December 2019	<u>89,821</u>	<u>1,188,643</u>	<u>1,278,464</u>

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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**14. Tangible fixed assets (continued)**

**Society**

	<b>Computer equipment, fixtures and fittings £</b>	<b>Fishbourne Palace Collections Discovery Centre £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2020	349,911	1,188,643	1,538,554
Additions	65,971	-	65,971
At 31 March 2021	<u>415,882</u>	<u>1,188,643</u>	<u>1,604,525</u>
<b>Depreciation</b>			
At 1 January 2020	260,090	-	260,090
Charge for the period	34,706	-	34,706
At 31 March 2021	<u>294,796</u>	<u>-</u>	<u>294,796</u>
<b>Net book value</b>			
At 31 March 2021	<u>121,086</u>	<u>1,188,643</u>	<u>1,309,729</u>
At 31 December 2019	<u>89,821</u>	<u>1,188,643</u>	<u>1,278,464</u>

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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**14. Tangible fixed assets (continued)**

**Society (continued)**

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

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

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

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

Over the last few years the historic buildings have been revalued for insurance purposes. The insurance value for reinstatement purposes as at 31 March 2021 is approximately £64 million (2019: £68 million).

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

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



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**Notes to the financial statements**  
**for the period ended 31 March 2021**

**15. Investment property**

**Group**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2020	711,623
Disposals	(211,623)
At 31 March 2021	<u>500,000</u>

**Society**

	<b>Freehold investment property £</b>
<b>Valuation</b>	
At 1 January 2020	711,623
Disposals	(211,623)
At 31 March 2021	<u>500,000</u>

On 17 March 2020 valuations were made by CKA Consulting, Chartered Surveyors, on an open market value for existing use basis.

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

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**Notes to the financial statements**  
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**16. Fixed asset investments**

<b>Group</b>	<b>Listed securities £</b>
<b>Cost or valuation</b>	
At 1 January 2020	<b>186,554</b>
Revaluations	<b>(29,886)</b>
At 31 March 2021	<b>156,668</b>
<b>Net book value</b>	
At 31 March 2021	<b>156,668</b>
At 31 December 2019	<b>186,554</b>

<b>Society</b>	<b>Investment in subsidiary (see note 31) £</b>	<b>Listed securities £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 January 2020	<b>150,000</b>	<b>186,554</b>	<b>336,554</b>
Revaluations	<b>-</b>	<b>(29,886)</b>	<b>(29,886)</b>
At 31 March 2021	<b>150,000</b>	<b>156,668</b>	<b>306,668</b>
<b>Net book value</b>			
At 31 March 2021	<b>150,000</b>	<b>156,668</b>	<b>306,668</b>
At 31 December 2019	<b>150,000</b>	<b>186,554</b>	<b>336,554</b>

**17. Stocks**

	<b>Group 31 March 2021 £</b>	<b>Group 31 December 2019 £</b>
Finished goods and goods for resale	<b>32,612</b>	<b>48,706</b>

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**18. Debtors**

	<b>Group</b> <b>31 March</b> <b>2021</b> £	Group 31 December 2019 £	<b>Society</b> <b>31 March</b> <b>2021</b> £	Society 31 December 2019 £
<b>Due within one year</b>				
Trade debtors	<b>7,339</b>	26,558	<b>7,339</b>	26,558
Other debtors	<b>28,235</b>	17,700	<b>28,235</b>	17,700
Prepayments and accrued income	<b>69,080</b>	41,714	<b>65,702</b>	35,233
	<b>104,654</b>	85,972	<b>101,276</b>	79,491

**19. Creditors: Amounts falling due within one year**

	<b>Group</b> <b>31 March</b> <b>2021</b> £	Group 31 December 2019 £	<b>Society</b> <b>31 March</b> <b>2021</b> £	Society 31 December 2019 £
Payments received on account	<b>524</b>	999	<b>524</b>	999
Trade creditors	<b>200,533</b>	100,273	<b>200,533</b>	100,273
Amounts owed to group undertakings	-	-	<b>101,373</b>	104,693
Other taxation and social security	<b>9,703</b>	31,109	<b>9,703</b>	31,109
Other creditors	<b>3,184</b>	8,074	<b>3,184</b>	8,074
Accruals	<b>30,366</b>	31,006	<b>19,325</b>	26,800
	<b>244,310</b>	171,461	<b>334,642</b>	271,948

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**Notes to the financial statements**  
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**20. Statement of funds**

**Statement of funds - current period**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
General Funds	1,796,453	1,679,290	(1,095,022)	8,556	2,389,277
SPTL Reserves	5,752	111,247	(140,671)	-	(23,672)
	<u>1,802,205</u>	<u>1,790,537</u>	<u>(1,235,693)</u>	<u>8,556</u>	<u>2,365,605</u>

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
<b>Restricted funds</b>					
Michelham Priory Development Fund (Sainsbury's)	101,526	-	-	-	101,526
Michelham Priory Fund (Hasluck & Hotblack)	57,653	-	-	-	57,653
Marlipins Roof	4,016	-	(1,525)	-	2,491
Fishbourne Roman Palace - North Wing Interpretation	11,297	-	-	-	11,297
Collections Discovery Centre Reserve Fund	28,122	-	-	-	28,122
AoC Tile, Sculpture & Wealden Iron Gallery	13,075	-	-	-	13,075
Sally Christian Training Fund	13,944	-	-	-	13,944
Donation for Fundraiser	23,303	-	(263)	-	23,040
MP Gardens - Volunteers' Project	3,376	-	-	-	3,376
FOMP Amenity Uplift	3,477	-	-	-	3,477
FOMP Major Projects	80,000	-	(9,710)	-	70,290
FOMP Garage and Drain	6,000	-	-	-	6,000
Pool FRP	1,000	-	-	-	1,000
FOMP Toilets	25,000	-	-	-	25,000
SDNP Books	10,000	-	(250)	-	9,750
SAC Digitilisation Project	4,791	-	(1,200)	-	3,591
Small Projects - Various	10,755	-	-	-	10,755
Business Resilience - NLHF	-	44,250	(44,250)	-	-
NLHF Emergency Funding	-	250,000	(124,561)	-	125,439
NLHF Cultural Recovery Funding	-	497,500	(460,267)	-	37,233



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**20. Statement of funds (continued)**

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

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Restricted funds</b>						
Michelham Priory Development Fund (Sainsbury's)	88,990	-	(2,700)	15,236	-	101,526
Michelham Priory Fund (Hasluck & Hotblack)	79,110	20,543	(42,000)	-	-	57,653
Marlipins Roof	32,551	13,225	(41,982)	222	-	4,016
Fishbourne Roman Palace - North Wing Interpretation	25,866	-	(16,999)	2,430	-	11,297
Collections Discovery Centre Reserve Fund	18,785	2,164	-	7,173	-	28,122
AoC Tile, Sculpture & Wealden Iron Gallery	16,500	-	(1,425)	(2,000)	-	13,075
Sally Christian Training Fund	15,444	-	(500)	(1,000)	-	13,944
Donation for Fundraiser	7,820	22,000	(20,832)	14,315	-	23,303
MP Gardens - Volunteers' Project	6,075	-	(2,699)	-	-	3,376
FOMP Amenity Uplift	1,360	-	-	2,117	-	3,477
FOMP Major Projects	-	80,000	-	-	-	80,000
FOMP Garage and Drain	-	6,000	-	-	-	6,000
Pool FRP	-	1,000	-	-	-	1,000
FOMP Toilets	-	25,000	-	-	-	25,000

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**20. Statement of funds (continued)**

**Statement of funds - prior period (continued)**

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2019 £
SDNP Books	-	10,000	-	-	-	10,000
SAC						
Digitilisation Project	-	5,404	(613)	-	-	4,791
Small Projects - Various	16,781	5,770	(10,845)	(951)	-	10,755
Business Resilience - NLHF	37,498	-	(43,012)	5,514	-	-
Barbican House Roof Repairs	-	77,842	(79,533)	1,691	-	-
Countryside Stewardship Moat	20,924	(20,670)	-	(254)	-	-
SAC Grants	-	9,375	(17,951)	8,576	-	-
	<u>367,704</u>	<u>257,653</u>	<u>(281,091)</u>	<u>53,069</u>	<u>-</u>	<u>397,335</u>
<b>Total of funds</b>	<u>2,523,699</u>	<u>257,653</u>	<u>(2,224,531)</u>	<u>-</u>	<u>(74,185)</u>	<u>2,199,540</u>

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**20. Statement of funds (continued)**

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

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

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

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

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

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

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

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

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

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

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

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

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

The SAC Grants funding represents monies donated for the purposes of support for the Sussex Archaeological Collections.

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

The Barbican House Roof Repairs fund represented monies donated for the purposes of works to the Barbican House roof.

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

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

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



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**20. Statement of funds (continued)**

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

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

Business Resilience - NLHF fund was used to fund the costs of the Operations manager.

There were several smaller restricted grants and donations received in both 2019 and 2021 which will be spent in the coming periods.

**21. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Restricted funds 31 March 2021 £</b>	<b>Unrestricted funds 31 March 2021 £</b>	<b>Total funds 31 March 2021 £</b>
Tangible fixed assets	390,391	919,338	<b>1,309,729</b>
Fixed asset investments	156,668	-	<b>156,668</b>
Investment property	-	500,000	<b>500,000</b>
Current assets	-	1,190,577	<b>1,190,577</b>
Creditors due within one year	-	(244,310)	<b>(244,310)</b>
<b>Total</b>	<b>547,059</b>	<b>2,365,605</b>	<b>2,912,664</b>

**Analysis of net assets between funds - prior period**

	<b>Restricted funds 31 December 2019 £</b>	<b>Unrestricted funds 31 December 2019 £</b>	<b>Total funds 31 December 2019 £</b>
Tangible fixed assets	210,781	1,067,683	1,278,464
Fixed asset investments	186,554	-	186,554
Investment property	-	711,623	711,623
Current assets	-	194,360	194,360
Creditors due within one year	-	(171,461)	(171,461)
<b>Total</b>	<b>397,335</b>	<b>1,802,205</b>	<b>2,199,540</b>

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

	<b>Group 31 March 2021 £</b>	<b>Group 31 December 2019 £</b>
Net income/(expenditure) for the period (as per Statement of financial activities)	<b>713,124</b>	<b>(334,159)</b>
<b>Adjustments for:</b>		
Depreciation charges	<b>34,706</b>	32,379
Gains on investments	<b>8,556</b>	72,206
Dividends, interests and rents from investments	<b>(29,615)</b>	(14,836)
Decrease in stocks	<b>16,094</b>	30,325
(Increase)/decrease in debtors	<b>(18,682)</b>	22,612
Increase/(decrease) in creditors	<b>90,802</b>	(25,088)
Defined benefit pension scheme service costs less contributions payable	-	(81,000)
Defined benefit pension scheme finance cost	-	4,000
<b>Net cash provided by/(used in) operating activities</b>	<b>814,985</b>	<b>(293,561)</b>

**23. Analysis of cash and cash equivalents**

	<b>Group 31 March 2021 £</b>	<b>Group 31 December 2019 £</b>
Cash in hand	<b>1,053,311</b>	59,682
<b>Total cash and cash equivalents</b>	<b>1,053,311</b>	59,682

**24. Analysis of changes in net debt**

	<b>At 1 January 2020 £</b>	<b>Cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	<b>59,682</b>	<b>993,629</b>	<b>1,053,311</b>

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**Notes to the financial statements**  
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**25. Contingent liabilities**

The Society ceased being a contributing employer to the East Sussex Local Government Pension Scheme (ESLGPS) as at 31 January 2020 when its one remaining member left the Society's employment. This created a cessation event, with the Society's deficit being valued at £293,000 as at that date. The ESLGPS have agreed for the Society to repay this liability, if required, over a period of 20 years in return for a charge over the freehold of The Priest House, West Hoathly. Permission to enter into this arrangement was secured by vote of members at an AGM held on 29 June 2019. The scheme actuary has assessed the initial contribution rate payable by the Society for the period to 31 March 2023 to be zero. The next formal valuation is at 31 March 2022, with any change to the contribution rate payable from 1 April 2023.

**26. Pension commitments**

The Society operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Society in an independently administered fund. The pension cost charge for the period ended 31 March 2021 represents contributions payable by the Society to the fund and amounted to £37,155 (2019: £29,873). Contributions totalling £3,037 (2019: £2,314) were payable to the fund at the balance sheet date and are included within creditors.

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

The ESLGPS is a funded defined benefit scheme, with assets held in separate trustee administered funds. The total contribution made for the period ended 31 March 2021 was £Nil (31 December 2019: £31,158), of which employer's contributions totalled £Nil (31 December 2019: £23,749). In addition amounts totalling £Nil (31 December 2019: £86,333) were paid by the employer towards the pension scheme deficit.

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

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

	<b>At 31 March</b>	At 31
	<b>2021</b>	December
	%	2019
		%
Discount rate	<b>2.1</b>	2.1
Future salary increases	<b>1.9</b>	1.9
Future pension increases	<b>1.9</b>	1.9

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**26. Pension commitments (continued)**

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

	<b>At 31 March 2021</b>	At 31 December 2019
	£	£
Equities	<b>183,000</b>	183,000
Debt instruments	<b>99,000</b>	99,000
Property	<b>169,000</b>	169,000
Investment funds	<b>1,045,000</b>	1,045,000
Cash	<b>49,000</b>	49,000
Private equity	<b>116,000</b>	116,000
<b>Total fair value of assets</b>	<b><u>1,661,000</u></b>	<u>1,661,000</u>

The actual return on scheme assets was £Nil (2019 - £102,000).

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

	<b>31 March 2021</b>	31 December 2019
	£	£
Current service cost	-	(22,000)
	<u>-</u>	<u>(22,000)</u>

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

**Closing defined benefit obligation**

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

	<b>31 March 2021</b>
	£
Contributions by employer	-
<b>Closing fair value of scheme assets</b>	<u>-</u>

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**27. Operating lease commitments**

At 31 March 2021 the Group and the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 31 March 2021 £</b>	Group 31 December 2019 £
Not later than 1 year	<b>15,980</b>	17,016
Later than 1 year and not later than 5 years	<b>23,452</b>	39,432
	<b>39,432</b>	56,448

**28. Related party transactions**

*Brighton Dome & Festival Limited*

Amanda Jones is a Trustee of the Society and the Deputy Chief Executive of Brighton Dome & Festival Limited. During the period the Charity was provided with HR and other services via a Service Level Agreement with Brighton Dome & Festival Limited. The value of these services totalled £24,892 (2019 - £Nil).

**29. Post balance sheet events**

Post period end the Society was able to re-open all of its properties, with the exception of Anne of Cleves House, Lewes and Marlipins Museum, Shoreham by Sea, to the general public, including the related shops and cafes. Following guidance the Society was able to re-open the gardens at Michelham Priory on 29 March 2021 and then fully re-opened Fishbourne Roman Palace & Gardens, Lewes Castle and Museum and Michelham Priory House and Gardens from 17 May 2021 with social distancing measures in place. From 19 July 2021 all restrictions in England were lifted.

**30. Controlling party**

The Trustees who are also directors control the charity.

**31. Principal subsidiaries**

The following was a subsidiary undertaking of the Society:

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

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**31. Principal subsidiaries (continued)**

The financial results of the subsidiary for the period were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>(Loss) for the period £</b>	<b>Net assets £</b>
Sussex Past Trading Limited	<b>207,920</b>	<b>(237,344)</b>	<b>(29,424)</b>	<b>126,328</b>

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

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