

REGISTERED COMPANY NUMBER: 01276976 (England and Wales)
REGISTERED CHARITY NUMBER: 505609

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2019
FOR
GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

Graham Paul Limited
(Statutory Auditor)
Court House
Court Road
Bridgend
CF31 1BE

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
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**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2019**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of 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 2015).

OBJECTIVES AND ACTIVITIES

Charitable Object

The object for which the Trust is established is 'to advance the education of the public in archaeology'. The powers by which it may do this are set out in the Articles. These include: being able to undertake, prepare or promote archaeological research, excavations, surveys, reports and advice and for any consequent or similar activities; to publish or otherwise distribute information; to arrange for the safe-keeping of all records arising from such objects and for their eventual deposition; to arrange for the safe-keeping of all materials and objects recovered as a result of such archaeological work, and, where appropriate, to arrange for their eventual deposition and/or display.

In 2008 The Trust established a separate trust the GGAT HER Charitable Trust to hold much of this data and has made transfers to it under Deeds. The object of the GGAT HER Charitable Trust is for the benefit of the public to advance the education of the public in archaeology by promoting and undertaking the creation maintenance repair up-dating safe keeping dissemination and publication of records relating to archaeology and the historic environment. The powers by which it may do this are set out in the GGAT HER Charitable Trust Deed. These include: the safe keeping of records resulting from archaeological work and where appropriate to arrange for their eventual deposition; the safe keeping of materials and objects recovered as a result of archaeological work and, where appropriate, to arrange for their eventual deposition; to promote and encourage the objects of the charity by means of the circulation of all forms of printed matter and to print publish and sell books papers circulars and periodicals requisite for that purpose.

Public Benefit

The Trustees are aware of their responsibilities in ensuring that the Trust delivers identifiable benefits to the public in accord with the established object and permitted activities. Our Forward Strategy is founded on Public Benefit delivery principles. Our report on activity sets out the range of works that we do for the audience in our nominated geographic area, but which can be relevant to others further afield. Risk review has been directed to ensure that we can continue to function and that the data we have assembled and hold, or that held by the GGAT HER Charitable Trust, can be easily accessed in person or online and that staff have the necessary qualifications, knowledge, experience, and skills to deliver associated services.

As a body working for public benefit that needs to be outward facing the Trust needs to think about the values that our users should expect. Although our users are not limited in any way the Trust has identified three key groups: Users who need advice about archaeology; Users who need information about archaeology; Users who participate in what we do.

We have identified the values that these three groups should expect from us:-

Advising - Users should be given advice that is ethically sound, not detrimental to the archaeological resource, and meets professional standards. It must be appropriate and relevant to the needs, clear, impartial, consistent, accessible and timely.

Informing - Users should be given information that meets professional standards. It should be properly researched, accurate and validated or have clearly defined limitations and caveats. It must be proportionate to need and well-collated with rights of future use clearly defined.

Participating - Users should be treated fairly and ethically. We believe in inclusivity and openness.

Participants should be heard, respected, nurtured, supported, developed and empowered to advocate.

Activity

The Trust achieves its Object through carrying out a broad spectrum of activity consistent with the powers in its articles.

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The Trust is one of the four similar bodies in Wales who work closely with other national, regional and local bodies, to help protect, record and interpret all aspects of the historic environment, and make the results available to the public. We maintain the regional Historic Environment Record, and are retained by Unitary Authorities, Natural Resources Wales, and other bodies, to provide strategic advice, and also case management support where development proposals, agri-environmental, forestry and woodland, and maritime and coastal schemes impact on the historic environment. Some elements of the funding of this work, notably that provided as grant-aid under the oversight of Cadw, is for restricted purposes and much of it supports the delivery of statutory services by local and national government, in some cases covered under Memoranda of Understanding.

As there is a potential for this advisory work to conflict with other deliveries, we have agreed with Cadw a code of practice: The Welsh Archaeological Trusts Code of Practice for the provision of archaeological advice. The Trust is also registered as an approved organisation with the Chartered Institute for Archaeologists and requires all employees, whether corporate members of the Institute or not, to adhere to the ClfA Codes and Standards as a condition of employment.

We also carry out a wide variety of archaeological projects for public sector and private bodies, including environmental impact assessment, desk-based assessment, field survey, heritage interpretation, watching-briefs, building recording and excavations, as well as area wide monument assessment and historic landscape characterisation works with the intention of improving the information and evidence base to support enhanced protection of the historic environment. Part of this funding, notably that provided as grant-aid under the oversight of Cadw often for thematic regional-scale surveys and assessments is for restricted purposes, but the greater part is not.

The Trust also contributes to developing research agendas through publication of its work. It promotes knowledge and learning about the past through publication, displays, leaflets, lectures and talks and seeks to involve the community of southeast Wales in its work. This has included working with diverse organisations and strengthening voluntary participation. Some of this funding, notably that provided as grant-aid under the oversight of Cadw or by grant-awarding bodies such as the Heritage Lottery Fund is for restricted purposes, but part is not.

The Trust has a headline Forward Strategy with five main elements: 1. Fostering Public Understanding; 2. Improve Access and Engagement; 3. Discovery and Research; 4. Developing the Trust; 5. Archive Care & Deposition. Description of achievements and performance in the reporting period are set out accordingly.

Staff are grouped into Stewardship, HER (Information), Archaeological Services, and Core Operation Teams. Annual operation plans set out the work to be carried out by each team, the expected outputs, key operational risks and fiscal targets. The teams review progress with the Chief Executive on a regular (mainly monthly) occurrence with the notes of these meetings shared with the Board of Trustees.

ACHIEVEMENT AND PERFORMANCE

During the past year the Trust continued to provide access to information about the historic environment, and connected with new audiences. The Trust carried out discrete works that led to the discovery, recording, and reporting of new information about the historic environment and archaeology of South Wales and it improved how it takes care of archives that it holds.

Fostering Public Understanding

The Trust engaged with its beneficiaries through both traditional and digital communication methods. In addition to many lectures or talks, particular tailor made activities were provided at fifteen public events, some following a theme of the 'Year of the Sea'.

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The Trust continued to provide administration support for the Bridgend Heritage Network and actively supported the replacement networks that have emerged in Cardiff-Merthyr, Swansea and Torfaen following the withdrawal of the Welsh Government's Pioneer/Fusion Programme. Advice and assistance was also given to many other local heritage networks and forums, some in very deprived communities, and often connected with empowering them to develop projects to protect or further understanding of their local heritage. We also provided support to help start up new groups, particularly the South Wales Ironworks Networks Group.

We continued to support the development of the new i-Think humanities curriculum, which is being pioneered at the largest secondary school in Swansea. Trust staff took a lead in delivering a section of the module relating local archaeology to the wider world sessions to Year 8 pupils as a feasibility exercise with a view to testing if the module could be rolled over the whole of Wales.

More than twenty volunteers gave their time to the trust many helping with the Historic Environment Record, but others working through the Arfordir groups monitoring change on the South Wales coastline, or helped with events and public education.

Our website was enhanced with pages about the projects that the Trust had carried out since 1995 to record and improve protection of churches and other Christian sites in our geographic area. These pages provide summary information about the different types of sites and monument studied as well as providing access to the detailed reports. Pages and photo galleries related to similar work along the South Wales coast 'Year of the Sea' have also been prepared. These will become available in 2019-20.

As part of its advocacy work, the Trust responded to consultations on the Welsh Farming after Brexit consultation, the Draft Climate Change: Sector Adaptation Plan consultation, the draft Welsh National Marine Plan, the Law Commission's consultation on Planning Law in Wales, and consultations on Planning Policy Wales 10 and the Ecclesiastical Exemption Order. The Trust also provided advice to a wide range of regulatory and non-regulatory bodies.

Improve Access and Engagement

The Trust has a role in the management of and facilitation of access to the Welsh historic environment. The Trust recognises that legislation, notably the Historic Environment (Wales) Act 2016, and related new or amended regulation and guidance has changed the context within which we deliver our Object in Wales. We have continued to make improvements to the Historic Environment Record (HER) as a result of particular measures introduced in 2017 under provisions in the Historic Environment (Wales) Act 2016. Information available to the public was extended through improvements to the HER. Over 8,900 new records were created, and more than 8,300 existing ones edited.

Just under 50 archaeological reports were made publically accessible through the HER. Requirements identified in the last quinquennial HER audit continued to be implemented, with a particular focus given to incorporating locally listed building records in the Cardiff and Vale of Glamorgan unitary authority areas.

The Trust continued to support the development of a number of community-led or community-focused projects, and actively worked on projects to help upskill young adults through archaeological works. Most notably, this included a project working with local skate-boarding groups in Bridgend and Swansea to record skate-boarding heritage and in doing so improve connectivity and capture alternative heritage perspectives and valuations.

The Trust continued to provide work experience opportunities for students as well as volunteering opportunities for all age ranges which allowed work to be progressed for which there was either no or only very limited grant-aid funding available. Working as a partner with the National Waterfront Museum we have also hosted a three-month placement under the Cultural Ambition project funded by the Heritage Lottery Fund's Skills for the Future programme and Welsh Government. This aims to provide unemployed young people who are also not in education or training with 12 month placements based wholly in heritage sites, while remotely working towards a qualification as a registered student.

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Discovery & Research

The Trust undertakes a wide-range of investigative and research works. These inform the knowledge base for public education. The Trust completed its commemorative project recording sites connected to the First World War. It also undertook a project to upgrade data we hold on coastal archaeology and assessed the risk to the archaeological resource in relation to current Natural Resources Wales Shoreline Management Plan (NRW/SMP) policies and erosion data along the coastline in the Unitary Authorities of Swansea, Neath Port Talbot, Bridgend, and Vale of Glamorgan.

The Trust completed reporting works for excavations carried out at the Roman Fort at Neath and commenced post-excavation reporting works in respect of excavations that had been carried out at Monmouth School, and at Cardiff Castle. The Trust also carried out 96 other archaeological projects, mostly in the nominal geographic area.

Separately, the Trust provided an advisory service to local authorities in South Wales which enabled archaeological and related historic environment assessment or recording works to be carried out by archaeological organisations to ensure that certain environmental obligations in connection with land use change controlled by the planning regime could be met.

Developing the Trust

The Trust continued to deliver its Object in changing legal, economic fiscal and social contexts.

The Trust needs to retain various types of data to assist its work with and for its beneficiaries, and has powers under its Articles to ensure that it publishes or otherwise distributes information about archaeological, research, excavations, surveys, reports and advice and arranges for the safe-keeping of all records arising from such archaeological works and for their eventual deposition. Working with senior management the trustees reviewed the trust's archive, records and data management policies and procedures ahead of the introduction of the General Data Protection Regulation. Some new policies and procedures were introduced with the intention of ensuring that the Trust would continue to be legally compliant whilst meeting some of the purposes in its articles which mirror professional expectations. Specific training was provided to staff.

The Trust's status as an organisation entered on The Chartered Institute for Archaeologists' Register of Archaeological Organisations (RAO 15) has been maintained. For the Trust to be able to undertake primary purpose trading as part of activities specified in the Articles it is advantageous for it to do so from a position as a body recognised by the Chartered Institute for Archaeologists, maintaining such formal recognition is a continuing priority.

The Trust plays an important role in delivering historic environment protection in Wales, a role which is recognised in government technical advice notes and other advisory documents. Over the past ten years there has been significant erosion in the funding for this work, which has placed considerable pressure on the trust. The Trust has sought a review of the viability of the current grant-funding scheme, and this has been agreed by Cadw. It is expected that this review will be completed in 2019-2020.

The Trustees have also reviewed succession planning measures, both at Board and executive level, and introduced improved and additional external support (particularly in the areas of accountancy and cybersecurity).

Archive care and deposition

Preservation of accessible information is a critical part of the work that the Trust carries out in delivering its Object. The Trust continued to digitise retained data and maintained databases of content and condition of temporarily held archives.

Work teams reviewed hard-copy material that they held in order to determine what needed to be retained, what should be transferred to designated repositories, and what could otherwise be securely destroyed.

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FINANCIAL REVIEW

The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

Transactions and financial position

Income for the year has decreased by 6% to £676,282, with a particular reduction in project income. Expenditure was reduced by 9%. There was a negative movement in total funds of £43,389. This was due to the in-year losses and an increase in the provisions for meeting the Trusts share of long-term pension scheme deficits. The increase in the provision in respect of the pension arises from the latest interim actuarial valuation report. The liability calculation provision in the financial statements complies with accounting standard FRS 102, which produces a much higher deficit figure than the funding deficit calculated in the draft interim actuarial report. Of unrestricted funds that are in deficit at the balance sheet date, the greater part of the pension scheme debt (£725,377) falls due more than one year from the balance sheet date.

The Trustees have assessed the charity's future programme of works and commitments against working capital in place. Financial projections have been prepared for the period to 30 September 2020. These show that the Trust expects to be able to meet the liabilities falling due within one year of the date of the statements.

The management of particular financial risks to the charity is described in the Risk Management report in the Structure Governance and Management section below.

Archaeological Organisations Pension Scheme (AOPS)

The Trust is a contributing employer to the Archaeological Organisations Pension Scheme a defined benefit pension scheme, closed to Future Accruals in 2018.

The latest Actuarial Valuation Report was issued in July 2019 and relevant information has been brought into the notes to the accounts (Note 17). The scheme is in deficit, and the Statutory Funding Objective has not been met. A recovery plan agreed with the Pension Regulator, should eliminate the deficit by 5 August 2030.

The Trust's share of the liability is currently 26.32%. Both the funding valuation, on which employer contributions are based, and the valuation for the purposes of FRS102 have been undertaken by independent actuaries, further details are given in Note 17 to the accounts. Although a long-term debt the scale of the pension scheme liability has resulted in a negative balance sheet.

In addition to meeting the deficit liability, the employers are expected to meet the administrative costs of the scheme and the pensions levy.

Reserves policies

The Trustees' policy is to establish a position where the Trust holds sufficient reserves, as a general fund, to meet the liability of the Trust and, where appropriate, to establish additional funds for future initiatives or development.

Discrete Funds

The Trust has established a Youth Heritage Fund to support the engagement of young persons with heritage and specifically archaeology. The value of this fund at the 31 March 2019 was £727.

Investment authority & restrictions

The Trust has a power to set aside funds for special purposes or as reserves against future expenditure. Deposits or investments may only be exercised in promoting the Object of the Trust. For such purposes, the Trustees may employ a professional investment manager and to arrange for investments or other property of the Trust to be held in the name of a nominee in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000.

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Going Concern

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2019-2020 Budget and longer-term plans, together with its financial and risk management systems. The Trustees believe that the Charitable Company has adequate resources to continue to operate for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

FUTURE PLANS

The Trust will continue to deliver operational objectives under its Forward Strategy. However it anticipates that the context of its operations will remain difficult due to continued public funding pressures, adverse market conditions, and the uncertainties of changing legislation, regulation and guidance. It does not see the various components forming its operations changing dramatically in the near future.

The Trust needs to ensure that it has the staff competencies necessary to deliver the outcomes that clients, funders, and users require. The Trust will continue to look to strengthen the capability of our staff through further investment in both formal and work place training, and through encouraging and supporting Continuous Professional Development.

The Trust has demonstrated resilience in meeting past challenges, and diversity of operations has been a particular strength. In looking forward the Trustees have identified that the existing structure of the Trust needs to be improved and have started to take steps to achieve this.

The Trust recognises that those who work with it whether as employees and volunteers, and those who come into contact with the Trust whether in a professional or business capacity or as a visitor or as a participant in an activity or event have a right to expect to do so safely. We shall continue to keep our health and safety policies and systems under review and take appropriate specialist consultancy advice implementing improvement or enhancement measures as necessary.

The Trust will continue to advocate the importance of what we do and, following consideration of best approaches, provide informed advice as to how our offer can continue to be effectively delivered in changing circumstances.

The Trust needs to hold information securely and then make it accessible. Much of this information is now held on digital platforms, in addition to our core systems there are some for which we share ownership (e.g. Archwilio the on-line access to the Historic Environment Records of all Four Welsh Archaeological Trusts). The Trust needs to ensure on a continuing review basis the appropriateness and security of systems on which the Trust's data is held and that our Intellectual Property Rights and Copyright privilege over our assets are not compromised, and that our data is protected within contracts and other agreements through effective policies and controls.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The purpose of the body, its organisation and the powers and duties of governance are set out in the Memorandum and Articles of Association of Glamorgan-Gwent Archaeological Trust Limited. Subscribers to the Memorandum signed the governing document on 12 August 1976. The company was formally incorporated on 13 September 1976 and registered with the Charity Commission shortly afterwards. The Articles were most recently amended by a special resolution dated 8 February 2014.

Composition

The Trust is comprised of Members and Trustees. Membership is open to any individual or organisation interested in promoting the Object subject to satisfying a formal application and consent procedure. Membership is personal and incapable of transfer. The number of Trustees is presently limited to a minimum of three and a maximum of nine. The number of Members is unlimited.

Membership

The total number of Members not being Trustees at the 31 March 2019 was 83. The Trust retains a register of Members. The Trustees have not enacted a power to establish different kinds of membership (including informal membership) with different rights and obligations.

Appointment of Trustees

All Trustees must be Members, except that the Trustees may appoint a single Trustee (who is not a Member) duly qualified to provide expert advice to fill a vacancy up to the next Annual General Meeting. The Trustees may appoint a Member of the Trust (whom the Trustees reasonably consider to be a person suitable and qualified to act) as a Trustee. In filling vacancies, the Board of Trustees looks to widen the range of available expertise. Any Member so appointed shall retain office until the next Annual General Meeting, but then be eligible for re-appointment by the Members. The Members may, by ordinary resolution, at an Annual General Meeting, elect a member to become a Trustee. Trustees are elected for a term of three years running from the time of appointment by the Members at an Annual General Meeting but may on completion stand for up to two further terms to a maximum of nine years, after which they are ineligible to serve as Trustee until the expiry of a further three years from the end of the nine-year period.

Automatic Disqualification Declarations

All Trustees have completed declarations that they are not automatically disqualified as serving as Trustees, a similar declaration has been made by the Chief Executive Officer in respect of his appointment.

Trustee training and induction

Prior to appointment new Trustees are provided with a job description and information packs detailing Trust constitution, structure, key current objectives, and copies of recent Annual Reports and Accounts, as well as literature on the responsibilities of being Charity Trustees. Each new Trustee is required to make a signed declaration of commitment and qualification for Trusteeship. An induction includes a detailed review of company/charity history, structure and organisation, role of the trustees, trust business cycles, staffing, policies, financial management and control practices, forward strategies, current operations plan, and the purpose and function of the GGAT HER Charitable Trust. New Trustees are introduced to staff. Documents are provided in a digital handbook. Trustees are made aware of the wide range of guidance available from the Charity Commission in both hard copy and digital forms.

Organisation

The Trustees as charity trustees have control of the Trust and its property and funds, and as permitted by and in accord with the Articles they manage the business of the Trust. The Board of Trustees held five meetings in the year ended 31 March 2019. The GGAT HER Charitable Trust met once in the same period. Some of the trust business is considered in detail by committees who report back to the board, for example Health & Safety matters. Senior staff attend these meetings and those of the Board of Trustees.

The Trustees voluntarily contribute their unpaid time and expertise to the charitable objectives of the Trust. The extent of this contribution is not reflected in the Trust's financial statements, but the Trust is dependent upon the services and expertise provided by its Trustees.

Some Trustees have very detailed knowledge and expertise in Historic Environment matters. Others may have a more general interest but bring in skills from other disciplines. The composition of the present Board comprises persons with experience and knowledge of the practice of archaeology by National and Local Government, in Universities, in the professional archaeological sector, and knowledge of historic environment archives and record management practice, museum structures and practice, delivery of town planning, law, business management, and third sector engagement.

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The Trustees are responsible for determining and approving any amendments or changes to the Trust's strategies, policies and financial and administrative controls. The day-to-day management of the Trust is carried out by the Chief Executive Officer and team managers, who may not work outside of the established policies, controls and strategies, but are charged with delivering agreed works, and, where changing circumstances require, preparing proposals for consideration in respect of improvements or additions. Senior staff review and plan programmes of work and report back to the Board of Trustees on progress against agreed forward plans.

Staffing

The Trust currently employs twenty-one permanent staff, on both a full-time and part-time basis with a full-time equivalent of eighteen, other staff may be employed on a short-term contract basis and volunteers assist with some works. Most of the staff are graduate qualified archaeologists, who bring a wide range of skills, knowledge of the discipline, and experience to the work of the Trust. Two-thirds of the archaeological staff are members of the Chartered Institute for Archaeologists, with eight being full Members, three Associate Members, and two Practitioner Members. Staff salaries are annually reviewed by the Board of Trustees; in settling remuneration the Trustees take account of professional salary minima recommendations published by the Chartered Institute for Archaeologists. In 2018-2019 the ratio for the remuneration for the highest and lowest earning employees on a full-time equivalent basis was less than 3:1.

Relationships with similar organisations

The Trust is one of four similar organisations in Wales, each covering a distinct geographical area (the others being The Clwyd-Powys Archaeological Trust Ltd, The Dyfed Archaeological Trust Ltd and The Gwynedd Archaeological Trust Ltd). The four organisations are sometimes collectively known as the Welsh Archaeological Trusts. The Trusts share identical charitable objectives and meet at all levels collectively or partially to discuss issues of mutual interest, and occasionally may collaborate. However, they are not part of any larger organisation and when response, comment, or approaches are made concerning any issue in pursuit of the charitable objectives these are made as individual organisations

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees carry out regular reviews of the charity's activities and systems in use. This is to assist future planning and assessing any major risks to which the charitable company might be exposed.

The risk register has identified one severe and three high risks that fall into two groups:

Financial (including fraud and pension risks)

The Trust is a contributing employer to the Archaeological Organisations Pension Scheme a defined benefit pension scheme, closed to Future Accruals in 2018.

The scheme is in deficit, but has a recovery plan agreed with the Pension Regulator. In addition to meeting the deficit liability, the employers are expected to meet the administrative costs of the scheme and the pensions levy. The pension scheme liability is a long-term debt.

The relative low level of cash reserves provides a context wherein the resilience of the Trust to fiscal shocks is weakened. Any incident of fraud will have an impact and a significant fraud is likely to lead to the failure of the business and the closure of the charity. In order to ameliorate this particular risk the Trustees have ensured: a) that effective financial procedures, which need to be strictly adhered to, are in place and compliance regularly monitored; b) the imposition of strong IT security measures; c) that staff have the necessary IT competences and understand the risks; d) monies are held in multiple places with separated transfer controls.

The Trustees recognise that insufficient liquidity could lead to the collapse of the Trust through technical insolvency. A number of measures have been identified to reduce the risk or impact of the risk including: a) client resilience, contract and payment controls; b) strict adherence to budgets, and implementation of additional spending controls as necessary; d) provision for staffing adjustments; d) improved reserves.

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In general terms risks around a low level of reserves will continue to be reduced in the short-term by focusing on profitability of current work-flow (if necessary through re-configuration of workforce and further fixed cost savings), and in the medium to long-term through improving income stream diversification and commercial works expansion.

Information protection and rights

Effective management and retention of historic environment information and unrestricted use of such data, subject to standard legal requirements, is an important element in supporting the Glamorgan-Gwent Archaeological Trust Limited's delivery of its Object for its beneficiaries. The Trust has established a separate trust the GGAT HER Charitable Trust to hold much of this data and has made transfers to it under Deeds.

The Trust has also invested in systems and systems management to reduce the risk of loss of data, and in particular to reduce potential damage or loss arising from cyber risks. This has been taken forward alongside other data protection enhancements in order to meet both legislative, regulatory and professional expectation. Shortfalls with legal requirements could lead to investigation, fines, and reputational damage. This risk has been partially remediated by ensuring that the Trust has: a) strong and effective data management policies, procedures and practice; b) specific staff training; c) avoidance of and reduction in duplication of some data classes, d) timely transfers of archive material to long-term depositories.

The Trustees will continue to implement such measures as necessary to preserve the information sets and the rights to the information sets that the trust creates for current and future public benefit.

GGAT HER Charitable Trust

The Glamorgan-Gwent Archaeological Trust created the GGAT HER Charitable Trust on 31 January 2008. The purpose of the body, its organisation and the powers and duties of governance are set out in the GGAT HER Charitable Trust Deed. There are two Trustees the Glamorgan-Gwent Archaeological Trust as a corporate trustee and Ms C Jones.

The Trust transferred material forming the Historic Environment Record at the point of creation and has made subsequent transfers annually each January. The Glamorgan-Gwent Archaeological Trust has managed the record and actions are reported in the main body of this report. The cost of managing the GGAT HER Charitable Trust is reported in the notes to the accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

See earlier.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01276976 (England and Wales)

Registered Charity number

505609

Registered office

Heathfield House

Heathfield

Swansea

SA1 6EL

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr F A Aberg

Mr T Beech

Mr N Clubb

Ms J K Howell

Professor R C Howell

Mr J Lewis

Mr W L Mitchell

Mr J Parkhouse

Mr M White

- resigned 30.11.18

Company Secretary

A G Marvell

Auditors

Graham Paul Limited

(Statutory Auditor)

Court House

Court Road

Bridgend

CF31 1BE

Additional Advisers

During the year ended 31 March 2019, the Trust received specialist advice in the management of its affairs from:-

Bankers

Natwest Bank plc

9 Belle Vue Way

Swansea

SA1 5BZ

Insurance Brokers

Towergate Insurance, Fareham

Funtley Court,

Funtley Hill,

Funtley,

Fareham

PO19 7UY

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STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Glamorgan-Gwent Archaeological Trust Limited (The) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Graham Paul Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 25 October 2019 and signed on its behalf by:

A G Marvell - Secretary

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

Opinion

We have audited the financial statements of Glamorgan-Gwent Archaeological Trust Limited (The) (the 'charitable company') for the year ended 31 March 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

Use of our report

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

Brian Scott (Senior Statutory Auditor)
for and on behalf of Graham Paul Limited
(Statutory Auditor)
Court House
Court Road
Bridgend
CF31 1BE

25 October 2019

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	107,277	-	107,277	104,053
Charitable activities	4				
Other Curatorial Services		8,375	-	8,375	9,620
Grant Aided Work		-	300,074	300,074	292,412
Other Archaeological Projects		260,343	-	260,343	315,317
Investment income	3	213	-	213	301
Total		<u>376,208</u>	<u>300,074</u>	<u>676,282</u>	<u>721,703</u>
EXPENDITURE ON					
Charitable activities	5				
Grant Aided Work		-	301,367	301,367	296,923
Other Archaeological Projects		418,304	-	418,304	487,809
Total		<u>418,304</u>	<u>301,367</u>	<u>719,671</u>	<u>784,732</u>
NET INCOME/(EXPENDITURE)		<u>(42,096)</u>	<u>(1,293)</u>	<u>(43,389)</u>	<u>(63,029)</u>
Transfers between funds	16	<u>(1,293)</u>	<u>1,293</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(43,389)</u>	<u>-</u>	<u>(43,389)</u>	<u>(63,029)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>(659,233)</u>	<u>4,717</u>	<u>(654,516)</u>	<u>(591,487)</u>
TOTAL FUNDS CARRIED FORWARD		<u>(702,622)</u>	<u>4,717</u>	<u>(697,905)</u>	<u>(654,516)</u>

The notes form part of these financial statements

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
FIXED ASSETS					
Tangible assets	11	8,288	-	8,288	13,264
CURRENT ASSETS					
Debtors	12	181,696	-	181,696	197,591
Cash at bank		<u>50,523</u>	<u>4,717</u>	<u>55,240</u>	<u>95,543</u>
		<u>232,219</u>	<u>4,717</u>	<u>236,936</u>	<u>293,134</u>
CREDITORS					
Amounts falling due within one year	13	(217,752)	-	(217,752)	(205,187)
NET CURRENT ASSETS					
		<u>14,467</u>	<u>4,717</u>	<u>19,184</u>	<u>87,947</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS		22,755	4,717	27,472	101,211
Amounts falling due after more than one year	14	(725,377)	-	(725,377)	(755,727)
NET ASSETS/(LIABILITIES)					
FUNDS	16	<u>(702,622)</u>	<u>4,717</u>	<u>(697,905)</u>	<u>(654,516)</u>
Unrestricted funds				(702,622)	(659,233)
Restricted funds				<u>4,717</u>	<u>4,717</u>
TOTAL FUNDS				<u>(697,905)</u>	<u>(654,516)</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
STATEMENT OF FINANCIAL POSITION - CONTINUED
AT 31 MARCH 2019**

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 25 October 2019 and were signed on its behalf by:

Mr F A Aberg -Trustee

Mr T Beech -Trustee

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(40,516)</u>	<u>(51,898)</u>
Net cash provided by (used in) operating activities		<u>(40,516)</u>	<u>(51,898)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(4,416)
Interest received		<u>213</u>	<u>301</u>
Net cash provided by (used in) investing activities		<u>213</u>	<u>(4,115)</u>
Change in cash and cash equivalents in the reporting period			
		(40,303)	(56,013)
Cash and cash equivalents at the beginning of the reporting period		<u>95,543</u>	<u>151,556</u>
Cash and cash equivalents at the end of the reporting period		<u>55,240</u>	<u>95,543</u>

The notes form part of these financial statements

GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(43,389)	(63,029)
Adjustments for:		
Depreciation charges	4,975	15,175
Interest received	(213)	(301)
Decrease in debtors	15,896	29,728
Decrease in creditors	<u>(17,785)</u>	<u>(33,471)</u>
Net cash provided by (used in) operating activities	<u>(40,516)</u>	<u>(51,898)</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2019-2020 Budget and longer term plans, together with its financial and risk management systems. The Trustees believe that the Charitable Company has adequate resources to continue to operate for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

- Grants are recognised in full in the Statement of Financial Activities in the period in which they are receivable.
- Investment income is included when receivable.

Expenditure

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible fixed assets

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

Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 33% on cost

Taxation

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

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The Trust operates a Defined Contribution Scheme and a Defined Benefit Scheme.

Payments into the Defined Contribution scheme are charged to the Statement of Financial Activities in the year incurred. The accounting charge for the period represents the employer's contributions payable.

The Defined Benefit Scheme, which is closed to new members, is a multi-employer scheme. The percentage share of underlying assets and liabilities belonging to the individual participating employers has been advised to the Trust by the Scheme Trustees. Therefore the liabilities attributed to the Trust have been valued in accordance with FRS 102, based on actuarial advice, and the appropriate share of the resulting deficit has been recognised as a liability in the balance sheet.

A deficit repayment plan has been entered into by the Scheme Trustees and Employers. Because the actuarial assumptions used for accounting and funding differ the present value of these additional contributions may differ from the liability recognised in the balance sheet.

2. DONATIONS AND LEGACIES

	2019	2018
	£	£
Curatorial Services UA Support	106,874	103,761
Donations and other income	403	292
	<u>107,277</u>	<u>104,053</u>

3. INVESTMENT INCOME

	2019	2018
	£	£
Deposit account interest	<u>213</u>	<u>301</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2019 £	2018 £
Other Curatorial Services	Other Curatorial Services	8,375	9,620
Grants	Grant Aided Work	300,074	292,412
Other projects	Other Archaeological Projects	260,343	315,317
		<u>568,792</u>	<u>617,349</u>

Grants received, included in the above, are as follows:

	2019 £	2018 £
CADW	<u>300,074</u>	<u>292,412</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 6) £	Totals £
Grant Aided Work	301,367	-	301,367
Other Archaeological Projects	297,312	120,992	418,304
	<u>598,679</u>	<u>120,992</u>	<u>719,671</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Other Archaeological Projects	<u>116,806</u>	<u>4,186</u>	<u>120,992</u>

7. NET INCOME/(EXPENDITURE)

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

	2019 £	2018 £
Auditors' remuneration	3,435	5,000
Depreciation - owned assets	4,976	15,175
Hire of plant and machinery	1,091	1,853
Other operating leases	<u>6,841</u>	<u>6,004</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

During the period payments were made to trustees of £1,335 (2018: £1,475) and key management of £816 (2018: £1,850) in respect of reimbursement of expenses incurred wholly and exclusively for the purposes of trust activities.

All transactions were performed on an arms length basis.

9. STAFF COSTS

	2019 £	2018 £
Wages and salaries	476,899	496,457
Social security costs	39,724	41,291
Other pension costs	<u>22,161</u>	<u>45,213</u>
	<u>538,784</u>	<u>582,961</u>

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

	2019	2018
Administration	4	4
Archaeological staff	<u>18</u>	<u>20</u>
	<u>22</u>	<u>24</u>

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	104,053	-	104,053
Charitable activities			
Other Curatorial Services	9,620	-	9,620
Grant Aided Work	-	292,412	292,412
Other Archaeological Projects	315,317	-	315,317
Investment income	<u>301</u>	<u>-</u>	<u>301</u>
Total	<u>429,291</u>	<u>292,412</u>	<u>721,703</u>

GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
EXPENDITURE ON			
Charitable activities			
Grant Aided Work	-	296,923	296,923
Other Archaeological Projects	487,809	-	487,809
Total	<u>487,809</u>	<u>296,923</u>	<u>784,732</u>
NET INCOME/(EXPENDITURE)	(58,518)	(4,511)	(63,029)
Transfers between funds	(4,511)	4,511	-
Net movement in funds	<u>(63,029)</u>	<u>-</u>	<u>(63,029)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	(596,204)	4,717	(591,487)
TOTAL FUNDS CARRIED FORWARD	<u>(659,233)</u>	<u>4,717</u>	<u>(654,516)</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2018	46,322	101,291	147,613
Disposals	(5,870)	(49,243)	(55,113)
At 31 March 2019	<u>40,452</u>	<u>52,048</u>	<u>92,500</u>
DEPRECIATION			
At 1 April 2018	39,171	95,178	134,349
Charge for year	1,073	3,903	4,976
Eliminated on disposal	(5,870)	(49,243)	(55,113)
At 31 March 2019	<u>34,374</u>	<u>49,838</u>	<u>84,212</u>
NET BOOK VALUE			
At 31 March 2019	<u>6,078</u>	<u>2,210</u>	<u>8,288</u>
At 31 March 2018	<u>7,151</u>	<u>6,113</u>	<u>13,264</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	146,793	152,137
Amounts recoverable on contracts	20,320	28,464
Prepayments	14,583	16,990
	<u>181,696</u>	<u>197,591</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	17,681	18,305
Social security and other taxes	14,191	10,198
VAT	31,341	30,501
Pension creditor	31,899	27,343
Accruals and deferred income	122,640	118,840
	<u>217,752</u>	<u>205,187</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Pension creditor	<u>725,377</u>	<u>755,727</u>

15. LEASING AGREEMENTS

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

	2019	2018
	£	£
Within one year	36,836	36,836
Between one and five years	56,733	93,569
	<u>93,569</u>	<u>130,405</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

16. MOVEMENT IN FUNDS

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	(659,233)	(42,096)	(1,293)	(702,622)
Restricted funds				
CADW	-	(1,293)	1,293	-
Youth Volunteering Grant	3,990	-	-	3,990
Youth Heritage Fund	727	-	-	727
	<u>4,717</u>	<u>(1,293)</u>	<u>1,293</u>	<u>4,717</u>
TOTAL FUNDS	<u>(654,516)</u>	<u>(43,389)</u>	<u>-</u>	<u>(697,905)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	376,208	(418,304)	(42,096)
Restricted funds			
CADW	300,074	(301,367)	(1,293)
TOTAL FUNDS	<u>676,282</u>	<u>(719,671)</u>	<u>(43,389)</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
General fund	(596,204)	(58,518)	(4,511)	(659,233)
Restricted Funds				
CADW	-	(4,511)	4,511	-
Youth Volunteering Grant	3,990	-	-	3,990
Youth Heritage Fund	727	-	-	727
	<u>4,717</u>	<u>(4,511)</u>	<u>4,511</u>	<u>4,717</u>
TOTAL FUNDS	<u>(591,487)</u>	<u>(63,029)</u>	<u>-</u>	<u>(654,516)</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	429,291	(487,809)	(58,518)
Restricted funds			
CADW	292,412	(296,923)	(4,511)
TOTAL FUNDS	<u>721,703</u>	<u>(784,732)</u>	<u>(63,029)</u>

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

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	(596,204)	(100,614)	(5,804)	(702,622)
Restricted funds				
CADW	-	(5,804)	5,804	-
Youth Volunteering Grant	3,990	-	-	3,990
Youth Heritage Fund	727	-	-	727
TOTAL FUNDS	<u>4,717</u>	<u>(5,804)</u>	<u>5,804</u>	<u>4,717</u>
	<u>(591,487)</u>	<u>(106,418)</u>	<u>-</u>	<u>(697,905)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	805,499	(906,113)	(100,614)
Restricted funds			
CADW	592,486	(598,290)	(5,804)
TOTAL FUNDS	<u>1,397,985</u>	<u>(1,504,403)</u>	<u>(106,418)</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

16. MOVEMENT IN FUNDS - continued

Grants received from CADW: Welsh Historic Monuments are awarded for specific projects and on condition that separate audited accounts are submitted to them.

Grants to support encouragement of Youth Volunteering made by the Welsh Council for Voluntary Action under the Gwirvol initiative are awarded for specific purposes.

The Youth Heritage Fund was established as part of the charitable company's 40th Anniversary celebrations. The purpose of the fund is to carry out or support projects that engage young persons with heritage and in particular archaeology.

The Glamorgan Gwent HER Charitable Trust

The Glamorgan-Gwent Archaeological Trust created a separate Trust, the GGAT HER Charitable Trust on 31 January 2008. The GGAT is presently the sole Trustee of this body.

Transactions during the year for this restricted fund are as follows:-

	£	£
Balance at 1 April 2018		Nil
Add: Resources Expended		
Governance Costs		
Salary costs	4,831	
Office rent	381	
Insurance	116	
Office & computer expenses	123	
	<u>5,451</u>	
Less: Deficit funded by the Trustee of the Trust		<u>(5,451)</u>
Balance at 31 March 2019		<u><u>-</u></u>

17. PENSION COMMITMENTS

The Trust is a member of a defined benefit pension scheme operated for the benefit of the employees of a number of archaeological organisations, called the 'Archaeological Organisations Pension Scheme', which requires contributions to be made to a separate administered fund.

The latest full actuarial funding valuation was undertaken by independent qualified Actuaries, Aviva, as at 6 April 2018. In valuing the scheme, the Actuary used the projected unit method. The pension provision as at 31 March 2019 is based on the triennial valuation as at 6 April 2018

The pension cost charge to the statement of financial activities for the year amounts to £22,161 (2018:£45,213).

Included in these figures are contributions made to a defined contribution pension scheme of £11,962 (2018 £24,405)

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

**17. PENSION COMMITMENTS
- continued**

From the draft triennial valuation the scheme assets, liabilities and deficits are listed below: -

	Annual Update 6 April 2018 £
Value of Assets	<u>10,562,000</u>
Past Service Liability:	
Active Members	3,776,000
Members with Preserved Benefits	3,714,000
Pensioners Paid from Fund	<u>4,215,000</u>
	<u>11,705,000</u>
Deficit	1,143,000
Funding Level	90%

The principal assumptions in the Actuarial Report were:-

Return on investments - up to retirement	3.75% per annum
Return on investments - after retirement	3.75% per annum
Salary increases	3.0% per annum
Pension increases in payment - RPI (maximum 5%)	3.5% per annum
Early leaver indexation	2.8% per annum

Members who joined the scheme before 6 April 2000 retire at age 60 or their next birthday if over 60 at the valuation date whereas later joiners retire at normal retirement age.

At 6 April 2018 there were 22 active members and 52 members with preserved benefits with 20 pensioners from the fund of which 26 members relate to The Glamorgan-Gwent Archaeological Trust Limited.

There is currently a recovery plan in place to reduce the deficit on the pension scheme, this aims to eliminate the deficit by August 2030.

The Archaeological Organisations Pension scheme is a multi-employer scheme. The scheme is a frozen scheme. Legal advice to the Scheme Trustees is that it is not constituted as a last-man standing scheme and as such each individual employer is liable for its own deficit.

The most significant differences in the actuarial assumptions used to measure the pension liabilities for accounting purposes, compared to the funding, are a discount rate of 2.4% and future increases in the RPI of 3.3%. Using these assumptions to measure the pension liabilities, rather than those used for funding purposes, leads to the liability of £752,401 recognised in the financial statements.

The expense recognised in the financial statements is made up of the change in liability arising from employee service during the reporting period £15,283, interest expense £20,360 and remeasurements of the defined benefit liability £29,046 (gain).

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

17. PENSION COMMITMENTS
- continued

During the reporting period the AOPS was closed to the future accrual of benefits. This curtailment did not reduce the value of accrued liabilities because benefits for current employees continue to be linked to their salary at the time they retire or leave the Trust. The effect of re-measurement for this curtailment was to reduce the cost of accruing benefits to zero for service after the curtailment, hence the reduction in the cost of accruing benefits compared to the prior year.

18. RELATED PARTY DISCLOSURES

The Glamorgan-Gwent Archaeological Trust is a Trustee of the GGAT HER Charitable Trust, which was created on 31st January 2008.

19. ULTIMATE CONTROLLING PARTY

There is no individual controlling party as the Trust is managed collectively by a board of Trustees.

20. GOING CONCERN

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2019/20 Budget and longer term plans, together with its financial and risk management systems. The Trustees believe that the Charitable Company has adequate resources to continue to operate for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.