

**THE GLAMORGAN GWENT ARCHAEOLOGICAL
TRUST LIMITED**

**HEATHFIELD HOUSE, HEATHFIELD,
SWANSEA**

STATEMENT OF ACCOUNT

FOR THE YEAR ENDED

31ST MARCH 2004

Company registered number 1276976



**HOWARD J. WEARE & CO
CHARTERED ACCOUNTANTS**

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

REPORT OF THE TRUSTEES

The Trustees present their annual report and accounts of the company for the year ended 31st March 2004.

The Trust is a registered company limited by guarantee not having a share capital [No.1276976] and a registered charity [No.505609]. The governing document is the Memorandum and Articles of Association dated 12th August 1976.

Activities

The principal activities of the Trust during the year were directed towards the advancement in education of the public in archaeology.

Trustees

The Trustees also act as Directors of the company.

The following members held office as Trustees during the year –

R. F. Caple
M. R. Fordy - resigned 31.5.03
L. A. Toft - resigned 26.3.04
R. Trett - resigned 24.3.04
H. J. Thomas - resigned 31.5.03
R. J. Brewer
Dr. R Howell
D. Nottage - appointed 17.10.03, resigned 29.1.04
S. White - appointed 20.6.03
F. Olding - appointed 17.10.03
G. Gregory - appointed 26.3.04

Trustees responsibility for the financial statements

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 company and of the profit or loss of the company for that period. In preparing those financial statements, the Trustees are required to :

- select suitable accounting policies and apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

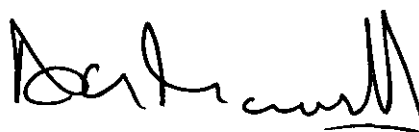
REPORT OF THE TRUSTEES - [CONTINUED]

Auditors

Howard J. Weare & Co have expressed their willingness to be re-appointed as auditors in accordance with Section 385 of the Companies Act 1985 and a resolution to re-appoint them will be proposed at the Annual General Meeting.

The report has been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

Approved by the Board of Trustees on 24th September 2004 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'D. J. Weare', is written over a horizontal line.

Secretary

AUDITORS REPORT TO THE MEMBERS OF
THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of trustees and auditors

As described on page 1 the company's trustees are responsible for the preparation of financial statements, in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Fundamental Uncertainty

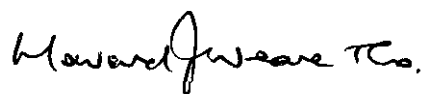
In forming our opinion we have considered the adequacy of the disclosures made in the Financial Statements concerning the non-payment of the debt owed by Newport C.C. of £102105, together with interest of £16534, and the circumstances of the litigation. If the whole of the debt is not eventually recovered, the unrestricted net assets of the Trust would be reduced to a net deficiency of £1854. Details of the circumstances relating to this fundamental uncertainty are described in Note 5. Our opinion is not qualified in this respect.

AUDITORS REPORT TO THE MEMBERS OF

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED [CONTINUED]

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31st March 2004, and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read "Howard J. Weare & Co.", with a horizontal line underneath.

HOWARD J. WEARE & CO.

Chartered Accountants
Registered Auditors

34, Llwyn-y-pia Road,
Lisvane,
Cardiff.

September 2004

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 2004

	Unrestricted Funds	Restricted Funds	Total Funds 2003/04	Total Funds 2002/03
Incoming Resources				
Cadw Grant	-	239202	239202	247084
RCAHMW Grant	-	27500	27500	27000
Development Control	67216	-	67216	65149
Developer Contracts	356777	-	356777	611502
Sales and donations	389	-	389	740
Bank deposit interest	42	2	44	336
	<hr/>	<hr/>	<hr/>	<hr/>
Total Incoming Resources	424424	266704	691128	951811
	<hr/>	<hr/>	<hr/>	<hr/>
Resources Expended				
Direct charitable expenditure [Note 2]	367270	268149	635419	806321
Management and Administration of the charity	60696	-	60696	30904
	<hr/>	<hr/>	<hr/>	<hr/>
Total Resources Expended [Note 3]	427966	268149	696115	837225
Transfer between funds	1447	[1447]	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	429413	266702	696115	837225
	<hr/>	<hr/>	<hr/>	<hr/>
Net Incoming/ [Outgoing] Resources	[4989]	2	[4987]	114586
Fund Balances Brought Forward				
At 1st April 2003	121774	474	122248	7662
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balances Carried Forward				
At 31st March 2004	£116785	£476	£117261	£122248
	<hr/>	<hr/>	<hr/>	<hr/>

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2004

2003

FIXED ASSETS

Tangible assets [Note 4]	12205	17754
--------------------------	-------	-------

CURRENT ASSETS

Debtors [Note 5]	197970	210610
Cash at bank	476	474

198446	211084
--------	--------

CREDITORS: Amounts falling due within one year [Note 6]	93390	106590
---	-------	--------

NET CURRENT ASSETS	105056	104494
--------------------	--------	--------

TOTAL ASSETS LESS CURRENT LIABILITIES	£117261	£122248
---------------------------------------	---------	---------

FUNDS [Note 7]

Unrestricted	116785	121774
Restricted [Note 8]	476	474

£117261	£122248
---------	---------

The accounts have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies.

These accounts were approved by the Board of Trustees on 24th September 2004 and signed on their behalf by –

<u>S. C. White</u>] Trustees
<u>R. J. Brewer</u>	

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2004

1. Accounting policies

a) Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting by Charities (Charity Commission) and in accordance with the Charities (Accounts and Reports) Regulations.

b) Restricted and Unrestricted Funds

Grants received from Cadw : Welsh Historic Monuments and the Royal Commission on the Ancient and Historical Monuments of Wales (RCAHMW) are awarded for specified projects and on condition that separate audited accounts are submitted to them. Grants received from these bodies are therefore considered to be Restricted Funds. In addition, unexpended monies held for the now defunct Abergavenny Archaeological Research Committee are considered to be Restricted Funds. All other incoming resources are treated as Unrestricted Funds.

c) Management and administration of the charity

Management and administration costs represent 20% of the salaries of administration personnel (Director, Administrative Officer and Financial Assistant) based on the time spent, and professional costs incurred.

d) Depreciation

Depreciation has been provided at the following rates, calculated to write off the cost of fixed assets over their anticipated useful lives -

Equipment - Computers	33% on cost
- Other	15% on reducing value

e) Pensions

Pensions are provided by means of a funded defined benefit scheme and annual contributions are based on actuarial advice. The expected cost of providing pensions is recognised on a systematic and rational basis over the expected remaining service life of each member of the scheme.

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31ST MARCH 2004

2. Direct Charitable Expenditure

	Unrestricted Funds	Restricted Funds	Total Funds 2003/04	Total Funds 2002/03
Archaeological research and investigation	281142	72009	353151	547493
Archaeological service provision	86128	196140	282268	258828
	<hr/>	<hr/>	<hr/>	<hr/>
	£367270	£268149	£635419	£806321
	<hr/>	<hr/>	<hr/>	<hr/>

3. Total Resources Expended

	Unrestricted Funds	Restricted Funds	Total Funds 2003/04	Total Funds 2002/03
Salary costs	361881	160455	522336	613399
Staff travelling	8340	5260	13600	26085
Office rent	22500	-	22500	22932
Office rates	472	-	472	442
Office light and heat	2404	-	2404	1864
Telephone and postage	4575	-	4575	6622
Printing and stationery	3769	1464	5233	10697
Insurance	18544	-	18544	12634
Office expenses	3180	-	3180	12653
Equipment leasing	2282	-	2282	2282
Property maintenance	591	-	591	1998
Photography	644	-	644	3000
Auditors remuneration	6463	-	6463	6345
Legal fees	32228	-	32228	4821
Site expenses	8068	675	8743	58704
Specialist fees	24913	14840	39753	34507
Meetings	573	-	573	1306
Library and subscriptions	1734	302	2036	2015
Bank charges and interest	1702	-	1702	2536
Training costs	772	420	1192	1225
Sundry expenses	600	143	743	1994
Depreciation	6321	-	6321	8354
Loss on asset disposal	-	-	-	810
Overhead contribution	[84590]	84590	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£427966	£268149	£696115	£837225
	<hr/>	<hr/>	<hr/>	<hr/>

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

NOTES TO THE ACCOUNTS - [CONTINUED]

YEAR ENDED 31ST MARCH 2004

4.	Tangible Fixed Assets	Equipment	
	Cost		
	At 1st April 2003	88655	
	Additions	772	
	Disposals	-	
	At 31st March 2004	£89427	
	Depreciation		
	At 1st April 2003	70901	
	Provided during year	6321	
	Disposals	-	
	At 31st March 2004	£77222	
	Net book value		
	At 1st April 2003	£17754	
	At 31st March 2004	£12205	
5.	Debtors	2004	2003
	Developer debtors	189119	197226
	Others	8851	13384
		£197970	£210610

Developer debtors include an amount of £102105 due from Newport C.C., owing since November 2002, together with interest of £16534, in respect of the excavation of the "Newport Ship". Newport C.C. dispute that this amount is payable and have refused payment. Since the Balance Sheet date, the Trust has been advised of a counter claim by Newport C.C. The Trust is advised that it has reasonable prospects of defeating the counter claim and succeeding upon its claim, but as with all litigation, the eventual outcome cannot be guaranteed.

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31ST MARCH 2004

	2004	2003
6. Creditors: amounts falling due within one year		
Bank overdraft	2431	17487
Expenses creditors	40240	41421
Taxation and social security costs	9269	18502
Fees received in advance	41450	29180
	<hr/>	<hr/>
	£93390	£106590
	<hr/>	<hr/>

7. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total Funds
Fixed Assets	12205	-	12205
Current Assets	197970	476	198446
Current Liabilities	[93390]	-	[93390]
	<hr/>	<hr/>	<hr/>
	£116785	£476	£117261
	<hr/>	<hr/>	<hr/>

8. Restricted Funds Movement of Resources

	Balance 31.3.03	Incoming	Outgoing	Balance 31.3.04
Cadw Grant	-	239202	239202	-
RCAHMMW Grant	-	27500	27500	-
Abergavenny Fund	474	2	-	476
	<hr/>	<hr/>	<hr/>	<hr/>
	£474	£266704	£266702	£476
	<hr/>	<hr/>	<hr/>	<hr/>

THE GLAMORGAN GWENT ARCHAEOLOGICAL TRUST LIMITED

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31ST MARCH 2004

9. 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, which requires contributions to be made to a separately administered fund. The latest actuarial valuation was undertaken by an independent qualified Actuary as at 6th April 2003 and it was ascertained that the scheme was not adequately funded to provide benefits as promised at that date. The value of the fund at 5th April 2003 was £2309000. The funding level of the scheme was 60%, the shortfall having arisen principally as a result of changes in the actuarial assumptions used. The contribution rates recommended in the actuarial report to ensure that the scheme is adequately funded for future commitments have been implemented. The principal assumptions adopted in that report were as follows –

- a) Return on investments 6.5% per annum to retirement, 5% per annum after retirement.
- b) Rate of salary increases 4.5% per annum
- c) Members who joined the scheme before 6.4.2000 retire at age 60, other members retire at normal retirement age.

Total pension cost charge for the year was £77387 [2003 - £59949].

10. Share capital and Company status

The company is registered under the Companies Act 1985 and is a company limited by guarantee not having a share capital.

	2004	2003
11. Capital commitments		
Contracted but not provided	Nil	Nil