

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
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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FOR THE YEAR ENDED 31 MARCH 2021**

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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 2021. 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.

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 2021 was 93. 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.

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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 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 seven meetings in the year ended 31 March 2021. 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 and its delivery through the professional and voluntary archaeological sectors, along with knowledge of historic environment archives and record management practice, delivery of town planning, law, education, the administration of national and regional societies, and third sector engagement.

The Trust currently employs nineteen permanent staff, on both a full-time and part-time basis with a full-time equivalent of sixteen, 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 other staff support its administration. All but two of the permanent archaeological staff are members of the Chartered Institute for Archaeologists, with seven being full Members, three Associate Members and three Practitioners.

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 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 these programmes of work and report back to the Board of Trustees on progress against agreed forward plans

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.

**REPORT OF THE TRUSTEES
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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 report here complies with the Charity Commission's guidance on reporting public benefit it provides details of purposes and objectives, a review of significant activities undertaken by the charity to carry out its charitable purposes for the public benefit, details of strategies adopted and activities undertaken to achieve our purposes and objectives and details of the achievements by reference to the purposes and objectives. The Trustees have complied with their duty to have due regard to the commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

We have identified the values that our beneficiaries should expect. These are centred on three generic user groups: Users who need advice about archaeology, Users who need information about archaeology, Users who participate in what we do.

The values are set out in three short statements:

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

Reporting of activity is made against the delivery of agreed strategic objectives. On review, the strategic objectives may be replaced or expanded provided they are consistent with delivering the Trust's Object. Report on achievement and performance refers to that occurring in the accounting period.

ACHIEVEMENT AND PERFORMANCE

The Trust achieves its Object through carrying out a broad spectrum of works and activities as articulated under our forward strategy. Achievements and performance are monitored.

The current identified strategic objectives are:

1. Fostering Public Understanding
2. Improve Access and Engagement
3. Discovery and Research
4. Developing the Trust
5. Archive Care & Deposition

Despite the impacts of the SARS-CoV-2 (Covid-19) pandemic during the reporting period the Trust continued to provide deliveries under all areas of its forward strategy.

**REPORT OF THE TRUSTEES
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A year in numbers

- 201,449 Historic Environment Records maintained; 12,000+ records added, 15,000+ records edited.
- 500 Information enquiry responses (258 HER, 242 non-HER enquiries).
- 11,900+ searches of Historic Environment Record information on public portal.
- 85 assessments, evaluations, excavations, surveys, building recording and watching-briefs.
- 64 reports produced.
- 109 consultations connected to 12 Unitary Authority Local Development Plans.
- 364 Planning applications identified as needing mitigation actions.
- 124 Pre-planning discussions; 241 conditions for works to mitigate the impact of development on the historic environment.
- 66 Written Schemes of Investigation approved, 116 reports on work approved.
- 166 Actions on proposed land-use change outside the planning regime.
- 3,500+ Social Media engagements; 1,420+ Video views; 84 guides to local sites to visit.

Fostering Public Understanding

The Trust was restricted to engaging with its beneficiaries through digital means, with a particular emphasis on information provision. One initiative was to produce guides to local historic assets for members of the public constrained as to how far they could travel in our region. Selection of these prioritised those in open access areas and those that are clearly visible from rights of way. Each guide was designed to an identical format: short descriptive and location information was accompanied by a timeline and information on how to obtain more details. In all 84 guides were produced and mounted on our website.

A series of thematically arranged pages and photo galleries related to the theme of '1,000 years of the Welsh Countryside' was prepared. These provide an introduction to major themes of the historic agricultural landscape in South Wales and will provide digital access to reports on Monmouthshire Historic Settlements, Deserted Rural Settlements, Mills and water power in Glamorgan and Gwent, Windmills of Glamorgan and Gwent, Lowland settlement in Glamorgan and Gwent, High status settlement in Glamorgan and Gwent, the spin-off Lowland & High Status Settlement Survey, and Animal Husbandry in Glamorgan and Gwent. Our website is being completely rebuilt, and the Countryside pages will be mounted as part of that work.

The trust also devised seven video and five written guides to take participants through the process of carrying out a small excavation in their back gardens. As well as technical excavation advice the information set included topics such as the importance of obtaining consent and observing Health and Safety protocols: the suite of documents that intending participants are encouraged to engage with are a Consent Form (to ensure that children participating have parental approval), Safety Guidance, a guide titled How to Excavate, a Recording Form and an Evaluation Form. The videos demonstrate all the practical steps to be taken. The strand was promoted through the Hwb, the digital platform for learning and teaching in Wales.

As part of its advocacy work, the Trust responded to consultations on Sustainable Farming and our Land: simplifying agricultural support, Changes to listed building consent applications, and the Gower AONB Design Guide SPG Review. We continued to provide specific heritage management advice outside of the planning process on such issues as damage to Scheduled Monuments, condition of non-scheduled sites, reports of new sites, improving access to heritage assets, or for archaeological projects or sites requiring specific heritage management input. This year 242 requests for such advice were successfully processed and 166 actions on proposed land-use change recommended. Separately, we processed 123 non-commercial enquiries to the Historic Environment Record, 94 mostly from members of the public can be classified as general interest, with the remainder being academic and predominantly made by lecturers or post-graduate students.

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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. 364 planning applications were identified as needing mitigation actions and 241 conditions for works to mitigate the impact of development on the historic environment agreed by planning authorities in South Wales. In monitoring the execution of related work 66 Written Schemes of Investigation and 116 reports on work undertaken were approved.

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; over 12,000 new records were created, and more than 15,000 existing ones edited. A particular focus was given to incorporating locally listed building records in the Neath Port Talbot unitary authority area. A quinquennial HER audit was undertaken and completed during this financial year, with the HER demonstrating a strong performance against all eleven benchmarks. More than 10,000 Users/Unique visitors accessed Archwilio which provides online access to core digital record information held in the Welsh Historic Environment Record making over 60,000 searches with 86% returning successful results, 23% returned records pertinent to our region.

Many of the ways the trust had carried out engagement previously were significantly impacted by the SARS-CoV-2 (Covid-19) pandemic. Our cadre of regular volunteers could not carry out their on-site support work for much of the year and for some specific activities not at all. With support from the Cultural Recovery Fund the Trust started several initiatives designed to assist in improving our offer going forward. These were centred on digitisation and transfer of physical archives to make information the trust holds a more accessible and visible resource and increase our digital communication and recording capacity particularly to support community archaeological recording and delivery of on-line education, which have the potential to expand the reach of the trust as part of the wider cultural sector.

Discovery & Research

The Trust undertakes a wide-range of investigative and research works, which inform the knowledge base for public education. The Trust completed an assessment of the remains of the forty Ironworks along the southern rim of the South Wales Coalfield and made recommendations for further work, including additional research, survey and conservation/consolidation. The Trust completed 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 Newport (part) and Monmouthshire.

It also carried out an exercise to examine in more detail the particular challenges posed by climate change adaptation for the historic environment in South Wales. The scoping exercise specifically arose from the Historic Environment and Climate Change in Wales Sector Adaptation Plan's Headline Action Table: Activity/Evidence (section 2). It used available data from the regional HER, and data available to download as esri-shape files from the Welsh Government Lle website, including heritage data sets (ie that on Listed Buildings and Scheduled Monuments), Landmap data, RHL data, as well as NRW environmental data relating to habitats, special habitats, main river courses and climate change data, in particular flooding data (eg NRW_Floodzone_3 data). This exercise identified 26 Specific Adaptation Response recommendations, which ranged from further detailed scoping to spatial mapping, review and assessment projects.

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Following on from a successful pilot project undertaken in 2019, an analysis and digitisation of traditional farm buildings was carried out for the Unitary Authorities of Swansea and Neath - Port Talbot. The principal aim of the project was to create a consistent landscape-level understanding of farmstead character and survival in Wales in order to inform future land-use policy and interpretation using the methodology for a similar project by English Heritage (now Historic England). This work led to the creation of 756 new or enhance farmstead records each mapped as a polygon. The Trust continued post-excavation works in respect of excavations that had been carried out at Cardiff Castle and commenced similar works for a site in Caerleon. The Trust also worked on 83 other relatively small archaeological projects, mostly in the nominal geographic area.

Developing the Trust

The Trust continued to deliver its object in rapidly-changing context as a consequence of the impacts of the SARS-CoV-2 (Covid-19) pandemic. However, this also led to learning new ways of working which may have beneficial outcomes in the future.

The Trustees have given considerable thought to improving the operating structure of the Trust and have identified a preferred structural model, which has and is continuing to be implemented organically. Support from the Cultural Recovery Fund will assist the Trust with its transformation plans and in particular provide: cost benefits in the future; more certain retention of highly competent professional staff thereby ensuring well-informed advice and decision making; reduction of risks to historic environment advisory and records management functions; and, a better focus on delivering future generations objectives in particular well-educated population to which the trust's established object aligns.

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. Transferring archives was hindered by restrictions resulting from the pandemic with many repositories inaccessible for most of the year. However, towards the end of the year and with funding from the Cultural Recovery Funding some archives from major thematic assessment projects were reviewed in respect of what needed to be retained and selected hard-copy material transferred to the Royal Commission on the Ancient and Historical Monuments in Wales.

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 increased by 17.98% to £828,690, due to obtaining an exceptional grant. Implementation of further controls on direct expenditure control led to an 8.59% saving of £59,665. This contributed to a positive movement in net income. Cash equivalents at the end of the reporting period increased by £123,784 to £167,682.

Outside current staff costs the largest charge to the trust were the costs relating to a now frozen pension scheme. This scheme has a long-term recovery plan agreed with the pension regulator and the greater part of the debt falls due more than one year from the balance sheet date. The pension scheme liability reduced by £78,153. Long-term debt relating to the pension scheme and falling due after more than one year stood at £1,043,450. In overall terms the balance sheet deficit was reduced by £279,917.

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 31 December 2022. These show that the Trust is able to meet the liabilities falling due within one year of the date of the statements.

Benefits in kind

Trustees voluntarily contribute their unpaid time and expertise to the charitable objectives of the Trust. The extent of these contributions are not reflected in the Trust's financial statements.

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During the reporting period the Chief Executive Officer carried out unpaid work to the benefit of the trust at a value of £9,694, which contributed to savings in expenditure.

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. This fund benefitted from a generous donation during the reporting period. The value of this fund at the 31 March 2021 was £1,727.

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.

FUTURE PLANS

The Trust will continue to ensure that it meets its object. However, the context of its operations will remain difficult due to continued pressures accentuated by the impacts of the Sars-2-Cov (Covid 19) pandemic, and it does not see the various components forming its operations changing dramatically in the near future. The Trust will continue to advocate the importance of what we do and, with careful consideration of best approaches, continue to provide our offer in changing circumstances.

The completion of an existing long-term premises lease contract will allow it to amend its office and stores footprint reducing costs and moving forward to new arrangements that will give it more agility, and team distinction. In particular it will continue with an internal re-organisation into three separate teams: Administration, Advisory Services and Archaeological Services leading to sharper divisions between regulatory advisers and information providers and those who deliver particular archaeological services, whether to assist amelioration of impacts of land-use and other change to the historic environment or those deriving well-being from engagement with it.

The Trust has demonstrated resilience in meeting past challenges, and diversity of operations has been a particular strength. However, it has been beset with a range of pressures. In looking forward the Trustees have identified that existing structures need to be improved and will work with the other Welsh archaeological trusts to explore ways in which organisations with shared objectives, practice, and general mutual interests can be better protected, existing knowledge retained, and the public benefit educational purposes safe-guarded, whether as separate or more closely conjoined organisations, the possible impact is noted in the notes to the accounts. Whilst reviewing structures and opportunities the trust needs to ensure that it retains staff with the competencies necessary to deliver the outcomes that clients, funders, and users require, and therefore it will continue to look to strengthen their capability and competence under the banner of retained recognised professional accreditation.

The Trust understands 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.

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The Trust understands that it needs to hold information securely and then make it accessible. 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. 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). During 2021-2022 we shall be working closely with our partners to review ways in which these records can better accessed and safeguarded for the long term.

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.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 current risk register identifies five high risks that fall into two groups. It is next due to be reviewed early in 2022.

Financial (including income reduction, cash flow pressures and pension risks)

The Trust is a contributing employer to the Archaeological Organisations Pension Scheme a 'frozen' 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 subject to periodic revaluation.

The relative low level of reserves provide a context wherein the resilience of the Trust to fiscal shocks is weakened, particularly where there is more volatility in income streams. 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; c) provision for staffing adjustments and organisational changes to improve efficiencies; d) improve and retain reserves; e) strategic review of possible clients and funding streams; f) specific staff training and development to ensure commercial competitiveness; g) general professional improvement review; h) improved operational logistics; i) marketing and promotion to raise awareness among potential clients; j) maintenance of professional standards whilst ensuring delivery to agreed time and costs; k) staffing redeployment or other adjustments.

In general terms, completion and implementation of a new Business Plan will set out a programme that will address risks around a low level of reserves. In addition, given the urgent short-term priority to secure profitability of current work-flow (if necessary through re-configuration of workforce and further fixed cost savings), Trustees are directly managing improvements in performance, especially in terms of the Archaeological Service operations and business development. In the medium to long-term improving income stream diversification remains an ambition.

Strategic development

The existing forward strategy and plan is in urgent need of revision with the risk of working in unfocused and mis-directed ways and the effective management balance of the Trust becoming more skewed. This is coupled with a trend to over reliance on particular individuals in a declining workforce cut back because of financial pressures. Whilst a high level of professional competency exists to provide complex deliveries, this is vested in only a few individuals with particular knowledge or delivery abilities and there is a concomitant risk of disruptions to workflow, delivery failures and breakdown of client/customer relationships. Some possible measures have been identified to reduce these risks or impact of the risk: a) devise mission statement; b) produce new Forward Strategy and Strategic Plan; c) ensure annual review of Forward Strategy and Strategic Plan; d) ensure sufficient resourcing for the implementation of strategic plan, and prioritise as necessary; e) promulgate Forward Strategy and Plan, f) specific staff training and development to limit the extent to which knowledge and expertise rests with one individual; g) ensure corporate knowledge transfer; h) ensure staff are sufficiently familiar with colleagues' roles to be able to cover those roles in the short-term; i) explore expanding use of third party support services.

Strengthening executive and operational management resources are part of the tool-kit to reducing this particular risk area.

Whilst immediate sustainability has been assisted by recovery funding, the trust has actively promoted the concept of a changed structure to ensure the continuance of the Welsh archaeological trusts, if this comes to fruition then many of these risks will quickly dissipate, if it does not then strategic and business planning for the trust as stand-alone body will be the priority.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees

The Trustees are registered as Directors of the Company and as such, their report serves as the Statutory Directors' report. Since there is no share capital, the Directors do not hold any beneficial interest in the company.

In the reporting period, Mr N Clubb, Professor R Howell, and Mr W Mitchell chaired meetings of the Board of Trustees. During the reporting period, Professor Howell resigned as a Trustee on 20 March 2021.

Chief Executive Officer

Mr AG Marvell is appointed as the Chief Executive Officer.

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. 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01276976 (England and Wales)

Registered Charity number

505609

Registered office

Sa12 Business Centre
Seaway Parade Industrial Estate
Baglan
Neath Port Talbot
SA12 7BR

Trustees

Mr N Clubb
Ms J K Howell
Professor R C Howell
J Lewis
Mr W L Mitchell
Mr J Parkhouse
Ms C Jones (appointed 22.5.21)
C Jones-Jenkins (appointed 10.5.21)
Mrs C Hutchings (appointed 28.5.21)
K Whittaker (appointed 10.5.21)
Ms C D Cox (appointed 1.9.20) (resigned 28.1.21)

Company Secretary

A G Marvell

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REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

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

The re-appointment of Graham Paul as auditors to the Trust was duly approved at the Annual General Meeting held on 20 March 2021.

Additional Advisers

During the year ended 31 March 2021, the Trust received specialist advice in the management of its affairs from:-

Accountancy Support

Macey Owen Limited,
5 Willow Walk
Cowbridge
Vale of Glamorgan CF71 7E

Banking

NatWest Bank plc
9 Belle Vue Way
Swansea
SA1 5BZ

HR and Health & Safety Consultancy

Ellis Whittam (now part of WorkNest)
Woodhouse
Church Lane
Aldford
Chester
CH3 6JD

Insurance Brokers

Towergate Insurance
Funtley Court
Funtley Hill
Funtley
Fareham
PO19 7UY

Going Concern

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2021-2022 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.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

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 16 December 2021 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 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We draw attention to Note 19 in the financial statements, which indicates that the charitable company may merge with one or more of the other archaeological trusts in Wales within 12 months of the date of approval of the financial statements. A possible merger indicates that a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern, as the current legal entity would not exist if a merger took place. Our opinion is not modified in respect of this matter.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit was planned on the basis that the testing undertaken and procedures carried out would have a reasonable expectation of detecting any instances of irregularity including fraud. The plan involved assessing the risk of the financial statements containing material misstatements taking into account various factors such as the control systems in place, the standard of record keeping and an assessment of the influence and role of the stakeholders involved. The audit plan was followed and benefitted from the audit teams knowledge of the client. They considered how fraud may occur and where the financial statements may be susceptible to error. The influence of Covid-19 was also considered.

Suitable transaction sample testing was made on the high risk areas of the financial statements. Enquiries were made of the charitable company directors for information and explanations as required during the course of the audit and any contentious areas appropriately challenged to ensure that sufficient audit evidence was obtained.

The procedures and testing undertaken as a result of our risk assessments were deemed sufficient to identify material errors for which adjustment was then made in the financial statements. There is however no guarantee that all errors, including those related to fraud, would be identified as part of the audit.

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.

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

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

16 December 2021

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

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

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	114,364	-	114,364	108,327
Charitable activities					
Other Curatorial Services	4	35,230	-	35,230	9,573
Grant Aided Work		-	479,939	479,939	318,996
Other Archaeological Projects		199,148	-	199,148	265,252
Investment income	3	9	-	9	257
Total		<u>348,751</u>	<u>479,939</u>	<u>828,690</u>	<u>702,405</u>
EXPENDITURE ON					
Charitable activities					
Grant Aided Work	5	-	331,848	331,848	315,032
Archaeological service provision		-	23,225	23,225	-
Other Archaeological Projects		271,853	-	271,853	371,559
Pension deficit provision		(78,153)	-	(78,153)	473,433
Total		<u>193,700</u>	<u>355,073</u>	<u>548,773</u>	<u>1,160,024</u>
NET INCOME/(EXPENDITURE)		<u>155,051</u>	<u>124,866</u>	<u>279,917</u>	<u>(457,619)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		(1,165,205)	9,681	(1,155,524)	(697,905)
TOTAL FUNDS CARRIED FORWARD		<u>(1,010,154)</u>	<u>134,547</u>	<u>(875,607)</u>	<u>(1,155,524)</u>

The notes form part of these financial statements

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE) (REGISTERED NUMBER: 01276976)**

**STATEMENT OF FINANCIAL POSITION
31 MARCH 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	5,937	-	5,937	7,029
CURRENT ASSETS					
Debtors	12	63,713	-	63,713	174,798
Cash at bank		<u>33,135</u>	<u>134,547</u>	<u>167,682</u>	<u>43,898</u>
		96,848	134,547	231,395	218,696
CREDITORS					
Amounts falling due within one year	13	(69,489)	-	(69,489)	(219,708)
NET CURRENT ASSETS		<u>27,359</u>	<u>134,547</u>	<u>161,906</u>	<u>(1,012)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		33,296	134,547	167,843	6,017
CREDITORS					
Amounts falling due after more than one year	14	(1,043,450)	-	(1,043,450)	(1,161,541)
NET ASSETS/(LIABILITIES)		<u>(1,010,154)</u>	<u>134,547</u>	<u>(875,607)</u>	<u>(1,155,524)</u>
FUNDS	16				
Unrestricted funds				(1,010,154)	(1,165,205)
Restricted funds				<u>134,547</u>	<u>9,681</u>
TOTAL FUNDS				<u>(875,607)</u>	<u>(1,155,524)</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 16 December 2021 and were signed on its behalf by:

C Jones-Jenkins - Trustee

J K Howell - Trustee

The notes form part of these financial statements

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	124,589	(10,432)
Net cash provided by/(used in) operating activities		<u>124,589</u>	<u>(10,432)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(814)	(1,167)
Interest received		9	257
Net cash used in investing activities		<u>(805)</u>	<u>(910)</u>
Change in cash and cash equivalents in the reporting period			
		123,784	(11,342)
Cash and cash equivalents at the beginning of the reporting period			
		43,898	55,240
Cash and cash equivalents at the end of the reporting period			
		<u>167,682</u>	<u>43,898</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 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	279,917	(457,619)
Adjustments for:		
Depreciation charges	1,906	2,426
Interest received	(9)	(257)
Decrease in debtors	111,085	6,898
(Decrease)/increase in creditors	(268,310)	438,120
Net cash provided by/(used in) operations	<u>124,589</u>	<u>(10,432)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank	43,898	123,784	167,682
	<u>43,898</u>	<u>123,784</u>	<u>167,682</u>
Total	<u>43,898</u>	<u>123,784</u>	<u>167,682</u>

The notes form part of these financial statements

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

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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2021-2022 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.

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.

1. ACCOUNTING POLICIES - continued

Fund accounting

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

	2021	2020
	£	£
Curatorial Services UA Support	96,357	106,874
Donations and other income	18,007	1,453
	<u>114,364</u>	<u>108,327</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>9</u>	<u>257</u>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

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

4. INCOME FROM CHARITABLE ACTIVITIES

		2021 £	2020 £
Other Curatorial Services	Other Curatorial Services	35,230	9,573
Grants	Grant Aided Work	479,939	318,996
Other projects	Other Archaeological Projects	199,148	265,252
		<u>714,317</u>	<u>593,821</u>

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

	2021 £	2020 £
CADW	330,000	318,996
Welsh Government	149,939	-
	<u>479,939</u>	<u>318,996</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Grant Aided Work	331,848	-	331,848
Archaeological service provision	23,225	-	23,225
Other Archaeological Projects	155,748	116,105	271,853
Pension deficit provision	-	(78,153)	(78,153)
	<u>510,821</u>	<u>37,952</u>	<u>548,773</u>

6. SUPPORT COSTS

	Management £	Governance costs £	Totals £
Other Archaeological Projects	92,935	23,170	116,105
Pension deficit provision	(78,153)	-	(78,153)
	<u>14,782</u>	<u>23,170</u>	<u>37,952</u>

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

7. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	4,950	5,000
Depreciation - owned assets	1,906	2,426
Hire of plant and machinery	1,955	6,689
Other operating leases	<u>5,870</u>	<u>6,518</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

During the period payments were made to trustees of £Nil (2020: £219) and key management of £144 (2020: £295) 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

	2021	2020
	£	£
Wages and salaries	438,767	466,841
Social security costs	34,952	39,229
Other pension costs	<u>24,922</u>	<u>25,041</u>
	<u>498,641</u>	<u>531,111</u>

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

	2021	2020
Administration	4	4
Archaeological staff	<u>18</u>	<u>18</u>
	<u>22</u>	<u>22</u>

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

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	107,327	1,000	108,327
Charitable activities			
Other Curatorial Services	9,573	-	9,573
Grant Aided Work	-	318,996	318,996
Other Archaeological Projects	265,252	-	265,252
Investment income	257	-	257
Total	<u>382,409</u>	<u>319,996</u>	<u>702,405</u>
EXPENDITURE ON			
Charitable activities			
Grant Aided Work	-	315,032	315,032
Other Archaeological Projects	371,559	-	371,559
Pension deficit provision	473,433	-	473,433
Total	<u>844,992</u>	<u>315,032</u>	<u>1,160,024</u>
NET INCOME/(EXPENDITURE)	<u>(462,583)</u>	<u>4,964</u>	<u>(457,619)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	(702,622)	4,717	(697,905)
TOTAL FUNDS CARRIED FORWARD	<u>(1,165,205)</u>	<u>9,681</u>	<u>(1,155,524)</u>

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

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020	40,452	53,215	93,667
Additions	-	814	814
At 31 March 2021	<u>40,452</u>	<u>54,029</u>	<u>94,481</u>
DEPRECIATION			
At 1 April 2020	35,286	51,352	86,638
Charge for year	775	1,131	1,906
At 31 March 2021	<u>36,061</u>	<u>52,483</u>	<u>88,544</u>
NET BOOK VALUE			
At 31 March 2021	<u>4,391</u>	<u>1,546</u>	<u>5,937</u>
At 31 March 2020	<u>5,166</u>	<u>1,863</u>	<u>7,029</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	24,228	125,031
Amounts recoverable on contracts	26,178	33,965
Prepayments	<u>13,307</u>	<u>15,802</u>
	<u>63,713</u>	<u>174,798</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	2,195	31,263
Social security and other taxes	14,156	24,924
VAT	16,616	12,639
Pension creditor	23,968	28,943
Accruals and deferred income	<u>12,554</u>	<u>121,939</u>
	<u>69,489</u>	<u>219,708</u>

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

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

	2021 £	2020 £
Pension creditor	<u>1,043,450</u>	<u>1,161,541</u>

15. LEASING AGREEMENTS

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

	2021 £	2020 £
Within one year	22,811	36,836
Between one and five years	<u>34,268</u>	<u>10,789</u>
	<u>57,079</u>	<u>47,625</u>

16. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(1,165,205)	155,051	(1,010,154)
Restricted funds			
CADW	3,964	(1,848)	2,116
Youth Volunteering Grant	3,990	-	3,990
Youth Heritage Fund	1,727	-	1,727
Cultural Recovery Funding	-	126,714	126,714
	<u>9,681</u>	<u>124,866</u>	<u>134,547</u>
TOTAL FUNDS	<u>(1,155,524)</u>	<u>279,917</u>	<u>(875,607)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	348,751	(193,700)	155,051
Restricted funds			
CADW	330,000	(331,848)	(1,848)
Cultural Recovery Funding	149,939	(23,225)	126,714
	<u>479,939</u>	<u>(355,073)</u>	<u>124,866</u>
TOTAL FUNDS	<u>828,690</u>	<u>(548,773)</u>	<u>279,917</u>

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

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	(702,622)	(462,583)	(1,165,205)
Restricted funds			
CADW	-	3,964	3,964
Youth Volunteering Grant	3,990	-	3,990
Youth Heritage Fund	727	1,000	1,727
	<u>4,717</u>	<u>4,964</u>	<u>9,681</u>
TOTAL FUNDS	<u>(697,905)</u>	<u>(457,619)</u>	<u>(1,155,524)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	382,409	(844,992)	(462,583)
Restricted funds			
CADW	318,996	(315,032)	3,964
Youth Heritage Fund	1,000	-	1,000
	<u>319,996</u>	<u>(315,032)</u>	<u>4,964</u>
TOTAL FUNDS	<u>702,405</u>	<u>(1,160,024)</u>	<u>(457,619)</u>

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

16. MOVEMENT IN FUNDS - continued

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

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	(702,622)	(307,532)	(1,010,154)
Restricted funds			
CADW	-	2,116	2,116
Youth Volunteering Grant	3,990	-	3,990
Youth Heritage Fund	727	1,000	1,727
Cultural Recovery Funding	-	126,714	126,714
	<u>4,717</u>	<u>129,830</u>	<u>134,547</u>
TOTAL FUNDS	<u>(697,905)</u>	<u>(177,702)</u>	<u>(875,607)</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	731,160	(1,038,692)	(307,532)
Restricted funds			
CADW	648,996	(646,880)	2,116
Youth Heritage Fund	1,000	-	1,000
Cultural Recovery Funding	149,939	(23,225)	126,714
	<u>799,935</u>	<u>(670,105)</u>	<u>129,830</u>
TOTAL FUNDS	<u>1,531,095</u>	<u>(1,708,797)</u>	<u>(177,702)</u>

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.

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

16. MOVEMENT IN FUNDS - continued

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

	£	£
Balance at 1 April 2020		-
Add: Resources Expended		
Governance Costs		
Salary costs	3,925	
Office rent	323	
Insurance	91	
Office & computer expenses	134	
	<u>4,473</u>	
Less: Deficit funded by the Trustee of the Trust		<u>(4,473)</u>
Balance at 31 March 2021		<u>-</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

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 £24,923 (2020:£25,041).

Included in these figures are contributions made to a defined contribution pension scheme of £15,985 (2020 £16,054)

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>

**GLAMORGAN-GWENT ARCHAEOLOGICAL TRUST
LIMITED (THE)**

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

Deficit	1,143,000
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Funding Level	90%
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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.

For the year ended 31st March 2021 the Trust has obtained, from a qualified actuary in accordance with the requirements of FRS102, an estimated liability at the balance sheet date related to its proportion of the overall pension scheme liability.

The disclosures provided are as follows:

The Archaeological Organisations Pension Scheme provides defined benefits and is closed to new entrants.

Principal actuarial assumptions at the balance sheet date	Year to 31/3/2021
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Discount rate	2.00%
RPI price inflation	3.30%
CPI price inflation	2.60%
Rate of increase in pensions in payment (LP15)	3.20%
Post retirement mortality	S3PxA (CMI2020 projections with 1.25% LTR)

The amounts recognised in the Statement of Financial Position (£ s)

	£
Present value of funded obligations	4,683
Fair value of plan assets	(3,618)
Net defined benefit liability	1,065
Deferred Tax	-
Net liability recognised in the balance sheet (post tax)	1,065

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

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities (000s)	£
Service cost	-
Administration costs incurred during the period	24
Net interest cost	25
Curtailments	-
Settlements	-
Past service cost	23
Total pension expense	<u>72</u>
Other gains/(losses) recognised in the Statement of Financial Activities (£ 's)	£
Actuarial (loss)/gain on plan assets	809
Actuarial (loss)/gain on defined benefit obligation	(673)
of which due to experience	(394)
of which due to demographic assumptions	(63)
of which due to financial assumptions	(216)
Total (loss)/gain in Statement of Financial Activities	<u>136</u>
Changes in the present value of the defined benefit obligation (£ s)	£
Liabilities at the start of the period	4,063
Interest cost	84
Service cost	-
Contribution by members	-
Actuarial loss/(gain)	673
Benefits paid	(160)
Curtailments	-
Settlements	-
Past service cost	23
Liabilities at the end of the period	<u>4,683</u>
Changes in the fair value of plan assets (£ s)	£
Fair value of plan assets at the start of the period	2,875
Interest income	59
Actuarial (loss)/gain	809
Contributions by the employer	59
Contributions by members	-
Benefits paid	(160)
Non-investment expenses	(24)
Curtailments	-
Settlements	-
Fair value of plan assets at the end of the period	<u>3,618</u>
Analysis of return on plan assets (£ s)	£
Interest income	59
Actuarial (loss)/gain on plan assets	<u>809</u>

17. EMPLOYEE BENEFIT OBLIGATIONS - continued

Return on plan assets 868

Major categories of plan assets as a percentage of total assets (£ s)

	£	
Equities	1,645	45.5%
Bonds	692	19.1%
Alternatives	402	11.1%
Annuities	663	18.3%
Cash	216	6.0%
	<u>3,618</u>	<u>100.0%</u>

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. POST BALANCE SHEET EVENTS

The Trustees consider that there are no events, including the continuing impact of the CoV-2-Sars (Covid-19) pandemic, occurring after the end of the reporting period and before the date of signing that necessitate an adjustment to the stated positions.

However, the Welsh archaeological trusts have established a Strategic Collaboration Group to consider collective futures. This group has been able to obtain pro bono advice from the Worshipful Company of Management Consultants, which if pursued to fruition would result in the four Welsh archaeological trusts becoming a single body with regional units. No decision on this has been made and the unanimous agreement of the trusts will determine if this is now considered further. If there is an initial agreement, the next stage is limited to exploring practicalities and information gathering. This exercise will define the shape of a single body and prepare for due diligence, should unanimity for progressing with the proposed change remain in place across all four trusts at the end of this initial process.

The Articles are clear in that the Trust must pass on the assets remaining in specified ways, it also has a power of amalgamation (3 (I)). The strengthening of Charities with similar objects helps to ensure continuance of public benefit and can remove or reduce future uncertainties and risks. The principal creditor is the Archaeological Organisations Pension Scheme and the four trusts are the only employers in the 'frozen' scheme. The attitude of that pension scheme to the possible change has yet to be established but would be critical.

Were the four trusts to become a single body this would not occur until after April 2022.

20. ULTIMATE CONTROLLING PARTY

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

21. GOING CONCERN

The Trustees have reviewed the financial position of the Charitable Company, taking account of reserves and cash, the 2021/22 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.

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