

THE ROYAL ARCHAEOLOGICAL INSTITUTE

**COUNCIL REPORT AND
FINANCIAL STATEMENTS
31 DECEMBER 2016**

**SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER LE1 7BA**

THE ROYAL ARCHAEOLOGICAL INSTITUTE

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YEAR ENDED 31 DECEMBER 2016

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CHARITY NUMBER: 226222

President	Professor Timothy Champion
Vice-Presidents	Professor Helena Hamerow Mr William Britnell Dr Mark Gardiner Dr Sara Lunt Professor Barbara Yorke
Honorary Secretary	Dr Pete Wilson
Honorary Treasurer	Dr Andrew Williams
Honorary Editor	Professor Howard Williams
Meetings Secretary	Mr Hedley Swain
Council Members	Full list given on page 8
Correspondence Address	c/o The Society of Antiquaries Burlington House Piccadilly London W1J 0BE
Bankers	Co-operative Bank plc PO Box 250 Delf House Southway Skelmersdale WN8 6WT CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Independent Auditors	Somerbys Limited Chartered Accountants Registered Auditors 30 Nelson Street Leicester LE1 7BA

**THE ANNUAL REPORT OF THE COUNCIL
YEAR ENDED 31 DECEMBER 2016**

The Council presents the statutory report with the accounts of The Royal Archaeological Institute for the year ended 31 December 2016.

The annual report and accounts are presented in the form of a Statement of Financial Activities, in order to comply with the *Statement of Recommended Practice for Charities: Accounting and Reporting by Charities* as issued by the Charity Commission in 2015 and comply with the requirements of the Charities Act 2011.

Structure, Governance and Management

The Institute was founded in 1844 and received its Royal Charter in 1961. This defines the nature and legal status of the Institute, which is responsible to the Privy Council for the conduct of its affairs. These include the holding of monthly lectures in London during the Season, which runs from October to May; short Spring and Autumn meetings and an Annual Summer Meeting of a week's duration when visits are paid to areas of archaeological and architectural interest in the British Isles and Europe. An annual conference and occasional seminars are also held on a variety of topics. The Institute publishes a journal and awards research and other grants annually.

The Institute is a Registered Charity - No. 226222 - and the registered address is c/o The Society of Antiquaries of London, Burlington House, Piccadilly, London, W1J 0BE.

The Institute's governing body is its Council, whose members are the trustees of the Charity for the purposes of charity legislation, and which is constituted as follows:

- The President, elected by the members in general meeting for a three year term of office.
- Six Vice-Presidents, each elected by the members in general meeting for a five year term of office. (In 2016, Council reduced this number to five.)
- Twelve Ordinary Members, each elected by the members in general meeting for a four year term of office.
- Four Honorary Officers (Secretary, Treasurer, Editor and Meetings Secretary) who are appointed by Council, are *ex officio* members of it, and who have no restriction on their term of office.

Council's work is supported by Editorial, Meetings and Research Committees. An Audit & Investment Committee provides oversight of the conduct of its financial affairs.

The members of the Council who served during the year are listed on page 8. The Institute gratefully recognises the support and assistance that all retiring members of Council have given during their period of office.

Aims

The aims and objectives of the Institute are as follows:

- (a) To examine, preserve and illustrate the ancient monuments, past history, manners, customs, arts and literature of Great Britain and Northern Ireland and other countries.
- (b) To publish the *Archaeological Journal*.
- (c) To contribute funds for the preservation of ancient monuments and promote research and archaeology through grant giving.
- (d) To run a lecture programme where papers are read and subjects discussed.
- (e) To hold meetings at archaeological sites.

Public Benefit

In meeting its aims and objectives the Society provides public benefit by advancing learning and education about archaeology at all levels, and through promoting knowledge of archaeology.

Council confirms that it has complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Public Benefit.

**THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016**

Achievements and PerformancePublications

Volume 173 of the *Archaeological Journal* was published during the year. The Summer Meeting Report on the 2015 visit to Stockholm and the surrounding area was published as a supplement to the *Journal* Volume 173.

The digitised version of the *Archaeological Journal* Volumes 1 - 173 is currently available online to libraries, and to members through the RAI website.

Two Newsletters were published which, besides reporting on the Institute's activities, included short reports on research projects that had received awards from the Institute's research funds.

Lectures

The following lectures were held at the Rooms of the Society of Antiquaries in Burlington House, London:

13 January

Ports, Limbs and other appendages; the archaeological signature of Cinque port confederation sites
Dr Frank Meddens

10 February

"Moving Heaven & Earth" - celebrating Lancelot 'Capability' Brown (1716-1783) and his legacy
Steffie Shields

9 March

The Whitehorse Hill Cist and its Remarkable Contents
Dr Andy M Jones

13 April

3 p.m. Presentations by early career archaeologists: *Dr Sebastian Becker, Lawrence Billington and Dr Marcus Brittain*
5 p.m. Wressle Castle, East Yorkshire: Beginning to End
Shaun Richardson

11 May: the President's lecture

The making of the southern English landscape: a prehistorian's view
Professor Timothy Champion

12 October

Portals to the Past. Controlling risk and maximising benefit on the Crossrail Archaeology Programme
Jay Carver

9 November

3 p.m. Presentations by early career archaeologists from University of York:
Dr Fabrizio Galeazzi, Dr James Taylor and Dr Benjamin Elliott
5 p.m. The Trojan Horseman: The Myth and Reality of the Crosby Garrett Helmet
Dr Mike Bishop

14 December

Dacre, Cumbria, the early medieval monastery described by the Venerable Bede
Rachel Newman

THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

During 2016, the Institute's world-class lectures continued to be made available online to Ordinary members.

Meetings

The **Spring Meeting** was held in South Glamorgan and based in Barry, South Wales. Thirty members attended. The Institute would like to thank all who helped with the guiding including: Jeremy Knight, Dr Sian Rees, Ann Ballantyne, Jane Rutherford.

The **Summer Meeting** was based in Salisbury and Marlborough and was led by Professor David Hinton. Twenty-four members attended. The Institute would like to thank those who helped to guide the meeting: Tim Tatton-Brown, Dr John Hare, Professor Tim Darvill, Susan Greaney, Adrian Green, Amanda Richardson, Mary South, Bryn Walters, Dr Jim Leary, David Dawson, Pam and Ivor Slocombe, Anthony Emery, Paul Jack, Josh Pollard, Ed McSloy and David Field. Professor Hinton and Caroline Raison are thanked for their hard work in making this such a worthwhile Meeting.

The **Autumn Meeting** at Knole House was arranged and led by Natalie Cohen and the guide to the gardens was Dr Al Oswald. Eighteen members attended and lunch was held in the Orangery after a very wet morning garden tour. The Institute is grateful to both guides, the National Trust staff and to Lord Sackville for allowing access to his private garden.

The Institute's 2016 conference, *The Neolithic of Northern England*, was held in Carlisle at the Tullie House Museum and Art Gallery, in association with the Prehistoric Society and the Cumberland and Westmorland Antiquarian and Archaeological Society. One hundred and four delegates attended the two day conference. Dr Gill Hey and Caroline Raison are to be thanked for organising an excellent conference.

Research Grants

Research grants totalling £13,747 were awarded in 2016, as follows:

Ben Jervis	The Dietary Impact of the Norman Conquest	£450
Earl Hintze	The Ashelby Pasture Project: conclusion of the excavation of an early multiphase structure in upper Nidderdale, post excavation analysis and recording and publication of results	£2,875
Eleanor Sier	Project - Archaeological Excavation at Fulham Palace: The Tudor Dovecote	£4,850
Gordon Noble	In place and time: dating and analysing the early agricultural settlement of Shetland	£3,372
Steven Willis	The Central Lincolnshire Wolds Research Project: Hatcliffe Top	£2,200

The grant for 'The Central Lincolnshire Wolds Research Project: Hatcliffe Top' included a contribution of £750 from the Bunnell Lewis Research Fund. The grant for 'The Dietary Impact of the Norman Conquest' was from the Tony Clark Memorial Fund. By agreement of the Institute, the grant of £4,850 for the Fulham Palace project was deferred to 2017.

The Patron's Lunch

On Sunday 12th June, Maureen Amory, Katherine Barclay, David Breeze and Sian Rees kindly represented the Institute at this event held to mark the Queen's 90th birthday and to celebrate Her Majesty's patronage of over 600 charities and organisations.

THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

The Institute made donations of £1,250 to the library of the Society of Antiquaries of London, where members have reading rights, and of £600 to the Young Archaeologists' Club section of the Council for British Archaeology.

The Tony Baggs Undergraduate Dissertation Prize

The Tony Baggs Undergraduate Dissertation Prize, covering years 2015 and 2016, was awarded to Bethan Boulter from the University of Leicester for her dissertation, *Sex Estimation of a 19th – century Coventry Population Using a Predetermined Odontometrical Technique*.

Cheney Bursaries

Three students received a bursary during the year in order to attend the Institute's Autumn conference, *The Neolithic of Northern England*.

Membership

Council regrets to note the deaths of eight members during the year, of whom two were Life members and six were Ordinary members. Eight members resigned: Five Ordinary members and three Associate members. As a result of the review of the membership roll, past members were removed from the membership list due to non-payment: Eighteen Ordinary members, five Associate members and eleven Student members. One Ordinary member became an Associate member and one Student member became an Ordinary member. Thirty-nine new members were elected: twenty-seven Ordinary members, one Associate member and eleven Student members. Six of the new Student members are sponsored by the RAI.

	<u>2016</u>	<u>2015</u>
Life members	103	105
Ordinary members	525	527
Associate members	76	82
Student members (under 26 years of age)	17	18
Individual Members	721	732

Financial Review

The Statement of Financial Activities shows a deficit of £1,480 (2015 a surplus of £9,207). The Institute is pleased to see an increase in royalties from sale of publications - the fruits of the partnership with Routledge. The Institute was very grateful to receive a bequest from the estate of Anne Holton-Krayenbuhl.

The Institute re-invested £6,610 during the year; this is a partial replacement of monies realised in 2014, in which year two Journals were published.

The Institute successfully reduced its administration and governance costs during the year, and is also very grateful to Somerbys for having reduced charges for some of its services.

The Institute has been offered a Charitable Gift of £2,500 for 2017 from the Patron's Fund. It intends to use this to provide tickets to The Tower of London, Caernarfon Castle, Holyrood Palace and Hillsborough Castle to 'hard to reach' family groups who would not normally visit heritage sites. The William and Edith Oldham Charitable Trust offered an additional grant of £1,506 to allow the project to be extended to include the royal sites of Eltham Palace and Greenwich within the historic County of Kent.

**THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016**

The Institute's net assets as at 31 December 2016 are £1,123,185 (2015: £1,038,627), which are more than sufficient to meet its obligations.

In 2016 the Council monitored carefully the performance of its invested funds now managed by CCLA, with an increased level of reporting following the Referendum decision to leave the EU. The total assets had been proportioned between different fund types which would provide an ambitious, but not stretching, annual yield, and growth in the long-term value of the investments to be equal to but not greater than inflation. Council was satisfied with the income achieved.

Risk Policy

Council receives an annual report from the Audit and Investment Committee. The most recent, received in March 2016, highlighted the following (action taken in italics):

- Appointment to Audit and Investment Committee to reflect need for legal, financial or investment skill. *Suitable member appointed.*
- Website update required to improve security. *Update achieved both security and appearance objectives.*
- Investment, income and expenditure activities to be scrutinised. *Investment performance closely watched following Brexit decision. Expenditure reduced.*

Reserves Policy

Council's policy is to retain sufficient resources to enable it to carry out its charitable activities from a sound financial base and to achieve its long-term objectives. Capital, in the form of fixed asset investments, is maintained with a view to generating as much investment income as is possible as part of incoming resources to meet charitable expenditure year by year, in line with its investment policy.

Reserves at 31 December 2016 amounted to £1,123,185 and of this £1,114,045 represented investments and tangible assets held to generate income to carry out the charitable objectives. Free reserves therefore totalled £9,140.

Investment Policy

The Institute's primary investment objective is to monitor the performance of the Investment Manager with the aim of generating an agreed and ambitious income stream, and of maintaining the value of total investment funds equal, over the long-term, to the inflation rate. Reports on the Institute's portfolio are received quarterly, an annual meeting takes place between a representative of the CCLA and the Audit and Investment Committee and ad hoc assistance is readily available throughout the year. The investment manager's assessment was specifically sought, and frequency of reports was increased to fortnightly following the Brexit decision,

**THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016**
-----**Plans for the future**

The Institute plans to publish online Part 2 of Volume 174 of the *Archaeological Journal* in the Summer of 2017 (having achieved publication of Part 1 online in November 2016), along with the Summer Meeting Report for 2016, and to continue to publish newsletters in Spring and Autumn.

Lectures will continue to take place on a monthly basis, from January to May and October to December, and the RAI's annual conference on the Middle Iron Age Arras Culture will be held in York from November 17th to 19th.

Three meetings will be held through the year. The Spring meeting will be in Whitby in May, the Summer meeting in Cork and environs in July and the Autumn meeting at St Albans in October.

The Charitable Gift from the Patron's Fund will see the RAI host visits by local family groups to The Tower of London, Caernarfon Castle, Holyrood Palace and Hillsborough Castle. A separate grant from The William and Edith Oldham Charitable Trust will allow the project to be extended to the royal sites of Eltham Palace and Greenwich (see Financial Review above).

The Institute will continue to award annual research grants and also its Masters and Undergraduate Dissertation Prizes in alternate years and, in 2017, the Masters Dissertation Prize will be judged. The Institute will also continue to work with other bodies to promote the British Archaeological Awards.

The website will advertise all of these events and awards and will include a synopsis of lecture contents, and host these lectures online for the benefit of Ordinary members.

All of these activities will be promoted through an enhanced social media profile.

During 2017 the Institute proposes to develop its activities by:

- continuing to improve its web and social media presence in order to provide a widely-visible point of contact both with members and the wider public. It will continue to present its lectures online via the website.
- exploring with its commercial publishing partner how best to maintain the high standards of the *Archaeological Journal* and Summer Meeting Reports, and maximise its marketing potential, and to remain aware of the challenges of "open access" publication.
- continuing its current review of its wider activities to ensure that the Institute is fulfilling its purpose to best effect.

Statement of the Council's responsibilities in respect of the preparation of financial statements

The Council Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities).

The law applicable to charities in England & Wales and the Institute's Royal Charter requires the Council to prepare financial statements for each financial year, which are required by law to give a true and fair view of the state of affairs of the Institute at the year-end and of the surplus or deficit of the Institute for that period. In preparing these financial statements, the Council is required to:

- > select suitable accounting policies and then apply them consistently;
- > observe the methods and principles of the Charities SORP;
- > make judgements and estimates that are reasonable and prudent;
- > state whether the applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Institute will continue in operation.

**THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016**

Statement of the Council's responsibilities in respect of the preparation of financial statements (Con'd)

The Council is responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Institute and which enables it to ensure that the financial statements comply with the requirements of the Royal Charter and Statutes and the Charities Act 2011. It is also responsible for safeguarding the assets of the Institute and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

President

Professor Timothy Champion (E) (R) (A) (M)

Council members Elected/Retired/Resigned

Professor Timothy Darvill (Vice-President)	Retired May 2016
Professor Helena Hamerow (Vice-President) (A)	
Mr William Britnell (Vice-President) (R)	
Dr Mark Gardiner (Vice-President)	
Dr Sara Lunt (Vice-President) (A)	
Professor Barbara Yorke (Vice-President)	
Ms Pauline Beswick	Retired May 2016
Ms Janette Booth (M)	Retired May 2016
Dr John Dent	
Dr Andy Jones	
Dr Margaret Nieke (E)	
Paul Oldham (A)	
Roy Porter	
Kathryn Stubbs	
David Altoft	
Robin Daniels	
Dr Stephen Sherlock	
Dr Eileen Wilkes	
Ms Nathalie Cohen	Elected May 2016

Officers

Dr Pete Wilson
Dr Andrew Williams
Professor Howard Williams
Mr Hedley Swain

Position

Honorary Secretary
Honorary Treasurer
Honorary Editor
Meetings' Secretary

In addition to the above, the following served throughout the year:

Ms Sharon Gerber	Administrator
Mrs Susan Greaney	Web Manager (Retired May 2016)
Ms Katherine Barclay	Newsletter Editor
Dr Kate Waddington	Reviews Editor
Ms Caroline Raison	Assistant Meetings' Secretary
Dr Ulla Rajala	Social Media Communication Officer (Resigned May 2016)

THE ANNUAL REPORT OF THE COUNCIL (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

The following members of the Institute also served on committees:

Mr Christopher Miscampbell (A)
Dr Andrew David (R; *Tony Clark Award*)
Dr Julian Litten (M)
Professor Anthony Quiney (M)
Ms Frances Griffith (E)
Mr Adam Gwilt (A)
Dr Angela Wardle (R)
Ms Maureen Amory (A)
Mrs Vivienne Coad (E)

(E): Member of Editorial Committee
(A): Member of Audit & Investment
(M): Member of Meetings Committee
(R): Member of Research Committee

Approved and signed on behalf of Council on 8 March 2017.

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PRESIDENT
Professor Timothy Champion

.....
FOR COUNCIL
Paul Oldham

.....
HONORARY TREASURER
Dr Andrew Williams

.....
FOR COUNCIL
Hedley Swain

**INDEPENDENT AUDITORS' REPORT TO THE COUNCIL
YEAR ENDED 31 DECEMBER 2016**

We have audited the financial statements of The Royal Archaeological Institute for the year ended 31 December 2016 which comprise Statement of Financial Activities, the Balance Sheet and the related notes. 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).

This report is made solely to the Council, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Institute and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Council and Auditors

As explained more fully in the Council's Responsibilities Statement set out on page 7, the Council are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Council's Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements;

- give a true and fair view of the state of the charity's affairs as at 31 December 2016, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities); and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**INDEPENDENT AUDITORS' REPORT TO THE COUNCIL
YEAR ENDED 31 DECEMBER 2016**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Annual Report of the Council is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

8 March 2017

SOMERBYS LIMITED
Chartered Accountants
Statutory Auditor
30 Nelson Street
LEICESTER LE1 7BA

Somerbys Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2016

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total 2016</u>	<u>Total 2015</u>
Income and endowments from:					
Donations & legacies:					
Donations, grants & legacies	2	1,625	2,000	3,625	7,117
Subscriptions		20,366	-	20,366	21,499
Gift aid on subscriptions		3,463	-	3,463	1,250
Other trading activities:					
Income from meetings	6	26,860	-	26,860	71,569
Sale of publications		19,643	-	19,643	18,435
Investments	3	40,208	925	41,133	44,126
Total		----- 112,165 -----	----- 2,925 -----	----- 115,090 -----	----- 163,996 -----
Expenditure on:					
Raising funds:					
Publication of journal	4	11,410	2,000	13,410	16,261
Speakers	5	6,999	-	6,999	6,022
Expenditure on meetings	6	31,525	-	31,525	67,093
Membership printing & postage		8,186	-	8,186	7,900
Charitable activities:					
Grants and prizes	7	13,216	1,200	14,416	14,886
Subscriptions and donations		1,975	-	1,975	2,240
Admin costs	8	40,059	-	40,059	40,387
Total		----- 113,370 -----	----- 3,200 -----	----- 116,570 -----	----- 154,789 -----
Net income/ (expenditure) before gains and losses on investments		(1,205)	(275)	(1,480)	9,207
Net gains/(losses) on investments		84,569	1,469	86,038	12,937
Net income and net movement in funds		----- 83,364 -----	----- 1,194 -----	----- 84,558 -----	----- 22,144 -----
Reconciliation of funds:					
Total funds brought forward		1,005,415	33,212	1,038,627	1,016,483
Total funds carried forward		----- £1,088,779 =====	----- £34,406 =====	----- £1,123,185 =====	----- £1,038,627 =====

BALANCE SHEET
AT 31 DECEMBER 2016

	<u>Note</u>	<u>2016</u>	<u>2015</u>
Fixed assets			
Investments	9	1,113,910	1,021,263
Tangible assets	10	135	478
		-----	-----
		1,114,045	1,021,741
Current assets			
Debtors and prepayments	11	9,130	9,850
Short term deposits		8,429	13,407
Cash at bank and in hand		12,766	7,879
		-----	-----
		30,325	31,136
		-----	-----
Creditors: amounts falling due within one year			
Creditors		9,405	7,790
Accruals	12	11,780	6,460
		-----	-----
		21,185	14,250
		-----	-----
Net current assets		9,140	16,886
		-----	-----
Net assets		£1,123,185	£1,038,627
		=====	=====
Represented by:			
Restricted funds	14	34,406	33,212
Unrestricted funds			
General funds		1,049,559	966,061
Designated funds	13	39,220	39,354
		-----	-----
		1,088,779	1,005,415
		-----	-----
		£1,123,185	£1,038,627
		=====	=====

These financial statements were approved on behalf of Council on 8 March 2017.

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PRESIDENT
Professor Timothy Champion

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FOR COUNCIL
Paul Oldham

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HONORARY TREASURER
Dr Andrew Williams

.....
FOR COUNCIL
Hedley Swain

STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2016

	<u>Note</u>	<u>2016</u>	<u>2015</u>
Cash flow from operating activities			
Cash generated from operations	17	(34,614)	(30,528)
		-----	-----
Net cash flow from operating activities		(34,614)	(30,528)
		-----	-----
Cash flow from investing activities			
Payments to acquire tangible fixed assets		-	-
Payments to acquire investments		(603,331)	-
Receipts from sales of investments		596,721	-
Interest received		24	48
Dividends received		41,109	44,078
		-----	-----
Net cash flow from investing activities		34,523	44,126
		-----	-----
Cash flow from financing activities			
Interest paid		-	-
Repayment of finance leases		-	-
		-----	-----
Net cash flow from financing activities		-	-
		-----	-----
Net increase/(decrease) in cash and cash equivalents		(91)	13,598
Cash and cash equivalents at 1 January 2016		21,286	7,688
		-----	-----
Cash and cash equivalents at 31 December 2016		£21,195	£21,286
		=====	=====
Cash and cash equivalents consists of:			
Cash at bank and in hand		12,766	7,879
Short term deposits		8,429	13,407
		-----	-----
Cash and cash equivalents at 31 December 2016		£21,195	£21,286
		=====	=====

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2016**

1. Accounting policies

- (a) **Basis of Preparation.** The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Institute constitutes a public benefit entity as defined by FRS 102.

The Council consider that there are no material uncertainties about the Institute's ability to continue as a going concern.

- (b) **Reconciliation with previous General Accepted Accounting Practice.** In preparing the financial statements, the Council has considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/expenditure for the year is provided with the net income under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

Reconciliation of reported net income

Net income as previously stated	9,207
Adjustment for gains on investments now treated as a component of net income	12,937

2016 net income restated	£22,144
	=====

- (c) **Income Recognition.** With the exception of voluntary income arising from legacies, donations and gifts, all income is recognised once the Institute has entitlement to the income, it is probable that the income will be received and the amount receivable can be measured reliably.

Legacies are credited to the Statement of Financial Activities once the Institute has been notified of its entitlement to the income and the value of the legacy is capable of financial measurement.

Donations and gifts are credited to the Statement of Financial Activities when they are receivable. Gifts are valued by the Council on the basis of their worth to the Institute.

- (d) **Expenditure** is accounted for on the accruals basis and has been classified under headings that aggregate all costs related to the category.

- (e) **Fixed Asset Investments** are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Institute does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Institute is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors and sub sectors.

- (f) **Stock.** No value is placed on the stocks of unsold publications due to the resale value being negligible.

- (g) **Tangible fixed assets** are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows: Computer equipment - 33 1/3% per annum of cost.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

1. **Accounting policies (continued)**

- (h) **Funds Structure.** General funds are unrestricted funds which are available for use at the discretion of the Council in furtherance of the general objectives of the Institute.
 Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purpose.
 Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or have been raised by the Institute for particular purposes.

2. **Donations, grants and legacies**

	Unrestricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>2016</u>	Total <u>2015</u>
Donations and gifts	1,625	-	1,625	1,195
English Heritage Grant	-	-	-	-
Museum of London Archaeology	-	-	-	3,108
Cambridge Archaeology Unit	-	-	-	2,814
Oxford Archaeology North	-	2,000	2,000	-
	-----	-----	-----	-----
	£1,625	£2,000	£3,625	£7,117
	=====	=====	=====	=====

3. **Investment income and interest receivable**

Unit trusts	40,184	925	41,109	44,078
Bank interest	24	-	24	48
	-----	-----	-----	-----
	£40,208	£925	£41,133	£44,126
	=====	=====	=====	=====

4. **Publication of journal**

	Unrestricted <u>Funds</u>	Restricted <u>Funds</u>	Total <u>2016</u>	Total <u>2015</u>
Expenditure on journals:				
Publications and other expenses	8,143	-	8,143	10,697
Editors' honoraria and expenses	5,267	-	5,267	5,564
	-----	-----	-----	-----
	£13,410	£-	£13,410	£16,261
	=====	=====	=====	=====

5. **Speakers**

Travelling, lecture room hire and accommodation	£6,999	£-	£6,999	£6,022
	=====	=====	=====	=====

6. **Net meetings (income)/expenditure**

Income from Meetings	(26,860)	-	(26,860)	(71,569)
Expenditure on meetings	30,775	-	30,775	65,343
Honoraria	750	-	750	1,750
	-----	-----	-----	-----
Net (income)/expenditure	£4,665	-	£4,665	£(4,476)
	=====	=====	=====	=====

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

7. **Grants**

Research grants	12,547	1,200	13,747	14,750
Grants refunded	(798)	-	(798)	-
Grants – Cheney Bursary	467	-	467	136
Prizes	1,000	-	1,000	-
	-----	-----	-----	-----
	£13,216	£1,200	£14,416	£14,886
	=====	=====	=====	=====

8. **Admin costs**

Salary and pensions costs	20,220	-	20,220	19,815
Employers NI	-	-	-	-
Office admin	2,108	-	2,108	2,080
Postage	-	-	-	361
Sundry	872	-	872	599
Warehouse	1,197	-	1,197	1,357
Computer equipment depreciation	343	-	343	343
Audit fees	3,650	-	3,650	3,650
Accountancy and bookkeeping	3,243	-	3,243	3,846
Travel	6,961	-	6,961	6,836
Room Hire	1,465	-	1,465	1,500
	-----	-----	-----	-----
	£40,059	-	£40,059	£40,387
	=====	=====	=====	=====

9. **Investments**

Listed investments

	<u>Total</u> <u>2016</u>	<u>Total</u> <u>2015</u>
Market value at 1 January 2016	1,021,263	1,008,326
Less: Disposal at opening book value	(596,720)	-
Add: Acquisitions at cost	603,329	-
Net unrealised investment gains/(losses)	86,773	12,937
Net unrealised investment gains/(losses)	(735)	-
	-----	-----
Market value at 31 December 2016	£1,113,910	£1,021,263
	=====	=====
Historical cost at 31 December 2016	£995,364	£867,774
	=====	=====

Listed investments held at 31 December 2016 comprised wholly of Charities Official Investment Funds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

10. **Tangible fixed assets**

	<u>Computer Equipment</u>
Cost:	
At 1 January 2016	5,523
Additions	-

31 December 2016	5,523
	=====
Depreciation:	
At 1 January 2016	5,045
Charge for year	343

31 December 2016	5,388
	=====
Net book value	
At 31 December 2016	£135
	=====
At 31 December 2015	£478
	=====

11. **Debtors and prepayments**

	<u>2016</u>	<u>2015</u>
Prepayments	123	492
Accrued income	-	-
Other debtors	9,007	9,358
	-----	-----
	£9,130	£9,850
	=====	=====

12. **Accruals and deferred income**

	<u>2016</u>	<u>2015</u>
Accruals	4,200	4,200
Grants payable	4,850	-
Deferred income	2,730	2,260
	-----	-----
	£11,780	£6,460
	=====	=====

13. **Designated funds**

The income funds of the Institute include designated funds comprising the following:

	<u>Balance 01/01/16</u>	<u>Incoming</u>	<u>Expenditure</u>	<u>Balance 31/12/16</u>
Mr Frank S Cheney	27,374	102	(270)	27,206
Life Membership	11,980	34	-	12,014
	-----	-----	-----	-----
	£39,354	£136	(£270)	£39,220
	=====	=====	=====	=====

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

13. Designated funds (continued)

The funds are held for the following purposes:

- Mr Frank S Cheney - In 1996 Council applied a bequest from Mr Frank S Cheney as a designated fund to pay for attendance by students at meetings. Providing there is sufficient income, 3% of the COIF Fixed Interest income will be allocated to the Mr Frank S Cheney Fund.
- Life Membership - Providing there is sufficient income, 1% of the COIF Fixed Interest income will be allocated to the Life Membership Fund. Receipts from Life Subscriptions to be applied in this way total £nil (2015: £nil).

14. Restricted funds

The income funds of the Institute include restricted funds comprising special trusts and unexpended balances of grants held as funds to be applied for specific purposes, as follows:-

	Balance <u>01/01/16</u>	<u>Incoming</u>	<u>Expenditure</u>	Gains/ <u>(Losses)</u>	Balance <u>31/12/16</u>
The Bunnell Lewis Research Fund	20,300	503	(750)	1,615	21,668
The Tony Clark Memorial Fund	12,912	422	(450)	(146)	12,738
Oxford Archaeology North	-	2,000	(2,000)	-	-
	-----	-----	-----	-----	-----
	£33,212	£2,925	£(3,200)	£1,469	34,406
	=====	=====	=====	=====	=====

The funds are held for the following purposes:-

- Bunnell Lewis Research Fund - To be applied in the furtherance of Roman archaeological research.
- Tony Clark Memorial Fund - To be applied to archaeological research with priority going to small organisations and individuals, with preference to projects in which archaeological prospecting and archaeomagnetic dating are significant components.
- Oxford Archaeology North - To be applied to the Excavations on a Roman Salt-working Site at Jersey Way by John Zant et al in Journal Volume 173.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2016

15. Analysis of net assets between funds	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
Fund balances at 31 December 2016 are represented by:			
Fixed assets	135	-	135
Fixed asset investments	1,089,631	24,279	1,113,910
Current assets	17,468	12,857	30,325
Current liabilities	(18,455)	(2,730)	(21,185)
	-----	-----	-----
Total net assets	£1,088,779	£34,406	£1,123,185
	=====	=====	=====

16. **Council members' remuneration and related party transactions**

No members of the Council received any remuneration in respect of their services as a member of the Council during the current or preceding year, although a sum totalling £6,961 (2015 £6,836) was paid by way of travelling expenses to 26 Council and Committee members during the year. Honoraria and expenses of £6,017 (2015 £7,353) were paid to the Meetings Secretary, Assistant Meetings Secretary, Editor and Reviews Editor of the *Archaeological Journal*.

17. **Reconciliation of net income/(expenditure) to net cash flow from operations**

	<u>2016</u>	<u>2015</u>
Net income/(expenditure) for year	84,558	22,144
Depreciation of tangible fixed assets	343	343
(Profit)/loss on disposal of investments	735	-
(Gains)/losses on investments	(86,773)	(12,937)
Investment income	(41,133)	(44,126)
(Increase)/decrease in debtors	721	(1,495)
Increase/(decrease) in creditors	6,935	5,543
	-----	-----
Net cash flow from operations	(£34,614)	(£30,528)
	=====	=====