

**SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
INDEPENDENT EXAMINERS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

I report on the accounts of the Somerset Archaeological and Natural History Society for the year ended 31 December 2017, which are set out on pages 17 to 24.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (The 2011 Act) and that an independent examination is required.

It is my responsibility to:

- i) Examine the accounts under section 145 of the 2011 Act;
- ii) To follow procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- iii) To state whether any particular matters have come to my attention.

Basis of opinion

My examination was carried out in accordance with the General Directions given by the Charity Commissioner. An examination includes a review of the accounting records maintained by the Charity and a comparison of the accounts with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts give a 'true and fair view' and the report is limited to the matters set out in the statement below.

Independent Examiners' Statement

In connection with my examination, no matter has come to my attention;

1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of The 2011 Act; and to prepare accounts which accord with the accounting records and comply with the requirements of The 2011 Act have not been met; or

2) to which, in my opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

Anthony Porter BA(Hons) FCA
Amherst & Shapland
(Taunton and Wiveliscombe)
Chartered Accountants

Bridge House
14 Bridge Street
Taunton
Somerset

**SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

Incoming Resources	Note	Unrestricted Funds £	Restricted Funds £	Endowed Funds £	Total 2017 £	Total 2016 £
Incoming Resources from generated funds						
Subscriptions	2	15,100	-	-	15,100	15,135
Gift Aid		2,413	-	-	2,413	4,918
Rent Received	4	12,823	-	-	12,823	12,315
Investment Income		1,945	3,168	9,006	14,119	14,426
Legacies and Donations	3	730	-	-	730	649
Publication Sales and Contributions		4,200	-	-	4,200	4,874
Royalties		1,467	-	-	1,467	898
Proceedings		2,803	-	-	2,803	1,907
Function Income		185	-	-	185	-
Group events income		1,925	-	-	1,925	3,506
Other Income		117	-	-	117	95
Total Incoming Resources		43,708	3,168	9,006	55,882	58,723
Charitable Activities						
Grants	14	-	2,500	-	2,500	8,818
Museum Exhibits & Replacements		7,099	-	-	7,099	-
Proceedings		6,382	-	-	6,382	7,071
Newsletter		720	-	-	720	710
Library Acquisitions		1,362	-	-	1,362	1,404
Library maintenance		112	-	-	112	31
Function Costs		229	-	-	229	434
Publications		5,828	-	-	5,828	8,196
Group events expenditure		729	-	-	729	1,457
Office Costs	5	22,595	-	-	22,595	21,717
		45,056	2,500	-	47,556	49,838
Governance Costs	5	3,991	694	1,977	6,662	8,432
Total Resources Expended		49,047	3,194	1,977	54,218	58,270
Net Incoming/(Outgoing) Resources		(5,339)	(26)	7,029	1,664	453
Other Recognised (Losses)/Gains		2,023	3,309	9,440	14,772	15,217
Transfers between funds		-	7,029	(7,029)	-	-
Net Movement in Funds		(3,316)	10,312	9,440	16,436	15,670
Total Funds Brought Forward		61,032	77,644	202,250	340,926	325,256
Total Funds Carried Forward		57,716	87,956	211,690	357,362	340,926

The notes on pages 18 to 23 form part of these financial statements

**SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Note	£	2017 £	£	2016 £	£
Fixed Assets						
Heritage Assets	1		-	-		-
Office Equipment	7			1,202		408
Investments						
Shares at valuation	8			290,802		316,499
Intangible Assets						
Leases	9			9,873		8,322
				<u>301,877</u>		<u>325,229</u>
Current Assets						
Stocks of items for resale			-	-		
Debtors	10		4,538		1,695	
Cash at bank and in hand	11		55,464		20,344	
			<u>60,002</u>		<u>22,039</u>	
Current Liabilities						
Creditors and accruals	12		4,517		6,342	
Net Current Assets				<u>55,485</u>		<u>15,697</u>
Total Net Assets				<u><u>357,362</u></u>		<u><u>340,926</u></u>
Funded By	14					
Unrestricted Funds						
General Purposes Fund				57,716		61,032
				<u>57,716</u>		<u>61,032</u>
Restricted Funds						
Endowment Funds				87,956		77,644
				211,690		202,250
				<u>357,362</u>		<u>340,926</u>

The Financial Statements were approved by the trustees on
(Honorary Treasurer)

and signed on their behalf by Mr

The notes on pages 18 to 23 form part of these financial statements

**SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1 Accounting Policies

(a) Basis of preparation

The Financial Statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in May 2008 and applicable UK Accounting Standards and the Charities Act 2011.

(b) Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

(c) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. Provisions for grants are made when the intention to make the grant has been communicated to the recipient.

(d) Allocation of overhead and support costs

Overhead and support costs have been allocated between charitable activity and governance. Costs relating to Charitable Activities have been apportioned on the basis of an assessment of the proportion of work done in respect of Charitable Activities and Governance and is detailed in note 4.

(e) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to Independent Examination and legal fees together with an apportionment of overhead and support costs.

(f) Fixed asset investments

Investments are stated at market value as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Realised and unrealised gains are not separated. realised gains and losses on investments are calculated as the difference between the sales proceeds and the opening market value or purchase date if later. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value or purchase date if later.

(g) Heritage assets

Heritage assets are accounted for in accordance with Financial Reporting Standard 30. These consist of (i) Museum exhibits and related fixtures and fittings on loan to Somerset County Council, (ii) The contents of the library together with related fixtures and fittings, (iii) Records and archives on loan to Somerset County Council, (iv) The Castle Estate. For all these assets no valuation is included as the costs involved in obtaining a valuation would be prohibitive when compared to the benefit to the users of the financial statements. The collections include many items that would be irreplaceable see pages 9 to 11 above.

(h) Funds

The charity has a number of Endowment funds which are detailed in note 15 to the accounts. The Trustees at their discretion may allocate any part of the total return to the general purposes or to restricted income funds. The Trustees invest the capital in perpetuity and is managed on a total returns basis.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. Details are in note 15 to the accounts.

(i) Leases

The professional costs in relation to setting up new leases in excess of 5 years are capitalised and amortised, on a straight line basis, over the term of the lease.

SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

2 Subscriptions	2017 £	2016 £
Membership subscriptions for the 2017 year	<u>15,100</u>	<u>15,135</u>
3 Donations and legacies	2017 £	2016 £
Sundry donations	405	299
Legacies	-	-
Publication donations	-	-
Williams fund	-	350
Grants	325	-
	<u>730</u>	<u>649</u>
4 Rents Received	2017 £	2016 £
Commercial rents - private sector	8,250	8,250
Non-commercial - Public sector	4,573	4,065
	<u>12,823</u>	<u>12,315</u>

Somerset County Council provide office and meeting room facilities within the Somerset Heritage Centre, free of charge. The value of these facilities is estimated to be in the region of £7,500 per annum.

5 Support Costs	Basis of apportionment	Charitable Activity £	Governance £	Total 2017 £	Total 2016 £
Salaries and employment costs	work done	12,922	4,307	17,229	15,110
Rent	actual	-	-	-	-
Insurance	work done	590	197	787	732
Committee and general expenses	actual	-	-	-	-
Postage	work done	1,434	478	1,912	3,424
Printing and Stationery	work done	740	247	987	1,508
Telephone and Internet	work done	423	141	564	598
Computer and Equipment Costs	work done	694	231	925	718
Sundry	work done	351	117	468	2,221
Castle Estate maintenance	actual	-	-	-	1,056
Depreciation	work done	300	100	400	136
Membership cards	actual	-	-	-	419
Lease Amortisation	actual	1,605	344	1,949	344
Accountancy and payroll	actual	400	500	900	850
Professional Fees	actual	3,136	-	3,136	3,033
		<u>22,595</u>	<u>6,662</u>	<u>29,257</u>	<u>30,149</u>

SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

6 Staff Costs	2017 £	2016 £
Salaries and wages	17,229	15,110
Employment costs	-	-
	<u>17,229</u>	<u>15,110</u>
	2017 No.	2016 No.
The number of employees was	<u>1</u>	<u>1</u>

No remuneration was paid to any trustee in the year. Travel and meeting expenses reimbursed were £Nil (2016: £Nil)

7 Tangible Fixed Assets	Office Equipment £	Heritage Assets £
Cost at 1 January 2017	12,150	-
Additions	1,194	-
Disposals	-	-
	<u>13,344</u>	<u>-</u>
Cost at 31 December 2017	13,344	-
Depreciation		
As at 1 January 2017	11,742	-
On Disposals	-	-
For the Year	400	-
	<u>12,142</u>	<u>-</u>
As at 31 December 2017	12,142	-
Written Down Value at 31 December 2017	<u>1,202</u>	<u>-</u>
Written Down Value at 31 December 2016	<u>408</u>	<u>-</u>

8 Investments	Cost 2017 £	Value £	Cost 2016 £	Value £
Under management with Brewin Dolphin				
Allocated to Endowment Funds	174,162	202,250	171,867	192,585
Allocated to Restricted Funds	75,741	87,956	61,453	68,861
Allocated to unrestricted funds	513	596	49,131	55,053
	<u>250,416</u>	<u>290,802</u>	<u>282,451</u>	<u>316,499</u>

SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

7 Investments (continued)

	Cost £	Value 2017 £	Value 2016 £
S & W Fund Admin Church House	27,899	24,316	29,378
Invesco Perp UK SM ordinary	9,020	13,222	11,071
Aviva Investors	5,228	8,882	-
CLS Holdings 5.5% bonds	9,837	10,288	10,305
Helical Bar 6% Unsecured Loan Notes	11,200	11,745	11,564
Edinburgh Investment Trust Ordinary	26,363	29,800	30,384
Tesco 5% 2020	5,110	5,307	5,225
Accumulation Shares COIF Fund	29,605	56,814	54,297
Onesavings Bank 7.875%STP	13,803	14,210	13,423
Impala Old Mutual 5.2%	-	-	23,594
ParagonGroup 6.125% SNR 2022	27,046	26,575	28,223
Mayfair Capital in prop inc trust	28,000	22,026	31,180
Intermed Cap Grp 5% 2023	-	-	7,342
New City High Yield Fund	10,938	12,103	11,636
Euro Asset Trust	12,920	16,931	13,190
Murray International	13,434	16,756	15,240
City of London	20,013	21,827	20,447
	250,416	290,802	316,499

9 Leases

	2017 £	2016 £
Capital cost of leases brought forward	9,698	9,698
New leases	3,500	-
Amortisation brought forward	1,376	1,032
Amortised in the year	1,949	344
	9,873	8,322

10 Debtors

	2017 £	2016 £
Debtors	3,962	949
Brewin Dolphin	576	746
	4,538	1,695

SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016			
	£	£			
11 Cash at Bank and in Hand					
Bank Current Accounts	9,428	7,748			
Petty Cash	162	265			
Paypal	385	294			
Cash held by Brewin Dolphin	31,195	417			
COIF Deposit Account	-	2,029			
COIF Maltwood Deposit Account	14,294	9,591			
	<u>55,464</u>	<u>20,344</u>			
	2017	2016			
	£	£			
12 Creditors and Accruals					
Rent received in advance	1,250	4,767			
PAYE & NIC	645	395			
2018 Subscriptions	1,002	400			
Foot Anstey - legal fees	840	-			
Accountancy	780	780			
	<u>4,517</u>	<u>6,342</u>			
13 Analysis of Assets Between Funds	Unrestricted	Restricted	Endowed	Total	Total
	Funds	Funds	Funds	2017	2016
	£	£	£	£	£
Tangible Fixed Assets	1,202	-	-	1,202	408
Investments	10,469	87,956	211,690	300,675	324,821
Net Current Assets	55,485	-	-	55,485	15,697
	<u>57,716</u>	<u>87,956</u>	<u>211,690</u>	<u>357,362</u>	<u>340,926</u>
14 Grants Approved	Approved			Approved	
	and			and	
	unclaimed	New	Paid in	unclaimed	
	b/fwd	offers 2017	2017	c/fwd	
	£	£	£	£	
Gray	4,906	-	-	4,906	
Murless	3,580	-	-	3,580	
Maltwood	13,293	12,059	(2,000)	23,352	
Williams	-	-	-	-	
Natural Sciences	-	500	(500)	-	
	<u>21,779</u>	<u>12,559</u>	<u>(2,500)</u>	<u>31,838</u>	

**SOMERSET ARCHAEOLOGICAL AND NATURAL HISTORY SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2017**

15 Funds	Balance at 1 January 2017 £	Income £	Allocation of Endowment Income £	Expenditure £	Revaluation (Recognised Gains) £	Designation of Funds £	Balance at 31 December 2017 £
Unrestricted							
General Purposes Fund	13,561	37,698	-	(35,696)	-	-	15,563
Museum Exhibit Replacement Fund	40,897	1,663	-	(7,464)	1,743	-	36,839
Publications	6,574	4,347	-	(5,887)	280	-	5,314
Total General Funds	61,032	43,708	-	(49,047)	2,023	-	57,716
Restricted Funds							
Gray	3,539	144	614	(32)	151	-	4,416
Tite	816	33	103	(7)	35	-	980
Williams	15,001	612	494	(134)	639	-	16,612
Maltwood	26,385	1,077	5,404	(2,236)	1,125	-	31,755
Natural Sciences	3,809	156	414	(534)	162	-	4,007
Murless Fund	28,094	1,146	-	(251)	1,197	-	30,186
Total Restricted Funds	77,644	3,168	7,029	(3,194)	3,309	-	87,956
Endowment Funds							
H St. Gray Excavation	17,668	787	(614)	(173)	825	-	18,493
Tite Bequest	2,962	132	(103)	(29)	138	-	3,100
Williams Bequest	14,218	633	(494)	(139)	664	-	14,882
The Maltwood Fund	155,483	6,924	(5,404)	(1,520)	7,257	-	162,740
Natural Sciences Fund	11,919	530	(414)	(116)	556	-	12,475
Total Endowment Funds	202,250	9,006	(7,029)	(1,977)	9,440	-	211,690