

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
(Gertrude Bell Memorial)
Registered Charity No. 219948

10, CARLTON HOUSE TERRACE
LONDON SW1Y 5AH
UNITED KINGDOM

Report and Accounts

for

2006/2007

THE SEVENTY-FOURTH ANNUAL GENERAL MEETING OF THE SCHOOL WILL BE HELD AT THE J. Z. YOUNG LECTURE THEATRE, ANATOMY BUILDING, UNIVERSITY COLLEGE LONDON, GOWER STREET, LONDON, WC1E 6BT ON WEDNESDAY, 12TH DECEMBER 2007, AT 6.00 P.M. TO HEAR PROFESSOR ROGER MATTHEWS, TO CONSIDER THE ACCOUNTS, THE BALANCE SHEET AND THE REPORTS OF THE COUNCIL AND INDEPENDENT EXAMINER; TO ELECT MEMBERS OF THE COUNCIL; TO APPOINT INDEPENDENT EXAMINERS, TO APPROVE REVISED REGULATIONS AND FOR ANY OTHER BUSINESS WHICH MAY PROPERLY BE TRANSACTED.

CHAIRMAN

PROFESSOR ROGER MATTHEWS, M.Phil, Ph.D.

VICE-CHAIRMAN

DR ELEANOR ROBSON, B.Sc., MA, D.Phil

HONORARY TREASURER

MR I.D. CHEYNE, CBE, MA, M. Phil

ADMINISTRATOR

MRS J. PORTER MACIVER, AB

EDITORS OF THE JOURNAL *IRAQ*

DR D. COLLON, MA, Ph.D., FSA
PROFESSOR A.R. GEORGE, BA, Ph.D.

CHAIRMAN OF THE APPEAL COMMITTEE

DR H.E.W. CRAWFORD, MA, Ph.D.

PRESIDENT

MRS RACHEL MAXWELL- HYSLOP FBA, FSA
(TO SEPTEMBER 2007)

VICE-PRESIDENT

SIR STEPHEN EGERTON KCMG †

BANKERS

Barclays Bank PLC
Bloomsbury & Tottenham Court Road
P.O. Box 11345, London W12 8GG

INDEPENDENT EXAMINERS

Vantis Group Limited
Torrington House
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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ (GERTRUDE BELL MEMORIAL)

I report on the financial statements of the School for the year ended 31 March 2007 as set out on pages 14 to 24.

This report is made solely to the charity's trustees, as a body, in accordance with the section 43 Charities Act 1993. Our work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in this 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 charity and the charity's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for the year (under section 43(2) of the Charities Act 1993 (the Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 Act); and
- to state where particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

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

- a) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 41 of the 1993 Act; and
 - to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the 1993 Acthave not been met; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

**E E IRVINE FCA
CHARTERED ACCOUNTANT
Vantis Group Limited
Torrington House
47 Holywell Hill
St Albans, Herts AL1 1HD**

REPORT OF THE COUNCIL

The Council presents its report together with the financial statements of the School for the year ended 31 March 2007. The statements have been prepared in accordance with the accounting policies set out on page 16 and comply with the charity's regulations, applicable law and the requirements of the Statement of Recommended Practice "2005 Accounting and Reporting by Charities" issued under the Charities Act 1993.

STRUCTURE, GOVERNANCE AND MANAGEMENT

BSAI is governed by its regulations revised at an Extraordinary General Meeting in December 2001. Council will be submitting to members a revised governing document at the 2007 AGM, which has been prepared in consultation with the Charity Commission, prompted in part by the recommendations made after a Charity Commission Review Visit in March 2007.

Twelve Council members, who are also trustees, are responsible for the overall management of the charity and take all major decisions. They are elected by the full membership to serve a 3-year term. They may be re-elected for one further 3-year term and must then stand down for a minimum of a year. (This rule does not apply to key office holders.) Council members elect a Chairman and Vice-chairman from within their ranks. The Treasurer is a member of the Council and is nominated by the Council and elected yearly by members at the Annual General Meeting. The President is also ex-officio a member of the Council and is elected by members and nominated by the Council.

The Council usually meets four times a year (March; June; September and December). After its December Council meeting, the BSAI Annual General Meeting is held to receive and consider the accounts and balance sheet of the School, the reports of the Council and of the Independent Examiner, to elect Members of the Council and to discuss any matter of business which is properly transacted. Any member of the School, who wishes to be present, attends the AGM. Members are permitted to send in postal ballots for the election of trustees. An open forum is held before the June meeting at which members are encouraged to raise matters of interest to them.

The Council is reviewing its procedures and has set up a working group with an external member, Dr Charles Tripp, to consider its structure and future. All new Council members are provided with Charity Commission guidelines on the duties of trustees. A Charity Commission review took place in March 2007 and the Council will be implementing recommendations of the Review Team. The report is available on the BSAI website.

The day-to-day management of BSAI has been delegated to the BSAI Administrator, Mrs JP MacIver, who is the charity's only employee.

BSAI income comes in part from its own resources and endowment and in part from a grant from the British Academy. This grant has been halved for 2007/08 and 2008/09 and will cease in 2009.

OBJECTIVES

- To encourage, support and undertake research relating to the archaeology, history, anthropology, geography, language and other related domains of Iraq and neighbouring countries from earliest times until the present
- To publish a journal devoted to such topics as well as relevant books and monographs
- To assist and collaborate with colleagues in Iraq, in state and higher education sectors.
- To co-operate freely with other organisations carrying out related work in Iraq and neighbouring countries
- To assist scholars carrying out relevant research on Iraq and on countries adjacent to Iraq by means of grants
- To expedite and facilitate publication of BSAI research projects that remain unpublished
- To inform and engage the public, especially in the UK, by means of lectures and day schools

CHAIRMAN'S REPORT

In November 2006, BSAI was advised by the British Academy that under its new Learned Societies Programme (LSP) the School's grant-in-aid would be halved for the following two years (2007/08 and 2008/09) and thereafter would cease altogether. Quite naturally, this news came as a severe blow to our Council, our members, and the wider community of scholars working on Iraqi and Mesopotamian studies, ancient and modern. We much appreciate the strong support that we have received from our members, from many institutions, as well as from countless individuals from all over the world, all of whom have been deeply saddened by the funding news. BSAI Council has been addressing funding issues and our future structure and existence through meetings with the British Academy, with UK government officials, and internally in Council, partly by means of a special working group. We are seeking long-term funding solutions. The British Academy has made clear its desire to continue to support BSAI's work, for instance through the provision without charge of a base and of various facilities for the School's London operations, for which we are grateful, and through supporting our applications to other funding sources within the government. In the medium to long term our aim is to make BSAI an attractive proposition for British Academy funding when the next round of the Learned Societies Programme gets underway in a few years from now. In the meantime we continue to explore alternative potential sources of funding both within UK government and beyond.

It is clear in Council discussions since I became Chairman last December that BSAI Council firmly wishes to continue its original purpose to advance public education relating to Iraq, albeit with a willingness to evolve and to encourage research on contemporary Iraqi studies. As the situation on the ground is so grim in Iraq, we must put our own situation into perspective and trust that in the long term we will be able to return to assist the Iraqi people and their government with their heritage work. On a practical side and with our appeal funds, we wish to continue supporting our Iraqi colleagues as much as possible by fostering visits to the UK and promoting an interest in the study of Iraq and its heritage in this country, through our programme of lectures, day-schools, and publications. BSAI is seventy-five years old this year, and we must secure funding for our future to ensure that we continue to conduct and promote our work, which I am confident will happen with the support from an active Council, our members and supporters, and indeed from the wider public. I took over as Chairman last December from Dr Harriet Crawford and on behalf of Council and our members, I wish to

thank her warmly for her many years of dedicated work to BSAI, which she is continuing in her role as Acting Chairman of the BSAI Appeal, which she originally initiated. The report below will show that we do much on our limited resources to fulfil our objectives.

ACTIVITIES AND EVENTS

At the December meeting, Professor M. Van De Mierop spoke on 'The Mesopotamians and Their Past'; in March Dr Eleanor Robson spoke on 'Ancient science, new technology: putting Mesopotamian scholarship online'; and in June Dr Scheherazade Hassan spoke on 'Music of an ancient land - The art music of Iraq: Performance spaces in 20th century Baghdad'.

In addition to our lecture programme and appeal events (noted below), BSAI sponsored the following day schools and conferences: 'The Assyrians: Ancient Splendour in Northern Iraq' with Birkbeck College organised by Dr Frances Reynolds (November 2006); 'The Origins and Uses of Writing in the Near East' with the University of Birmingham, Centre for Lifelong Learning organised by Dr Jon Taylor (January 2007); 'Christianity in Iraq IV – A seminar day on the monastic heritage of Iraq'; jointly sponsored by the Department for the Study of Religions, SOAS, BSAI, and the Anglican and Eastern Churches Association and organised by Dr Erica Hunter.

BSAI APPEAL, DONATIONS AND FUNDRAISING

In order to assist its colleagues in Iraq BSAI has continued its on-going appeal which has raised almost £115,000 to date. Funds were originally raised informally in 2003-04 and a formal appeal was launched in September 2005. This money is being spent on bringing Iraqi scholars to this country for training and research opportunities and on providing equipment and books to the Iraq Museum and Iraqi universities. During the past year we have been fortunate to have brought three Iraqi scholars to the UK; two from the Iraq Museum (an archaeologist of Islam and a librarian of the cuneiform section), who spent time in Glasgow and Edinburgh and London respectively and one from Mosul, who conducted research in Cambridge with visits to scholars in London and Oxford. Our Mosul scholar was invited to be a Visiting Scholar at Wolfson College, Cambridge, which greatly enhanced his Cambridge stay. Our colleagues from the Iraq Museum were sponsored by the British Council IRAQ for programmes set up by the School. We could not have arranged these visits without the help of many institutions and individuals and BSAI is grateful to them for all their support. It is clear that this programme would not be possible without the willingness of academic colleagues in this country to help so unstintingly. The Administrator and Director of the Council of British Research in the Levant (CBRL) have also provided critical support for the period of time that BSAI scholars need to spend in Amman in transit to obtain a UK visa. This has become an increasingly challenging effort and we are very anxious about our future scholars and the UK visa application process. We are planning on having two to three scholars come to the UK under our auspices during 2007-08. Due to security issues in Iraq, we are not naming our scholars in this report.

BSAI raised funds through two very successful appeal events in 2006-07 with Michael Wood's lecture 'Iraq: the cradle of civilisation' in September 2006 in conjunction with the British Museum's Department of the Middle East and with John Simpson CBE's talk 'An Ever Changing World' at the British Academy in October. Control Risks generously sponsored the John Simpson Talk. In April we held a memorial lecture in memory of Sir Stephen Egerton KCMG given by Dr Rosemary Hollis, Director of Research at Chatham House. She spoke on *Europe and the Middle East: Repercussions from the Iraq War*. The

Armour Group generously sponsored this event and many of the attendees also gave generously in Sir Stephen's honour. Lady Egerton selected the BSAI to be the recipient of the retiring collection at Sir Stephen's memorial service, which was held at St Martin's in the Field last December. We miss Sir Stephen's wise counsel after over twenty years on our Council and latterly with his dedicated help to our Appeal Committee. (See BSAI Newsletter No. 19 for further tributes and an obituary.)

Mr Peter Davies joined the Appeal Committee and has proved an invaluable advisor to BSAI on its fund raising objectives. We are very grateful to him for his assistance and support.

Mrs Moyra Gardner has continued to help on the BSAI Appeal Committee as a volunteer and along with Miss Penny Sibson has assisted the BSAI Secretary with the administration of the Appeal, BSAI mailings and with our visiting Scholars' programme. Their help has been invaluable.

Council is extremely appreciative of the assistance of the British Embassy in Baghdad, whose administrator arranged for the removal of items from the Director's house to the British Embassy premises for safekeeping, along with our library which was moved there last year. We have given up the rental of the Director's house and are very grateful to the family who have had long standing ties to the School, which we hope to revive in the future.

Through BSAI Appeal funds we were able to support the participation of Dr Donny George, former Chairman of the State Board of Antiquities and Heritage (SBAH), and Dr Abbas Al Hussainy, the then SBAH Chairman, in the Archaeology in Conflict Conference that took place at University College London under the auspices of the Centre for Applied Archaeology at the Institute of Archaeology in November 2006.

We would gratefully welcome donations from our members and any interested individuals, companies or trusts. Please contact us via the BSAI's office and contact details are available on our website and within this report.

RESEARCH ACTIVITIES AND GRANTS

Applications for research and academic conference grants are initially reviewed by the Fieldwork and Research Committee and then considered by Council.

BSAI's principal fieldwork and research grants in 2006-07 have been made to:

- Dr Joan Oates/Tell Brak Excavations (£8,000) and Dr Augusta McMahon/Tell Brak Excavations (£12,000) for the support of excavation of the site of Tell Brak in north Syria, but within Greater Mesopotamia, where the School has worked for many years under the auspices of Dr Joan Oates and the late Professor David Oates.
- Dr Georgina Herrmann and Ms Catherine Thomas 'Nimrud Ivories Project' £6,200 to assist in the research and publication of a major corpus of ivories excavated by the school at Nimrud in the 1950s.

TELL BRAK EXCAVATIONS

The 2007 excavations at Tell Brak took place from 21 March through 14 May. The objectives during this season were continuation of the exploration of the 5th and the 2nd millennium BC levels, some of Brak's earliest and latest occupations. We also aimed to explore one of the

small tells in the Outer Town, where a mass burial of the early 4th millennium BC had been exposed by modern construction and was in danger of further damage.

The late 5th millennium BC is the period in which northern Mesopotamia sees the first steps in socio-economic complexity and early urbanism. Relevant levels have now been reached in Area TW (a long-term excavation since the early 1990s), located at one of the access routes into the settlement. At the end of the 2006 season, we had uncovered an industrial area here, with irregular buildings, many ovens, and evidence of flint tool production (Level 20). We clarified this level at the beginning of the 2007 season and identified two distinct buildings, each with several internal phases. This is unlike the more monumental and static construction which succeeded it in Level 19. Below this was an earlier level, also an unstructured industrial space. This area has given us a rich assemblage of both utilitarian and fine-ware ceramics, flint and obsidian tools and debitage and clay sealings, all of which are important evidence for the various steps in the development of social complexity.

In Area HH at the site's highest ridge, we continued to expose houses of the Mitanni and Old Babylonian Periods. While the material assemblages of these periods are well known, the transition between them is not, and this is one aspect of our work here. We are also interested in the relationship of the Mitanni Palace to the site as a whole and are exploring whether the imposition of empire had an impact on neighborhoods and access routes.

Finally, we made a concerted effort to explore Tell Majnuna, the threatened mound at the north-western edge of the Outer Town. Two trenches located here revealed parts of two separate, though probably contemporary, mass burials of c 3800 BC. These burials consisted of large (one up to 17 m wide) shallow pits densely filled with disarticulated, or partially articulated, human remains. The minimum number of individuals thus far is approximately fifty, and this number is likely to rise with further analysis and excavation. The predominance of young adults indicates that reason for death was probably warfare; occasional carnivore damage, the degree of disarticulation, and the lack of small elements (finger and toe bones) indicates the bodies lay exposed for some time before being rather carelessly gathered and placed in the pits. A third trench exposed a slightly later cemetery of 15+ skeletons; although articulated, these skeletons also were mostly young adults, not the usual age for "normal" death, and they had been buried—and thus presumably died—simultaneously. Taken together, these mass burial events allow us a unique look at conflict in prehistory. By 3800 BC, Brak's urban expansion was well under way, and the coincidence of warfare with urban expansion raises questions of the nature of the actors: internal, local or foreign.

A brief "news report" on Majnuna and Area TW will appear in *Science* on the 31 August; an article on the 2006 Area TW work was published in *Antiquity* in early September; and a fuller preliminary report on the 2006 and 2007 seasons will appear in *Iraq* in December.

NIMRUD IVORIES PROJECT 2007

The Assyrians were the Middle Eastern superpower of the early first millennium BC, holding territories from the Lower Sea (the Gulf) to the Upper Sea (the Mediterranean). Assyrian armies emptied the treasuries of captured palaces and temples and brought their contents, including thousands of ivory objects, to their capital cities. Stripped of their gold and thrown into storage rooms, some of these ivories were found in the 19th and 20th centuries by British and Iraqi expeditions at ancient Kalhu, modern Nimrud, in northern Iraq. They present an enormous jigsaw puzzle to try to determine where and when they were made.

Three main regional groups can be identified: one similar to sculptures found in cities along the Syro-Turkish border, linked to earlier local traditions; one with a strong debt to the art of Egypt, probably made in the Phoenician cities along the Levant coast; and a third group with aspects of both. There are many groups within the main three traditions, and it seems possible that the ivories represent the palatial or state arts of the many independent states of the Levant in the early first millennium, all sharing a common vocabulary but expressing it in different dialects.

Five volumes in the series *Ivories from Nimrud* have been published to date and three more are in progress. The volume currently in preparation, *Ivories from the North West Palace*, will present all the ivories available from the excavations of Layard, Rawlinson, Rassam, Loftus (the Central Palace), Mallowan, Safar & al Iraqi and Muzahim Husain (the kohl tubes in Well 4) by context. The text of this volume is now complete, and the drawings and map are in preparation. The photographs for the volume, consisting of a range of ordinary photographs, scanned images and digital photographs are causing some difficulty. Such a mixture is much more difficult to work with than using standard 1:1 images. It is particularly problematic that these small fragments are extremely difficult for the team to identify, especially when they are from a set. Although the process is slow, it is excellent with images being 'improved' due to new technology.

The second volume, *Ivories from the Burnt Palace*, is currently being worked on by Catherine Thomas. This catalogue is much more demanding than the North West Palace volume, as it is concerned with ivories found by Loftus and Mallowan, which are small and heavily burnt. Ms Thomas has photographed and recorded some 2,000 plus ivories, arranged them in catalogue format through analysis of function and style and has numbered them. Work is well underway on the commentary. Like most buildings, the Burnt Palace seems to have a unique and varied corpus of material which represents a range of workshops and styles revolving around similar themes.

It is hoped that this volume will be completed in 2008, after which the digital images, some 3000, will need to be sized and prepared for publication. The grants made to date have all been dedicated to supporting the work of Ms Thomas and the BSAI grant funds have been fully utilized. At the present moment BSAI funding for future expenditure on this project is uncertain but the BSAI is committed to supporting its long-term projects when certain matters can be resolved.

OTHER RESEARCH GRANTS

Other research grants (£8,200) have been made to the following scholars and institutions:

- Professor Farouk Al-Rawi (£3,800) for the continuation of the project to publish a substantial part of the British Museum's collection of Sumerian administrative texts from Umma ('Umma Project').
- Dr Erica Hunter (£800) conference grant for the 4th Christianity in Iraq Seminar Day to explore monastic heritage of Iraq at SOAS (May 2007).
- Dr Erica Hunter (£600) Travel grant to participate in the CBRL co-sponsored conference 'Shifting Boundaries' held in Amman (Feb 2007).
- Dr Nader El-Bizri (£3000) Conference grant for SIHSPAI Conference (Société Internationale d'Histoire des Sciences et des Philosophies Arabes et Islamiques) in Cambridge during the 2008-09 academic year.

PUBLICATIONS

The publication *Languages of Iraq, Ancient and Modern* edited by Professor Postgate was published in 2007. We received a generous subvention from The Charlotte Bonham-Carter Trust (to be included in the 2007-08 accounts), which also helped sponsor the original Study Day in 2003, along with the British Council IRAQ office.

Alastair Northedge's *Historical Topography of Samarra - Samarra Studies I* (2005) will be reprinted in paperback with revisions and a preface (2007). Pre-publication work has continued on a number of books/monographs and some of the work has received support from our research programme.

BSAI has an agreement with JSTOR to enable on-line digital access of the Journal *Iraq* from its first issue in 1934. up to the previous five years of the Journal's publication. We have been advised by JSTOR that these should be available on-line in 2008.

FUTURE AIMS AND PLANS

RESEARCH

BSAI will continue to foster a broad range of research and will encourage strong academic applications within the scope of the BSAI's widening remit, either as stand-alone projects or in collaboration with other funding bodies. The Fieldwork and Research Committee have recently reviewed and updated its guidelines for advertising, awarding, and monitoring research grants for original, high quality humanities and social sciences research on Iraq and its neighbours, from ancient times to the present day.

Continued efforts will be made to integrate BSAI further into UK academe, partly through our Chairman's position as Professor of Near Eastern Archaeology at the Institute of Archaeology UCL, as well as through his role as a member of the new Middle East area panel of the British Academy. Thus, BSAI will play an important part in several upcoming events and occasions. A grant of £10,000 made to UCL by the British Universities Iraq Consortium will be employed this winter to bring several colleagues from the Department of Archaeology, Al-Qadissiyah University, Diwaniyah, south Iraq, to London for discussions on future collaborations and help with publication of ongoing excavations at Marad. BSAI will be closely involved in assisting with this project in the months and years ahead.

In spring 2010 London will host the 7th International Congress on the Archaeology of the Ancient Near East (7ICAANE). We are delighted that the British Academy has already made an award of £15,000 towards the administration of 7ICAANE, which will be co-hosted by UCL and the British Museum. Again, BSAI will be intimately involved in the organisation and support of 7ICAANE, particularly as regards our colleagues from Iraq.

PUBLICATION

We will maintain our commitment to ongoing publication of existing and previous projects sponsored by BSAI, as well as to our internationally regarded journal *IRAQ*.

OUTREACH AND PUBLICATION ENGAGEMENT

BSAI's programme of regular lectures and Day Schools will continue. A study day on 'The Sumerians: Iraq's First Civilization' will take place in February 2008 in conjunction with

FCE Archaeology, Birkbeck College, London, organised by Dr Frances Reynolds. BSAI will strengthen and widen its membership base.

APPEAL

Until a return to Iraq is possible BSAI will maintain a focus on its appeal and the associated programmes. Two or three Iraqi scholars are expected in 2007-08 under our visiting scholars programme.

Two major appeal events are being arranged for this coming year; an evening at the British Academy in December 2007 with Rory Stewart (author of *Occupational Hazards: My Time Governing in Iraq*) and, with the British Museum Department of the Middle East, a talk in June 2008 by William Dalrymple entitled '*From the Holy Mountain: A Journey in the Shadow of Byzantium*'. We will continue to arrange events to raise funds for the School's appeal.

STRUCTURE AND GOVERNANCE

Council will continue with its internal review and with setting up new governance procedures, including revision of the School's regulations. Stimulated by the ongoing policy of widening the charity's remit and broadening its objectives, BSAI Council will propose to its membership a change in the charity's name to the 'British Institute for the Study of Iraq (Gertrude Bell Memorial)', a suggestion that has received approval from the Charity Commission.

Our ultimate aim is to be successful in the next round of awards by the British Academy Learned Societies Programme (or in whatever scheme may come to replace LSP), while at the same time continuing to explore alternative sources of funding.

FINANCIAL REVIEW

The accounts of the School for the year ended 31 March 2007 are attached to this report. A review of the transactions and financial position of the School is set out below.

The strong performance of the School's incoming resources before realised and unrealised gains and losses on revaluations and disposals of investment assets resulted in a surplus of £11,447. This included the first royalties from the generous gift from Mrs Rosalind Hicks of the reversionary rights of 'A Pocket Full of Rye' totalling £2,413. We received £23,689 in appeal donations and gift aid, designated for funding the Visiting Scholars programme and work in the Iraqi heritage sector.

In addition, the British Museum transferred to BSAI on January 23, 2007 the Gertrude Bell Fund by deed of transfer totalling £53,319. After consultation with the Charity Commission, these funds were designated endowment funds, but they must appear as incoming resources in the current year. There was a small net gain on unrealised revaluations of investment assets totalling £2,683. This increase in our incoming resources has led to a significant improvement in our overall reserves. We believe that our reserves continue to be maintained at a satisfactory level for the current operation of the School. The School may face some financial constraints beginning in 2009/2010 when its British Academy grant-in-aid ceases. Council and the finance committee will continue to monitor BSAI's financial situation and undertake steps to secure its future.

UNRESTRICTED FUNDS

The School's principal source of unrestricted income during the year continued to be grants from the British Academy, which totalled £59,000.

RESTRICTED FUNDS

There was a £81,676 gain on restricted and endowment funds in the year before realised and unrealised gains and losses on revaluations and disposals of investment assets, which includes at YE 2007 £53,985 the transfer of the Gertrude Bell Fund from the British Museum, which is now part of the BSAI endowment.

INVESTMENT POLICY

The selection of investments is made on the principle of deciding what form of investment will be most suitable for the needs of the School and obtaining skilled advice for this purpose, bearing in mind both the short-term and long-term future of the School, and the effects of inflation on capital and income. The Finance Committee of the Council of Management monitors the performance of the investments chosen. The increase in market value of investments and the endowment fund (net of the Gertrude Bell Fund) during the year to 31 March 2007 was in line with market conditions.

STATEMENT ABOUT RISKS AND RESERVES POLICY

The Members of the Council have undertaken a review of the major risks to which the School is exposed, and systems designed to mitigate those risks have been considered. They are determined to hold the level of working fund reserves that equates to an amount sufficient to cover operating costs for at least twelve months and not to exceed fifteen months. If it should appear likely that these limits will be breached, Council should consider, on the recommendation of the Finance Committee, what appropriate action to take.

STATEMENT OF COUNCIL RESPONSIBILITIES

In preparing these financial statements, the Council is required to:-

- select suitable accounting policies and then apply them consistently;
- 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 School will continue in business.

The Members of the Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the School. They are also responsible for safeguarding the assets of the School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF COUNCIL OF MANAGEMENT RESPONSIBILITIES CONTINUED

The following served as members of the Council of Management for all or part of the year ended 31 March 2007, as more fully explained below.


I.D. Cheyne, CBE, MA
Sir Terence Clark KBE, CMG, CVO
E. Coghill, B.A., M.Phil, Ph.D
D. Collon, MA, Ph.D., FSA
H.E.W. Crawford, MA, Ph.D.
J.E. Curtis, OBE, Ph.D., FBA, FSA
G. Herrmann, OBE, D.Phil, FBA
Professor R. Matthews, M.Phil., Ph.D.
V. Porter, M.Phil, Ph.D.
Professor J.N. Postgate, MA, FBA
F. Reynolds, Ph.D.
E. Robson, B.Sc., MA, D. Phil
Professor E. Savage-Smith B.A., M.A., Ph.D.
J.J. Taylor, Ph.D.

At the AGM in December 2006 three Council members stood down; Dr Harriet Crawford (former Chairman), Professor Alan Millard (former Vice-Chairman) and Dr Augusta McMahon. Three Council members were elected; Dr Venetia Porter, Professor J.N. Postgate and Professor Emilie Savage-Smith.

In December 2006 Council elected Professor Roger Matthews to be Chairman of Council and in March 2007 Council elected Dr Eleanor Robson to be Vice-Chairman of Council.

A resolution will be submitted at the forthcoming Annual Meeting that VANTIS group limited, Chartered Accountants, be appointed as our independent examiners. At the AGM in 2006 members agreed to the appointment of a new independent examiner.

BY ORDER OF THE COUNCIL



.....
Roger Matthews
Chairman



.....
J. Porter MacIver
Secretary



.....
I.D. Cheyne
Hon. Treasurer

Dated: September 13, 2007

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2007

	Note	Un- restricted Funds	Restricted Funds	Endow- ment	Total Funds 2007	Total Funds 2006
		£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds:						
<i>Voluntary income:</i>						
Donations and subscriptions	2 (a,b)	76,314	-	-	76,314	79,785
Appeal income		-	34,062	-	34,062	30,178
Transfer of Endowment from Gertrude Bell Fund		-	-	53,319	53,319	-
<i>Activities for generating funds:</i>						
Investment Income:	2 (c)	9,363	3,281	4,668	17,312	9,959
Royalties		2,413	-	-	2,413	-
		88,090	37,343	57,987	183,420	119,922
<i>Incoming resources from charitable activities:</i>						
Publication sales		13,366	-	-	13,366	7,446
Publication subventions		-	-	-	-	14,017
Total Incoming Resources		£101,456	£ 37,343	£ 57,987	£ 196,786	£141,385
RESOURCES EXPENDED						
Costs of generating funds		241	-	-	241	-
Charitable activities						
Grants payable	3(a)	34,400	-	-	34,400	34,349
Other Charitable activity costs	3(b)/ii	38,534	13,654	-	52,188	36,840
Cost of Publications		13,115	-	-	13,115	29,990
Governance costs	3(b)	3,720	-	-	3,720	5,208
Total Resources expended		90,010	13,654	-	103,664	106,387
Net incoming/(outgoing) resources before other recognised gains		11,447	23,689	57,987	93,123	34,998
Gains and losses on revaluations and disposals of investment assets:						
Realised		-	-	-	-	(5,436)
Unrealised		(2,436)	(174)	5,293	2,683	18,153
		(2,436)	(174)	5,293	2,683	12,717
Net movements in funds		9,011	23,515	63,280	95,806	47,715
Reconciliation of funds						
Total funds brought forward		94,647	67,071	90,131	251,849	204,134
Total funds carried forward		£103,658	£ 90,586	£153,411	£ 347,655	£251,849

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

**BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
BALANCE SHEET AS AT 31 MARCH 2007**

	Notes	2007	2006
FIXED ASSETS			
Computer equipment	4	345	688
Investments	5	148,743	90,131
- Endowment Fund	5	67,589	70,199
- Other Funds	5	<u>216,677</u>	<u>161,018</u>
CURRENT ASSETS			
Debtors	6	7,075	16,573
Cash and Deposits at Bank	7	<u>128,179</u>	<u>79,929</u>
		135,254	96,502
CREDITORS: amounts falling due within one year	8	<u>4,276</u>	<u>5,671</u>
		130,978	90,831
NET CURRENT ASSETS		<u><u>£347,655</u></u>	<u><u>£ 251,849</u></u>
FINANCED BY:			
Unrestricted Fund	13	103,658	94,647
Endowment Fund (Inc Transfer from G Bell Fund)	12	153,411	90,131
Restricted Funds	11	90,586	67,071
		<u><u>£347,655</u></u>	<u><u>£ 251,849</u></u>

The accounts are prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small entities.

Approved by:

Professor Roger Matthews - Chairman



Date: September 13, 2007

I.D. Cheyne- Honorary Treasurer



Date: September 13, 2007

J.P. MacIver - Secretary



Date: September 13, 2007

**BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007**

1 ACCOUNTING POLICIES

- a) The accounts have been prepared on the historic cost convention with the exception that investments are valued at market value. The accounts are in accordance with applicable accounting standards, the Charities SORP 2005 (Accounting and Reporting by Charities) and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993.
- b) Investment income is recorded when receivable.
- c) Gift aid reclaimable on donations to the charity is included with the amount received.
- d) Grants are included in the accounts in the period to which they relate.
- e) Investments are included at market value. All other assets are included at cost or net realisable value, if lower.
- f) The school owns a collection of ivories from its excavations. These are on deposit with the British Museum at present and are not included in the Accounts. The School has gifted its collection of tablets from its excavations to the British Museum.
- g) The School participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Earnings-Related Pension Scheme. The scheme is valued every three years by a professionally qualified independent actuary using the aggregate method, the rates of contribution payable being determined by the trustees on the advice of the actuary. In the intervening years, the actuary reviews the progress of the Scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the Scheme, and are accounted for on the basis of charging the cost of providing pensions over the period during which the school benefits from the employee's services.
- h) The investments received on the 14 January 1932 following an Appeal formed an endowment fund to be administered by the Council.

The Council has the power from time to time to vary or transpose any investments forming part of the Endowment Fund. The income of the Endowment Fund and all the subscriptions of Members and all monies received by the School which are not allocated by the donor or the Council to any special purpose shall be applicable by the Council for the general purposes of the School.

- i) Tangible fixed assets costing over £500 are capitalised and included at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Computer equipment - over 3 years

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007

Note

2 INCOMING RESOURCES

	2007 Unrestricted £	2007 Restricted £	2007 Endowment £	2007 Total £	2006 Total £
Grants and Donations					
a) Donations	200	-	-	200	200
Subscriptions from members	17,114	-	-	17,114	17,585
	<u>£ 17,314</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 17,314</u>	<u>£ 17,785</u>
b) Grants from government and other public bodies:					
British Academy Annual Grant	59,000	-	-	59,000	62,000
Other Grants/Returned	-	-	-	-	-
	<u>£ 59,000</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 59,000</u>	<u>£ 62,000</u>
Total Grants and Donations	<u>£ 76,314</u>	<u>£ -</u>	<u>£ -</u>	<u>£ 76,314</u>	<u>£ 79,785</u>
c) Investment income					
Interest on Government Stocks	5,105	367	-	5,472	4,780
Dividend on COIF & M&G investments	2,893	-	4,668	7,561	2,729
Bank & COIF Deposit interest	1,365	2,914	-	4,279	2,450
	<u>£ 9,363</u>	<u>£ 3,281</u>	<u>£ 4,668</u>	<u>£ 17,312</u>	<u>£ 9,959</u>

£4,668 of the endowment income above includes a balance of £4,303 which was accumulated income transferred to the School from the Gertrude Bell fund at 18 August 2006.

The Gertrude Bell Fund (including M & G investments) was transferred to the School from the British Museum by Deed of Transfer on 23 January 2007.

RESOURCES EXPENDED

3 a) Cost of Charitable Activity -Grants payable	2007 £	2006 £
The School made a number of grants in the year:		
Research, Travel and Conference Grants	14,400	17,000
Fieldwork (Tell Brak Excavations)	20,000	18,000
Tell Brak - Grant refund on Senior Research Fellow/Field Director	-	(651)
	<u>£34,400</u>	<u>£34,349</u>
Unrestricted Grants were paid to 6 individuals. (2006 – 7)		
The unrestricted grants awarded were as follows:		
University of Cambridge (Tell Brak Excavations - Dr A McMahon)	20,000	17,349
Nimrud Ivories Project (Dr. Georgina Herrmann & Catherine Thomas)	6,200	10,100
University of Cambridge (Dr Augusta McMahon Chagar Bazar Research) Grants	-	2,230
Umma Project (Dr. Farouk Al- Rawi Research Grant)	3,800	1,900
Dr Stuart Campbell (Umm Dabagihyah Research Assistant & Travel Grant)	-	1,200
Dr Eleanor Robson (Travel Grant)	-	770
Dr Erica Hunter (Travel Grant - CBRL Conference)	600	-
Dr Erica Hunter (Christianity in Iraq Conference Grant)	800	800
Dr Nader El-Bizri (SIHSPAI) Conference Grant	3,000	-
Total Grants	<u>£ 34,400</u>	<u>£ 34,349</u>

**BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2007**

Note

Note

3 b) **Analysis of other Charitable Activity costs:**
(Including support costs)

i) **Directly allocated costs:**

London

Gifts and donations									
Restricted fund expenditure									
Purchases for Iraq & Appeal expenditure									
London Activities & Lecture Expenses									
Total London expenditure									

11

'Baghdad Directors' House rental

Other Direct costs

Printing Annual Report									
Publication costs									

ii) **Support costs allocated to activities;**

London office administration salary and pension costs (9)
(appendix)

Office expenditure

Bank & Credit card charges

Accountancy (inc support) & Examination fees

Consultants

Council meetings (inc AGM Expenses)

Council members' travel expenses

Depreciation

	Working Fund Directly attributable Costs	Restricted	Governance	2007 Total	2006 Total
	35	-	-	35	50
	-	-	-	-	317
	-	13,368	-	13,368	4,110
	1,638	-	-	1,638	317
	1,673	13,368	-	15,042	4,794
	2,250	-	-	2,250	2,000
	-	-	292	292	281
	13,115	-	-	13,115	29,990
	30,879	-	-	30,879	25,948
	3,295	-	-	3,295	3,572
	438	-	-	438	526
	-	-	2,500	2,500	2,850
	-	-	-	-	950
	-	286	158	444	450
	-	-	427	427	334
	-	-	343	343	343
	51,649	13,654	3,720	69,023	72,038

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

Note

3 c) **Analysis of London Office Expenses**
See Note - 3(b)

	2007	2006
	£	£
London Activities	-	-
Miscellaneous	124	65
Office expenses:		
Computer software	203	234
Insurance	1,195	1,001
Newsletter	726	671
Office Exps - Misc	225	640
Office supplies - Stationery	541	458
Postage	120	97
Other office expenses	159	406
	<u><u>3,295</u></u>	<u><u>3,572</u></u>

Note

4 **TANGIBLE ASSETS**

	Computer Equipment	Total
COST:		
Brought forward at 1.4.06	2,103	2,103
Additions in the year	<u>-</u>	<u>-</u>
Carried forward at 31.3.07	<u>2,103</u>	<u>2,103</u>
DEPRECIATION:		
Brought forward at 1.4.06	1,415	1,415
Charge in year	<u>343</u>	<u>343</u>
Carried forward at 31.3.07	<u>1,758</u>	<u>1,758</u>
NET BOOK VALUE:		
At 31 March 2007	<u>£ 345</u>	<u>£ 345</u>
At 31 March 2006	<u>£ 688</u>	<u>£ 688</u>

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
 NOTES TO THE ACCOUNTS (continued)
 FOR THE YEAR ENDED 31 MARCH 2007

5 INVESTMENTS

Holding	Fund/Investment	2007 Cost £	2007 Market Value £	Holding	2006 Cost £	2006 Market Value £
	Endowment Fund					
8149	Gertrude Bell Memorial Income shares in Charities Official Investment Funds	8,200	94,758	8,149	8,200	90,131
3096	M&G Charifund Shares	49,725	50,435	-	-	-
2927	M&G Charibond Shares	3,594	3,550	-	-	-
	Total Endowment Fund	61,519	148,743		8,200	90,131
	Bonham Carter Lecture Fund					
£2,407.41	8 1/2 % Treasury Stock 2007	2,608	2,450	£2,407.41	2,608	2,550
	Mallowan Fund					
£2,161.28	5.75 % stock 07/12/2009 GBP 100	2,268	2,201	£2,161.28	2,268	2,273
	Working Fund					
£42,365.47	8 1/2 % Treasury Stock 2007	48,900	43,106	£42,365.47	48,900	44,888
£19,477.72	5.75 % stock 07/12/2009 GBP 100	20,442	19,832	£19,477.72	20,442	20,488
	TOTAL	£ 135,737	£ 216,332		£ 82,418	£ 160,330
	Total Endowment Funds	61,519	148,743			
	Total Other Funds	74,218	67,589			
		£ 135,737	£ 216,332		£ 69,342	£ 65,376
					£ 82,418	£ 160,330

Comparative Year

MOVEMENTS IN INVESTMENT ASSETS

	Cost	Market Value
At beginning of year	82,418	160,330
Disposals	-	-
Acquisitions	53,319	53,319
Increase/(decrease) in valuation	2,683	2,683
	£ 135,737	£ 216,332

All investments were held in the U.K.

**BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007**

6 DEBTORS	Unrestricted	Restricted	2007 Total	2006 Total
Tax recoverable	-	2,177	2,177	1,776
VAT recoverable	459	-	459	340
Grants paid in advance 2007/8	-	-	-	8,000
Publication/Subvention income due	-	-	-	5,707
Appeal Income	-	820	820	-
Subscription Income Due	2,575	-	2,575	-
Other debtors	1,044	-	1,044	750
	<u>£ 4,078</u>	<u>£ 2,997</u>	<u>£ 7,075</u>	<u>£ 16,573</u>

7 CASH AND DEPOSITS AT BANK	2007	2006
Cash & Deposits	128,179	79,929
	<u>£ 128,179</u>	<u>£ 79,929</u>

8 CREDITORS	Unrestricted	Restricted	2007 Total	2006 Total
Amounts falling due within one year:				
London Office	1,254	-	1,254	1,663
Accruals and other creditors	3,022	-	3,022	4,008
	<u>£ 4,276</u>	<u>£ -</u>	<u>£ 4,276</u>	<u>£ 5,671</u>

9 EMPLOYEES

a) The school employed one part-time employee in the year. The remuneration was as follows:

The staff costs were:	2007	2006
Salaries (75% of full time; (2006 - 70%))	25,411	21,889
Social Security (net of £250 rebate)	1,893	1,013
Pension Contributions	3,575	3,046
	<u>£ 30,879</u>	<u>£ 25,948</u>

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

b) PENSION COSTS

Universities Superannuation Scheme

The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited.

The institution is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2005. The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest) and the rates of increase in salary and pensions. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum (plus an additional allowance for increases in salaries due to age and promotion and a further amount of £800m of liabilities to reflect recent experience) and pensions would increase by 2.9% per annum. In relation to the future service liabilities it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% per annum.

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (i.e. assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

Since 31 March 2005 the financial security of the scheme has improved and the actuary has estimated that the funding level has increased from 77% at 31 March 2005 to 91% at 31 March 2007. This improvement in the scheme's financial security is due primarily to the investment return on the scheme's assets since 31 March 2005 being higher than allowed for in the funding assumptions. On the FRS17 basis, the actuary estimated that the funding level at 31 March 2007 was above 109% and on a buy-out basis was approximately 84%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the institution contribution rate at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment.

USS is a "last man standing" scheme so that in the event of the insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The total USS pension cost for the Institute was £3,575 (2006: £3,046). The contribution rate payable by the Institute was 14% of pensionable salaries.

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

10 RELATED PARTY TRANSACTIONS

The following members of Council received a research grant from the School in respect of a School Project:
A McMahon £20,000 (Tell Brak Excavations) - Trustee to December 2006 and G Hermann £6,200 (Nimrud Ivories Project).

Travelling expenses totalling £427

No remuneration or other benefits have been paid or are payable to any charity trustee or connected person in the year to 31 March 2007, in respect of their responsibilities as Trustees, except for an honoarium of £500 paid to a Member of Council for duties related to the Journal *Iraq*.

11 RESTRICTED INCOME FUNDS

	Appeal & Fund for Iraq	Mallowan Fund	Bonham Carter Lecture Fund	Total
Income:				
Appeals	31,885	-	-	31,885
Gift Aid - Appeals	2,178	-	-	2,178
Investment Income	2,914	124	243	3,281
	-	-	-	-
	36,976	124	243	37,344
Expenditure:				
Direct Charitable Expenditure	(13,169)	(485)	-	(13,654)
Net Incoming resources before valuations and investment assets disposals	23,807	(361)	243	23,690
Gains and (Losses) on investment asset revaluations	-	(73)	(101)	(174)
Gains on sale of investments	-	-	-	-
Fund Balance Brought Forward	60,711	3,018	3,342	67,071
Fund Balance Carried Forward	84,518	2,584	3,484	90,586

Note on Restricted Funds.

The original Appeal Committee transferred all investments held for or on account of the Appeal Fund to the British School of Archaeology in Iraq (Gertrude Bell Memorial) as an endowment, to be administered by the Council of the School pursuant to the resolution passed at a meeting held on the 14th day of January 1932. The Council has the power from time to time to vary or transpose any investments forming part of the Endowment Fund.

The Bell Fund was created by the bequest from Gertrude Lowthian Bell CBE (died on 12 July 1926) "To pay the sum of six thousand pounds to the trustees for the time being of the British School of Archaeology in Iraq if shall have been founded before my death such sum to be invested by them and the income thereof to be used by them for archaeological work in Iraq...." (the first bequest) and by a second bequest from Sir Thomas Hugh Bell (died on 29 June 1931) of four thousand pounds. As the British School of Archaeology in Iraq was not established until 14 January 1932, the first bequest and the second bequest were vested in the Retiring Trustees of the British Museum, who invested the same and paid the income thereof to the Trustees from time to time of the British School of Archaeology in Iraq with effect from 14 January 1932 to 23 January 2007. On 23 January 2007 the Bell Fund was transferred from the British Museum to the British School of Archaeology in Iraq.

In 1973/74 The Bonham Carter Lecture Fund was endowed to support the lecture expenses of the Bonham-Carter lecture which takes place annually in memory of Lady Charlotte Bonham-Carter, a long standing member of the former Executive Committee of the BSAI Council.

In 1977 Sir Max Mallowan bequeathed £2,500 for an endowment to the School, the income derived from the bequest was to be applied to the costs of providing an Annual Dinner at which a toast was to be made in memory of Sir Max and his late wife Dame Agatha Mallowan D.B.E. In 2004 the School approached Mrs Rosalind Hicks (Dame Agatha's daughter) and Mr Matthew Prichard and members of the family who agreed that the bequest could be utilised to support the costs of the BSAI Annual General Lecture. Council and guests would continue to toast the memory of Dame Agatha and Sir Max Mallowan at the reception after the lecture.

In 2003 after the invasion of Iraq, the BSAI received a number of unrestricted donations to assist with rebuilding the heritage of Iraq. In addition, Mrs Rosalind Hicks provided a donation of £20,000 to assist with scholarships for Iraqis to be called 'BSAI Christie-Mallowan' Scholars. In 2005 the BSAI launched a formal appeal to raise funds for further scholarships and assistance to the heritage sector in Iraq. These funds are now all amalgamated into the restricted 'Appeal & Fund for Iraq'.

BRITISH SCHOOL OF ARCHAEOLOGY IN IRAQ
NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2007

12 RESTRICTED FUNDS	Endowment Fund	Working Fund (Unrestricted)	Appeal & Fund for Iraq	Mallowan Fund	Bonham Carter Lecture Fund	Total
Investments	148,743	62,938	-	2,201	2,450	216,332
Fixed Assets	-	345	-	-	-	345
Debtors	-	4,078	2,997	-	-	7,075
Cash and Deposits at Bank	-	54,569	73,610	-	-	128,179
Creditors	-	(4,276)	-	-	-	(4,276)
Inter-fund balances	4,669	(13,996)	7,910	383	1,034	-
	<u>153,412</u>	<u>103,658</u>	<u>84,517</u>	<u>2,584</u>	<u>3,484</u>	<u>347,655</u>

13 UNRESTRICTED FUNDS

Balance b/fwd.	94,647	Total
Transfers	-	
Realised and unrealised gains and losses	(2,436)	
Net incoming resources	11,447	
	<u>£ 103,658</u>	
	-	

The Council of Management has reviewed the level of the Unrestricted Fund and has concluded that it is sufficient to cover contingencies. A separate Contingency Fund was deemed unnecessary.