

**THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ
(Gertrude Bell Memorial)**

Registered Charity No. 1135395

A company limited by guarantee registered
in England and Wales No. 6966984

10, CARLTON HOUSE TERRACE

LONDON SW1Y 5AH

UNITED KINGDOM

Report and Accounts

for

The period ended

30 June 2012

2011/2012

THE SEVENTY-NINTH ANNUAL GENERAL MEETING OF THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ WILL BE HELD AT THE BRITISH ACADEMY, 10 CARLTON HOUSE TERRACE, LONDON SW1Y 5AH ON 28 FEBRUARY 2013 AT 5.45 P.M. TO HEAR **DR JOAN OATES FBA**, TO CONSIDER THE ACCOUNTS, THE BALANCE SHEET, AND THE REPORTS OF THE COUNCIL AND INDEPENDENT EXAMINERS; TO ELECT MEMBERS OF THE COUNCIL; TO APPOINT AUDITORS OR INDEPENDENT EXAMINERS AND FOR ANY OTHER BUSINESS WHICH MAY PROPERLY BE TRANSACTED.

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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 JUNE 2012**

REGISTERED OFFICE AND PRINCIPAL ADDRESS

The British Academy
10 Carlton House Terrace
London SW1Y 5AH

BANKERS

Barclays Bank PLC
Kings Cross Branch
23 Euston Road
London NW1 2SB

CCLA Investment Management Limited
80 Cheapside
London EC2V 6DZ

SOLICITORS

Jacobs Allen Hammond Solicitors
3 Fitzhardinge Street
London W1H 6EF

INDEPENDENT EXAMINERS

WMT
Chartered Accountants
Torrington House
47 Holywell Hill
St Albans
Hertfordshire AL1 1HD

INVESTMENT MANAGERS

Barings Fund Managers Limited
155 Bishopsgate
London EC2M 3XY

REGISTERED CHARITY

1135395

REGISTERED COMPANY

06966984 (England and Wales)

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REPORT OF THE COUNCIL

The Council presents its report together with the financial statements of the Institute for the period of twelve months ended 30 June 2012. The statements have been prepared in accordance with the accounting policies set out on page 20 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

BISI is governed by its Memorandum and Articles of Association adopted and approved at the Annual General Meeting in December 2009. These accounts represent the second year of the charity operating as a company limited by guarantee. The British Institute for the Study of Iraq, the former unincorporated charity, transferred all its assets to the new charity in 2010.

Twelve Council members, who are also trustees and directors of the company, 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 a 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 Chair and Vice-Chair from within their ranks.

Members of Council are already knowledgeable in fields relevant to its objectives, including Mesopotamian, Medieval Islamic and other periods including contemporary Iraq. On joining the Council, nominees are requested to review the Charity Commission guidelines "CC3 - The Essential Trustee: What you need to know". New Council members receive a pack containing the memorandum and articles of association of the Institute and past minutes, annual reports and newsletters. The London administrators meet with each new Trustee to go over the structure of the Institute and the responsibilities of trustees. Trustees are provided with periodic updates of relevant information from the Charity Commission by email.

The Honorary Treasurer is a member of the Council and is nominated by the Council and elected by members at the Annual General Meeting. Council may co-opt individuals and the Chairman of the BISI Appeal Committee is an *ex-officio* member of Council. The Rt Hon Lord Lamont of Lerwick is the Institute's Patron, and Mr Simon Collis, Her Majesty's Ambassador in Baghdad, has accepted the Council's invitation to be BISI's Vice-President in keeping with the Institute's historical precedent. We thank the former British Ambassador to Iraq, Mr Michael Aron, for his assistance to the BISI while he was in Baghdad and for his support of our work.

The Council meets three times a year (February, June, and November). The 2012 report and accounts reflect the BISI's activities over the course of the current financial year. The 2011 comparative figures and accounts included the transfer of the BISI owned ivories from Nimrud ('heritage assets') into the accounts with a significant donation to the British Museum.

The 2013 AGM takes place in February 2013 in order for members to receive and consider the accounts and balance sheet of the Institute, and the reports of the Council, to appoint the Auditor or Independent Examiner, to elect Members of the Council and to discuss any matter of business which is properly transacted. Any member of the Institute who wishes to be present may attend the AGM. Alternatively members are permitted to send in postal ballots for the election of trustees.

The BISI Appeal Committee reports to Council and has taken on responsibility for the over-all remit of fundraising for the Institute and its work. Mr Peter Davies is Chairman of the BISI Appeal (*ex-officio* member of Council). Dr Harriet Crawford, former Vice-Chairman of the Appeal Committee, Sir Terence Clark, KBE, CMG, CVO, Mr Iain Cheyne and Dr Lamia al-Gailani Werr have stepped down from their positions on the Appeal Committee and Mr Imad Burhan, Mr Simon Eccles-Williams and Ms Laura Curtis have joined the Appeal Committee, which also comprises Sir David Richmond, KBE, CMG, Mr Bashir Siman, and Mr Mowafaq Mahmood. Mr Alan Sandall is the committee's Secretary in a volunteer capacity and continues to provide invaluable assistance to both the committee and to the Institute in general.

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The day-to-day management of the Institute has been delegated to the BISI Administrators, Mrs Joan Porter MacIver (part-time – 40% - previously 75%) and Miss Lauren Mulvee (part-time – 60%), who joined the Institute in April 2012.

BISI income comes from its own resources and endowment. Although the British Academy grant-in-aid to the BISI ceased in April 2009, the British Academy continues to give the Institute valuable support by providing a London base for its Administrators and through the use of administrative resources, as well as providing a venue for meetings and lectures. Council is very appreciative of the BISI's long standing links with the British Academy and the support it provides to the Institute.

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 BISI/BSAI research projects that remain unpublished
- To inform and engage the public, especially in the UK, by means of lectures and day schools

CHAIR OF COUNCIL'S REPORT

As the incoming Chair of BISI's Council, it is my first duty and pleasure to thank my predecessor, Professor Roger Matthews, for all the work he did during his term of office, particularly in managing the transition to our widened research remit and self-funded status. We all thank him warmly for ensuring the foundations of the Institute's long-term future and wish him the very best for his future research. Equally, I would like to pay a heartfelt tribute to Professor Andrew George FBA, the long-standing, indefatigable and meticulous editor of the Institute's journal *Iraq*, who has now passed the baton to Dr Jonathan Taylor. I would also like to thank Appeal Committee members Dr Harriet Crawford, Dr Lamia al-Gailani Werr, Mr Iain Cheyne and Sir Terence Clark, as they step down at the ends of their terms of office. Dr Crawford is also stepping down from the Visiting Scholars Committee.

I very much look forward to working with our new Council members over the coming years. Members elected: Dr Mark Altaweel, who has already been assisting BISI on our journal's Editorial Board and Mr Edward Chaplin CMG, OBE, who was the first British Ambassador to Iraq after 2003 and who had very graciously accepted the School's invitation to resume former ties with the Embassy by becoming its Vice-President in 2004 during his period in that post. It is poignant for us to have him join the BISI Council as his knowledge of Iraq is far deeper than FCO life, as he spent his childhood growing up in Iraq. He will bring a new breadth of expertise and skills to Council. Dr Augusta McMahon was also elected to Council after a break of six years and has taken on the important role of Chair of the BISI Publications Committee from Dr Jon Taylor; it was good that we could recruit her back to the BISI fold. Dr Glen Rangwala, Dr Harriet Martin and Dr Paul Collins were all re-elected for a further three year term and we value their continuing contributions.

As ever it is deeply sad to report the passing of friends and colleagues whom we have lost far too soon. Obituaries for Dr Anthony Green (1956-2012) appear both in the Autumn 2012 Newsletter, no.30, by Arnulf Hausleiter and in the journal *Iraq* 74 p. LXXIV, by Dr John Curtis. An obituary for Professor W.G. Lambert (1926-2011) also appears in *Iraq* 74 p. LXXIV, written by Professor Mark Geller. There will be an obituary for Dr Behnam Abu Al-Soof (1931-2012) in *Iraq* 75 p. LXXV, and Joan Oates kindly wrote a short piece on Dr Al-Soof's life and career for our Autumn 2012 Newsletter, no. 30. We are also very sad to note the recent passing of Professor Margaret (Peggy) Drower (1911-2012). Only last year, Professor Drower donated a generous quantity of books on Iraq.

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In early May I went to Iraqi Kurdistan for a week, in order to raise BISI's profile with potential research partners in Sulaimaniyah and Erbil, as well as to meet and thank the directors of projects which BISI has already supported. I am very grateful to my hosts, Mr Kamal Rasheed, Sulaimaniyah Province's Director of Antiquity and Mr Hashim Hama, Director of Sulaimaniyah Museum, as well as to the UCL team whom I accompanied, led by Dr Mark Altaweel and Professor Karen Radner. By developing good channels of communication with researchers and cultural heritage workers here in Iraq, and collecting concrete information on their needs and interests, BISI will be better able to attract sponsors and benefactors to support particular projects, and work to build our endowment to a level that will ensure long-term sustainability. We already began this work with a meeting with the All-Party Parliamentary Group on Iraq at Portcullis House in April.

That meeting coincided with the arrival of BISI visiting scholar Mohammad Kasim Mohammad Jwad, a textiles and carpets conservator at the Iraq Museum who also volunteers at Al-Kafeel Museum at the holy shrine of Imam Abbas in Kerbala. He was so enthused by BISI's work, and by the excellent training he received while here in the UK, that he proposed a longer programme of collaboration between Al-Kafeel Museum and BISI. As a result, in October Dr Lamia Al-Gailani Werr and I had the honour to spend a long and fascinating day in Kerbala, meeting the staff of the museum and shrine, and being given a tour of the gallery and store-rooms. We also paid a brief visit to the museum in the nearby mosque of Imam Hussein. Our hosts were not only charming and hospitable but displayed an impressive level of commitment and professionalism. We are currently working to arrange a reciprocal visit to London for the museum staff in spring 2013, when we aim to establish a formal protocol for a five-year project to further develop their already excellent cataloguing, conservation, display and public education work. I am enormously grateful to everyone involved so far, both in the UK and in Kerbala, and am greatly excited by the prospect of this collaboration.

Another important aspect of profile-raising is to improve our communications strategy. The Institute's new Assistant Administrator, Ms Lauren Mulvee, is a particular expert in this field. She is overseeing the complete redesign of BISI's website, the development of our Twitter and Facebook accounts, and the creation of a BISI blog. Ms Mulvee is working alongside our ever-invaluable Administrator Mrs Joan MacIver from our offices in the British Academy. Releasing Mrs MacIver from a great deal of the day-to-day running of the Institute has enabled her to concentrate more fully on finance, planning and strategy for the BISI and to provide a smooth administrative transition in a reduced part-time capacity. In addition, Mrs MacIver is coordinating our September 2013 conference *Gertrude Bell and Iraq: A Life and Legacy*, which is sponsored jointly with the British Academy. Volunteer Secretary of the Appeal, Mr Alan Sandall, forms the third member of BISI's excellent administrative team. We are all heavily dependent on their calm efficiency and enthusiasm for their work.

In other words this is, I hope, the beginning of an exciting time of growth and development for the Institute, which will enable us to supporting an increasing range of charitable activities in the UK, Iraq, and beyond.

Dr Eleanor Robson

ACTIVITIES AND EVENTS

The BISI 2012 Report and Accounts cover the activities and events that took place over the past financial year. Our Newsletters No. 28 (Autumn 2011), No. 29 (Spring 2012) and No. 30 (Autumn 2012) cover many details of our activities during 2011-2012 and are available on the BISI website. (The newsletters are henceforth referred to in this report as 'NL'.)

In November 2011 Dr Michael Seymour and Alessandra Peruzzetto delivered a lecture on 'Current work at Babylon.' After the February 2012 78th Annual General meeting, Professor Roger Matthews delivered the Mallowan lecture *in memoriam* Rachel Maxwell Hyslop FBA, FSA (1914-2011) in conjunction with the Institute of Archaeology, University College London and Rachel's family, entitled 'For Posterity: Hoards and Hoarding in the Ancient Near East.' In June 2012 Jack Fairweather gave the Bonham Carter Lecture on 'A War of Choice: Lessons from Britain's War in Iraq 2003-09'; and in November 2012 Dr Ali A. Allawi gave a lecture on 'Faisal I, Gertrude Bell and Sat'i al Husri: the Politics of Archaeology in Iraq'.

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In addition to our lecture programme and appeal events, BISI sponsored or part sponsored the following day schools and conferences during 2011-2012, either directly or within our Visiting Scholars or Outreach/Development Grant schemes: 'May your city drink water aplenty', a BISI Study Day on water in Ancient, Medieval and Modern Iraq, organised by Dr Paul Collins and Joan MacIver in conjunction with the Department of History at SOAS (March 2012); 'Iraq's Future after the American Departure' co-sponsored with the Association of Iraqi Academics, at UCL (March 2012); TAARII/BISI conference 'Iraq under the Sanctions: Economic, Political, Social and Cultural Effects' in Amman, Jordan (September 2011); National Youth Orchestra of Iraq, Erbil Summer School (September 2011); 'Exploring the Shahrizor Plain – New Research in Iraqi Kurdistan' conference organised by Dr Karen Radner and Dr Mark Altaweel, Institute of Archaeology, UCL; 'Ecotourism Stakeholders Workshop' organised by Sarook Sarky in Dohuk (February 2012); Imperial College Iraqi Society's 'Iraqi Cultural Exhibition 2012' (February 2012); 'The Sumerians of Ancient Iraq', a day school at the University of Glasgow's Centre for Open Studies, organised by Dr Fran Reynolds (March/April 2012); 'Martyrdom in the Iraqi Church: Historic and Modern Perspectives' - The Christianity in Iraq IX Seminar Day, SOAS organised by Dr Erica Hunter (May 2012); and 'The Jews of Kurdistan – *My Father's Paradise*' Gulan's event at the Royal Geographical Society (June 2012).

BISI APPEAL, EVENTS, DONATIONS AND FUNDRAISING

At the end of our 2012 financial year, we have successfully completed our fundraising goal by raising just over £250,000 for the first BISI Appeal. We wish to thank all the members, foundations, companies and major donors for making the first BISI Appeal such a successful venture. Over the course of the appeal the funds raised were used to support over thirty Iraqis scholars and heritage professionals on placements or to attend conferences.

The Al-Burhan Group, under the auspices of Mr Imad Burhan, generously provided the sponsorship for our latest scholar, Mohammad Kasim Mohammad Jwad, and was the major donor to the BISI Appeal during the year. Maureen and Tony Wheeler's earlier generous donation in 2011 covered the first two scholars of this year, Dr Akram Mohammed Yahya and Dr Mohammed Moayyad Mallalah, of the College of Art of the University of Mosul (July 2011) and their kind gift has now been fully utilised. More details of their visits are given below.

We were very honoured and appreciative to have had the following speakers give support to the Appeal with their lectures. Neil MacGregor, Director of the British Museum, delivered his Appeal Lecture 'Objects of History' with a focus on objects from the museum related to Iraq (September 2011); Khyam Allami, London based Iraqi musician, composer and teacher, presented his debut album *Resonance/Dissonance* and discussed the BISI supported project 'Sound of Iraq' (January 2012); Xavier Pick, peace artist and war artist, gave an audio-visual presentation about his journey to Ur, with drawings, photographs, and extracts from his film, *Ziggurat: Diary of a Modern Day War Artist* (April 2012); and Robert Irwin, historian and writer, gave a lecture on 'Mediaeval Basra' (September 2012).

A number of volunteers have assisted the Institute: Mrs Lucie Dean helped the BISI Administrator with BISI mailings; Mr Kit Barclay provided continued assistance on the BISI membership database (Microsoft Access); and Mr Alan Sandall volunteers as the BISI Appeal Committee Secretary and also provides guidance and advice to the BISI administrators in addition to providing extra assistance with the BISI mailings. Miss Jennifer Hicks and Mr Michael Alexander have provided volunteer assistance at recent BISI outreach events and Mr Ewan Rodgers assisted the BISI with proof reading as a volunteer.

VISITING SCHOLARS PROGRAMME

The expenditure on our Visiting Scholars Programme included the funding for six Iraqi BISI scholars and five Iraqi participants to the TAARII/BISI conference in Amman in September 2011. Dr Harriet Crawford has devotedly chaired the committee and has recently stepped down from this role. The BISI wishes to thank her for implementing this very valuable programme, which will continue to play a major role in the BISI's programmes in the future. It has truly bridged many of the gaps of the past between the UK and Iraq and enabled us to make many new Iraqi friends and develop closer ties to those in the heritage and university sectors in Iraq.

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The BISI programme arranges placements for the individual scholars and the BISI administrators coordinate all the visits and arrangements. We have also been very fortunate that when necessary the American Center of Oriental Research in Amman (ACOR) has provided BISI scholars with a base to stay during their wait in Jordan for their UK visas and has also arranged intensive English language lessons for them. We wish to thank Dr Barbara A. Porter, ACOR Director, and her staff for assisting our scholars. We have had some recent success through the assistance of the British Council Iraq office in arranging a few of the visas directly in Iraq and we very much hope that this can continue. We wish also to thank Brendan McSharry, former Director of British Council Iraq, and Martha Gibson, Deputy Director, and we are already working closely with Jim Scarth, the new Director. Our collaboration has proved to be very important to a range of BISI initiatives. We were also able to provide BISI publications for a recent British Council exhibition at the university in Duhok. The specific UK visa advice and assistance enables our visitors to spend less time on the application process and reduces the cost for each participant's placement, hence enabling the BISI to provide more funding to other scholars.

The 2011-2012 placements were made possible by the generosity of many individuals, who gave considerably of their time with both personal and academic support to our visitors. Fuller details and reports regarding the varied research and training opportunities arranged are available in the BISI newsletters and on the website. The entire Visiting Scholars Programme is only possible with the help and assistance of those generous enough to give of their time and provide placements.

In July 2011, BISI member Don Gomez assisted Dr Akram Mohammed Yahya and Dr Mohammed Moayyad Mallalah, of the College of Archaeology, University of Mosul with 'on the ground' guidance. Professor Hugh Kennedy arranged library access for them both at SOAS and discussed their projects with them. In the autumn 2012, Dr Subhi Al-Azzawi assisted BISI with the visit of Dr Fawziyah Al-Maliky with unbounded dedication. BISI would also like specifically to thank Sarah Buckingham, Head of Heritage Protection Reform, English Heritage, and Catherine Leonard of the National Trust, and the Head of INTO Secretariat, for giving generously of their time for Dr Fawziyah's programme. Mohammad Kasim Mohammad Jwad of the Iraq Museum spent two months in the UK working on textile conservation techniques. His six week Glasgow visit was made possible through the assistance of Professor Nick Pearce and Dr Anita Quye and Frances Lennard of the University of Glasgow's Centre for Textile Conservation and Dr Ellen McAdam, Jane Rowlands, Helen Hughes and Noorah Al-Gailani from the Glasgow Museums who provided an important practical programme for half of his Glasgow stay. Dr Monika Harter arranged a visit for Mohammad at the British Museum's Organics Labs, where he met a number of the conservators and was able to observe and discuss their techniques. For all these BISI visitors, Ghada Al-Gaylani provided English language tuition but she was also an invaluable mentor during their UK visits. Mrs Kate Carter has provided a wonderful home base for many of our scholars and has kindly agreed to do so in the future.

The Visiting Scholars Committee also provided funding to Khyam Allami's Sound of Iraq Project for the training of two archivists from the Iraq National Library and Archives, Ayman Jawad and Waleed Al-Naqshabandi, at the British Library's Sound Archives. Their training was supervised by Russell Gould who provided a very thorough archiving internship and they also took English language lessons during their three month stay. They were able to attend the January 2012 BISI performance by Khyam Allami and to meet members and guests after the event to discuss the project and their plans for building up the digital archives at the Iraq National Library and Archive with the support of the Director, Dr Saad Eskander.

Again, we wish to thank all those who have helped us make these opportunities possible by offering their assistance with these varied placements. In particular, Dr Lamia Al-Gailani Werr has contributed significantly to the success of the programme and the Institute acknowledges her very active involvement and help with all our visitors. Without the support and cooperation of colleagues and friends throughout the UK, this programme would not be possible.

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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. The BISI currently has only one annual application deadline in February.

RESEARCH, TRAVEL AND CONFERENCE GRANTS

Research, conference and travel grants (totalling £12,545) were made to the scholars and institutions as outlined on page 22 of the accounts with reports received to date noted in the relevant BISI newsletters ('NL').

- Dr Karen Radner & Dr Mark Altaweel - Geomorphological and palaeobotanical studies in the Shahrizor region [NL 28]
- Ranj Alaaldin - The Shia Disconnect in Iraq
- Dr John MacGinnis - Ziyaret Tepe Archaeological Project (2011)
- Dr Jane Moon – Preliminary Investigations at Ishan Khaiber (near Ur) [NL 29]

The BISI did not fund a Pilot Project grant award in 2012. However, in addition to the research grant that the BISI awarded Dr Jane Moon (£5,000), it also provided a special grant in January 2012 to initiate the survey for the fieldwork project at Ishan Khaiber (£3,000) [NL 29], which falls within its pilot project parameters and the BISI is continuing to work actively with Dr Moon and Dr Killick on the project.

The BISI has also set aside £5,000 in reserve to support the 2013 Gertrude Bell Conference, although it is anticipated that we will be raising funds to cover the BISI sponsorship for the conference.

OUTREACH/DEVELOPMENT GRANTS

BISI Outreach/Development Grants support development events and projects, such as lectures, study days and popular publications as part of our outreach efforts. The aim is to assist endeavours that encourage a better understanding of Iraq and this has proved to be highly successful as evidenced by the scope of the grant projects. (In 2012 we changed the name of this BISI sub-committee to 'Outreach' Committee to avoid confusion on the remit of the committee.)

- Dr Karen Radner & Dr Mark Altaweel – Exploring the Shahrizor Plain – New research in Iraqi Kurdistan (December 2011) [NL 28]
- Dr Erica Hunter 'Christianity in Iraq IX Seminar Day' (May 2012) [NL 29]
- Mr Michael Laird 'Mudhif Cultural Preservation Project' (in progress)
- Ms Sarah Panizzo/ Gulan 'The Jews of Kurdistan' Event (June 2012) [NL 30]
- Mr Paul McAlindin 'NYOI Visit to UK 2012' (August 2012) [NL 29]
- Mr Sarook Akram S. Sarky 'Planning for the Development of Nascent Ecotourism Industry in Kurdistan Region of Iraq – a Preliminary Stakeholder Workshop' (February 2012) [NL 30]
- Imperial College Iraqi Society 'Iraqi Cultural Exhibition 2012', (February 2012)

In addition to the direct grants, the BISI sponsored 'May your city drink water aplenty', a BISI Study Day on water in Ancient, Medieval and Modern Iraq in association with the Department of History at SOAS (March 2012) [NL 29] and the panel discussion 'Iraq's Future after the American Departure' in collaboration with the Association of Iraqi Academics at UCL (March 2012).

PUBLICATION GRANTS

The Publications Committee awarded a grant to Dr Georgina Herrmann for continuing preparations by Helena Coffey for the book *Ivories from Nimrud VII: Ivories from SW11/12 and T10*.

PUBLICATIONS

The Editors of *Iraq*, Dr Jon Taylor and Dr Michael Seymour, and the BISI Publications Committee have an active editorial board in place. Dr Mark Weeden and Dr Mark Altaweel joined the board during 2011-2012. The Editorial Board and Council have agreed to promote the journal as a place to publish scholarly

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articles on relevant topics 'from earliest times to c. AD 1750' and hence to encourage scholars of later periods to submit articles.

Caroline Middleton assisted Professor Alastair Northedge on preparations for *The Archaeological Atlas of Samarra (Samarra Studies II)* which is now in an advanced stage of publication planning. Helena Coffey has been assisting Dr Georgina Herrmann and Stuart Laidlaw on preparations for the publication of *Ivories from Nimrud VII: Ivories from SW11/12 and T10*, which is also almost complete.

FUTURE AIMS AND PLANS

RESEARCH

BISI will continue to foster a broad range of research and will encourage strong academic applications for funding and sponsorship within the scope of BISI's widening remit, either as stand-alone projects or in collaboration with other funding bodies. The Fieldwork and Research Committee continually reviews 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.

The Institute is engaging more actively with work on the ground in Iraq itself and is very pleased to be one of the sponsors of the new British based initiative by Dr Jane Moon, Dr Robert Killick and Dr Stuart Campbell to resume excavations at Ishan Khaiber (site 60 in Robert McAdams, *Heartland of Cities*, Chicago 1981, p.340). This site was surveyed in 1966 by Henry Wright, who is sharing his original records with the team. A visit sponsored by BISI took place in January 2012, to inspect the site, confirmed the feasibility of working there, and initiated the development of relations with the State Board of Antiquities and Heritage (SBAH), which had already given initial permission to excavate [NL 29].

Dr Moon writes that the site is predominantly of Jemdet Nasr date (c.3,100-2,900 BC), with some material of late Ur III or early Larsa date (c.2,000-1,900 BC), and indications of 'Ubaid and Uruk, (sixth-fourth millennium BC) as well. A satellite photograph shows the presence—and some of the plan—of a large public building of 80 x 50 m. While it appears similar in size and form to the large building on Mound B at the site of Jemdet Nasr, Wright's notes record surface material in this area of mainly Ur III/early Larsa times. A second building, probably of similar plan, lies to the southwest, and on the surface here were Jemdet Nasr pottery and clay cones. There are many goals for this preliminary season, which will include carrying out a full contour survey and controlled surface collection of the mound and its immediate surroundings. The team will be planning for further seasons of excavation, provisionally seven in all, once local conditions and funding opportunities have been thoroughly ascertained.

The BISI has commenced initial discussions to develop long-term co-operation with colleagues at the Al-Kafeel Museum in Al-Abbas Holy Shrine in Kerbala through our recent Visiting 'Al-Burhan' Scholar, Mohammed Kasim Mohammad Jwad. In October 2012 Dr Robson and Dr Lamia al-Gailani Werr travelled to Kerbala to meet officials of the Holy Shrines to discuss the potential for a long-term collaborative project between Al-Kafeel Museum and BISI. We are extremely grateful for the Shrine's hospitality. The project has three strands: conservation, research and public education on the shrines' collections. More details will be available in future newsletters and on the website. This is an exciting potential collaboration and we will be involving relevant experts in the project. Dr John Curtis, BISI President, is also part of the project's working group.

PUBLICATIONS

We will maintain our commitment to ongoing publication of existing and previous projects sponsored by BISI. We anticipate that Dr Georgina Hermann's *Ivories from Nimrud VII: Ivories from SW11/12 and T10* and the *Archaeological Atlas of Samarra (Samarra Studies II)* by A. Northedge and D. Kennet will be published in 2013. We continue to await the submission of Stuart Campbell's work on Umm Dabaghiyah and look forward to receiving a corpus of prehistoric Mesopotamian figurines from Ellen McAdam.

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The proceedings of the *Gertrude Bell and Iraq: A Life and Legacy* Conference will be published in 2014 either by the BISI alone or in collaboration with the British Academy.

OUTREACH AND PUBLIC ENGAGEMENT

In April 2013 BISI will be hosting a day workshop at the Ashmolean Museum, provisionally titled, 'Nimrud: from Mound to Museum.' It will feature various people, from excavators to conservators, talking about their roles in transforming objects found at the site into artefacts displayed in galleries and online. This event forms part of an AHRC-funded research project, 'Materialities of Assyrian Knowledge Production: Object Biographies of Inscribed Artefacts from Nimrud for Museums and Mobiles' which runs throughout 2013 and which will result in a major new website on Nimrud, its archaeology, and the history of its excavation and interpretation. BISI is partnering with the British Museum, the Ashmolean, Penn Museum, the University of Cambridge and University College London. The project is run by Eleanor Robson, Jon Taylor, Steve Tinney, and Ruth Horry.

In September 2013, BISI will be co-sponsoring a major international conference on Gertrude Bell CBE in collaboration with the British Academy entitled *Gertrude Bell and Iraq: A Life and Legacy*. A number of UK and international scholars will be participating. There will be an opening panel discussion at the Royal Society on 11 September 2013 entitled 'Britain and the Occupations of Iraq'. We look forward to working with the British Academy on this conference and details will be noted on the BISI and British Academy websites in 2013.

BISI offers members the choice of two journals – the BISI journal *Iraq* or the *International Journal of Contemporary Iraqi Studies* (or both), as well as the option of a full membership without a journal subscription for regular and student members. We currently have over 700 members and subscribers and are very keen to promote BISI student membership.

The new BISI Assistant Administrator, Miss Mulvee has been working with Cambridge Web Studios to develop a new BISI website (www.bisi.ac.uk) which will be launched early in 2013. BISI now has Facebook and Twitter accounts and the Chair of Council maintains a blog at bisi1932.blogspot.com.

Former BISI Council member Dr Fran Reynolds has maintained her very successful BISI study days and programmes at the University of Glasgow's Centre for Open Studies [NL 29]. In July 2012 she gave a course 'Sumerian for Beginners' and is organising another study day 'Mesopotamia: the Babylonians of ancient Iraq' <http://www.gla.ac.uk/courses/openstudies/> in association with the British Institute for the study of Iraq (March 2013).

Last summer the Iraqi Cultural Centre - UK (ICC) was launched in Shepherd's Bush, London and the BISI has established an association with it. BISI organised a trio of family events held at the ICC over autumn/winter 2012. The aim of the events has been to introduce children and young people to ancient Iraq. The events included: Dr Robson's *Back to Babylonian School* session (October 2012); The *Epic of Gilgamesh* with Rana Ibrahim of the Ashmolean Museum for children to create character masks and join in a performance of the epic (October 2012); and; *Royal Courier, Start the journey! Sending Letters Home in Ancient Mesopotamia* with Jennifer Hicks, University College London for children to learn about the royal couriers of ancient Mesopotamia (November 2012). Please get in touch with us or the ICC directly if you have ideas for their programmes and BISI's involvement in them.

APPEAL AND APPEAL EVENTS

The BISI Appeal Committee and Council will be re-focusing and launching a new Appeal in 2013. The Committee has taken on the added overall responsibility of fund raising for the entirety of BISI's work, to include the requirements for our increased level of fieldwork and projects in Iraq and will work closely with the BISI Finance Committee and Council.

VISITING SCHOLARS PROGRAMME

Early in 2013 we anticipate the visit of Saber Ahmed Saber for a three month placement in London to work in collaboration with Dr Mark Altaweel and Professor Karen Radner of University College London on

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the English publications of archaeological excavations in Sulaimaniyah. We also have recently agreed a series of collaborative ventures with the Deutsche Orient-Gesellschaft (German Oriental Society), a charitable organisation very like BISI which funds and publishes research into the archaeology and history of the pre-modern Middle East. In the first instance BISI has agreed to offer joint Visiting Scholarships to eligible Iraqi scholars, one a year to begin with, along the lines of our current scheme.

BISI plans to foster closer collaboration between UK and Iraqi academics by sponsoring individual scholars who have already established academic ties with UK scholars to pursue specific collaborative research proposals. This would involve a UK academic agreeing to be the main organiser of a research placement along the lines of Professor Radner and Dr Altaweel's sponsorship of Saber Ahmed Saber. The BISI has implemented stricter application procedures and established higher English language requirements for applicants.

Members are encouraged to inform scholars based in Iraq about these grants (current annual deadline is 1 February), which provide one to two month individual research or training programmes and placements in the UK for individuals conducting research or training on subjects relating to Iraq, with a focus on Iraq's heritage. We also augment the programme with English language tuition. There are further details on the website. We expect to support at least two applicants annually over the next few years. BISI will also support the participation of Iraqi scholars to major UK academic conferences with academic coverage that falls within the remit of the BISI. The future of the programme is evolving and further details will be available on the BISI website.

STRUCTURE AND GOVERNANCE

The Institute established itself as a Company limited by guarantee in order to protect the assets of the Charity and in keeping with the status of all the British Academy sponsored Schools and Institutes. Members approved this action at the 2009 Annual General Meeting. The new Memorandum of Association adopted BISI's previous regulations for the new Company limited by guarantee and is available on the website. The company was established in July 2009 and the new Charity number was assigned in April 2010. We commenced operation on 1 July 2010 as a charitable company.

Council will continue to review its governance procedures, including the broadening of its membership to reflect the Institute's widening remit and expanded objectives. Council has adopted a five-year corporate plan, which is reviewed annually by Council.

FINANCIAL REVIEW

The accounts of the Institute for the year ended 30 June 2012 are attached to this report and a review of the transactions and financial position of the Institute is set out below.

The performance of the Institute's incoming resources, before realised and unrealised gains and losses on revaluations and disposals of investment assets, resulted in total outgoing resources of £63,816. This was made up of a loss of £29,919 for unrestricted funds to support the ongoing work of the Institute and total net outgoing resources of £33,897 for the work related to our Appeal, supporting our Visiting Scholars programme. During the year BISI received £12,048 in Appeal donations and Appeal event income and gift aid, designated for funding the Visiting Scholars Programme.

There was a net loss on realised and unrealised revaluations of investment assets totalling £52,757. We believe that our reserves are maintained at a satisfactory level for the current operation of the Institute. Council and the Finance Committee continue to monitor BISI's financial situation and undertake steps to secure its future.

UNRESTRICTED FUNDS

The Institute's principal sources of unrestricted income during the year were from subscriptions (£23,064) and from the investment income from the Barings Targeted Return Fund (£38,664).

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RESTRICTED FUNDS

There was a high level of activity in the Iraqi Visiting Scholars programme, resulting in a net loss of £33,897 on restricted funds in the year before realised and unrealised gains and losses on revaluations and disposals of investment assets.

INVESTMENT POLICY

Decisions about what form of investment will be most suitable for the needs of the Institute are influenced by both the short-term and long-term future of the Institute and the effects of market fluctuations and inflation on capital and income. After a review of a number of companies in 2010/2011, the Finance Committee with the agreement of the BISI Council selected Barings Fund Managers Limited to handle its investments through its Targeted Return Fund for Charities. The choice of the investment managers will be closely monitored based on relative performance of the funds and administrative responsiveness.

The Finance Committee and Council have adopted the following

Investment Policy Statement

1. The statement is produced in accordance with section 15 of the Trustee Act.
2. The Trustees have agreed to delegate the investment of specified funds to Baring Asset Management.
3. The investment policy of The British Institute for the Study of Iraq (charity no. 1135395) is to seek to produce the optimal total return from its investment portfolio, with the target being the Consumer Price Index plus 5% on an annualised basis over rolling three year periods.
4. The Trustees wish to adopt a medium risk strategy. This should be achieved through a diversified portfolio of investments. At present this is held via the Target Return Common Investment Fund.
5. The investment manager should have regard to the suitability of investments pertaining to a charity and monitored by the Charity Commission.
6. The Trustees are willing to agree the widest range of investments as permitted by the Trustee Act 2000, with consideration to the aforementioned.
7. A review of the investments is to be provided by the investment manager to The British Institute for the Study of Iraq's Finance Committee on the basis determined by the said committee.
8. The Finance Committee will undertake periodic reviews (every two or three years) of the investment performance and will contact other investment advisers during this review.

STATEMENT ABOUT RISKS AND RESERVES POLICY

Council undertakes a review of the major risks to which the Institute is exposed, and systems designed to mitigate those risks have been considered. Council is determined to hold the working fund reserves at a level sufficient to cover operating costs for at least twelve 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 PUBLIC BENEFIT

'To advance research and public education relating to Iraq and the neighbouring countries in anthropology, archaeology, geography, history, language and related disciplines within the arts, humanities and social sciences.'

- BISI supports high-quality research across its academic remit by making grants and providing expert advice and input.
- BISI assists with publications, both print and electronic, for academic and public dissemination of research activities.

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- BISI supports and facilitates academic exchange and collaboration between the UK and Iraq through programmes of visiting scholars and academic engagement.
- BISI provides a focus for the UK public and the Iraqi community in Britain to engage with matters concerning Iraq.
- BISI supports public education through organising and supporting lectures, conferences, workshops and study days.
- BISI provides expertise and specialist knowledge to government bodies, journalists and other parties.

Council has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The following served as members of the BISI Council for all or part of the year ended 30 June 2012, as more fully explained.

Dr Athem Al-Sabti
Dr Mark Altaweel
Dr Teresa Bernheimer
Mr Edward Chaplin CMG, OBE
Mr Iain D. Cheyne, CBE
Dr Paul Collins
Mr Peter Davies (*ex-officio*)
Dr Harriet Martin
Dr Augusta McMahon
Professor Nicholas Postgate FBA
Dr Glen Rangwala
Dr Eleanor Robson
Professor Emilie Savage-Smith FBA
Professor Charles Tripp FBA
Dr John Curtis OBE, FBA, President (*ex-officio*)

At the AGM in February 2012 Council members Professor Roger Matthews, Professor Andrew George FBA, and Dr Jon Taylor stepped down from Council. Dr Mark Altaweel, Mr Edward Chaplin CMG, OBE and Dr Augusta McMahon were elected to Council and Dr Paul Collins, Dr Harriet Martin and Dr Glen Rangwala were re-elected to Council.

In accordance with Article 9 of our Articles of Association, Dr Eleanor Robson was elected by Council to be its new Chair and Professor Charles Tripp was elected to be Vice-Chair commencing 23 February 2012. The Report of Council also represents a Directors report as required by s417 of the Companies Act 2006. Advantage has been taken of the exemptions available to small companies in the preparation of this report.

BY ORDER OF THE COUNCIL



.....
Eleanor Robson
Chair



.....
J. Porter MacIver
Administrator



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

Dated: 15 January 2013

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STATEMENT OF COUNCIL'S RESPONSIBILITIES

The members of Council (who are also directors of The British Institute for the Study of Iraq for the purposes of company law) are responsible for preparing the Council's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, Council is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in business.

Council is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ
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**INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF
THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ (GERTRUDE BELL MEMORIAL)
FOR THE YEAR ENDED 30 JUNE 2012**

I report on the financial statements of the company for the year ended 30 June 2012 as set out on pages 17 to 32.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of financial statements. The trustees consider that an audit is not required for this year under Section 144(1) of the Charities Act 2011 (the '2011 Act') and that an independent examination is needed

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) of the 2011 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 Commission. 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 no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and to comply with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have 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.



**Elizabeth Irvine FCA
WMT
Chartered Accountants**

15 January 2013

Torrington House
47 Holywell Hill
St Albans
Herts; AL1 1HD

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**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2012**

	Note	Un- Restricted Funds £	Restricted Funds £	Endow- ment Funds £	Total Funds 2012 £	Total Funds 2011 £
INCOME RESOURCES						
Incoming resources from generated funds:						
Voluntary income:						
Donations and subscriptions	2(a)	37,684	560	-	38,244	3,930,413
Appeal income	2(b)	-	12,048	-	12,048	48,072
Activities for generating funds:						
Investment income	2(c)	38,729	416	-	39,145	28,432
		76,413	13,024	-	89,437	4,006,917
Incoming resources from charitable activities:						
Publication sales and copyright fees		7,714	-	-	7,714	14,006
Publication subventions		-	-	-	-	-
Total incoming resources		84,127	13,024	-	97,151	4,020,923
RESOURCES EXPENDED						
Charitable activities:						
Grants payable	3(a)	21,197	28,300	-	49,497	32,897
Other charitable activity costs	3(b)	65,753	18,621	-	84,374	79,529
Cost of publications	3(b)	20,034	-	-	20,034	15,061
Donations paid	3(c)	250	-	-	250	1,404,000
Governance costs	3(b)	6,812	-	-	6,812	16,313
Total resources expended		114,046	46,921	-	160,967	1,547,800
Net incoming/(outgoing) resources before other recognised gains		(29,919)	(33,897)	-	(63,816)	2,473,123
Gains/(losses) on revaluations and disposals of investment assets:						
Realised	5	-	-	-	-	5,300
Unrealised	5	(47,926)	(169)	(4,662)	(52,757)	21,133
		(47,926)	(169)	(4,662)	(52,757)	26,433
Net movement in funds for the year		(77,845)	(34,066)	(4,662)	(116,573)	2,499,556
Reconciliation of funds						
Funds brought forward		2,622,538	98,818	126,581	2,847,937	-
		2,544,693	64,752	121,919	2,731,364	2,499,556
Funds transferred in		-	-	-	-	348,381
Total funds carried forward		2,544,693	64,752	121,919	2,731,364	2,847,937

The statement of financial activities includes all gains and losses in the year.

All incoming resources and resources expended derive from continuing activities.

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**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 £	2011 £
Gross income from continuing operations		97,151	4,020,923
Total expenditure of continuing operations		<u>(160,967)</u>	<u>(1,547,800)</u>
Net income for the year before transfers and investment asset disposals		(63,816)	2,473,123
Transfer from endowment funds		<u>-</u>	<u>-</u>
Net income/(Deficit) for the year before investment asset disposals		(63,816)	2,473,123
Loss on disposal of fixed asset investments		<u>-</u>	<u>(1,147)</u>
Net income for the year		<u><u>(63,816)</u></u>	<u><u>2,471,976</u></u>

Total income comprises £84,127 for unrestricted funds and £13,024 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Detailed analyses of expenditure are provided in the Statement of Financial Activities and Note 3.

Deficit before investment asset disposals for the year of £63,816 comprises £29,919 deficit of unrestricted funds and £33,897 of restricted funds, as shown in the Statement of Financial Activities.

The summary income and expenditure account is derived from the Statement of Financial Activities which together with the notes to the accounts provides full information on the movements during the year on all the funds of the Institute.

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**BALANCE SHEET
AS AT 30 JUNE 2012**

	Note	2012		2011	
		£	£	£	£
FIXED ASSETS					
Heritage Assets - Nimrud Ivories settlement	4		1,326,000		1,326,000
Tangible Assets - Computer and equipment	4		380		822
Investments:					
Endowment fund	5		117,252		121,914
Other funds	5		<u>1,209,571</u>		<u>1,257,666</u>
			<u>2,653,203</u>		<u>2,706,402</u>
CURRENT ASSETS					
Stock of publications			30,889		34,383
Debtors	6		14,764		22,178
Cash and deposits at bank	7		<u>49,980</u>		<u>101,212</u>
			95,633		157,773
CREDITORS: Amounts falling					
Due within one year	8		<u>17,472</u>		<u>16,238</u>
Net Current Assets			<u>78,161</u>		<u>141,535</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>£ 2,731,364</u></u>		<u><u>£ 2,847,937</u></u>
FINANCED BY:					
Unrestricted fund	13		2,544,693		2,622,538
Endowment fund (inc transfer from G Bell Fund)			121,919		126,581
Restricted funds	11		<u>64,752</u>		<u>98,818</u>
	12		<u><u>£ 2,731,364</u></u>		<u><u>£ 2,847,937</u></u>

The Institute was entitled to exemption from the requirement to have an audit under the provisions of Section 475 and 477 of the Companies Act 2006. No member has deposited notice with the Institute requesting that an audit be carried out.

The members of Council acknowledge their responsibilities for:

- ensuring the company keeps accounting records which comply with Section 386 Companies Act 2006.
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its statement of financial affairs for the period in accordance with the requirements of Sections 394 and 395 Companies Act 2006 and which otherwise complies with the requirements of the Act relating to accounts so far as they are applicable to the company.

Approved by the Council and signed on its behalf:



Dr Eleanor Robson – Chair of Council



I D Cheyne – Honorary Treasurer



J P MacIver – Administrator

Dated 15 January 2013

**THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ
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**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2012**

1. ACCOUNTING POLICIES

- a) The accounts have been prepared under the historic cost convention with the exception that investments are valued at market value. The accounts are prepared in accordance with applicable accounting standards, the Charities SORP 2005 (Accounting and Reporting by Charities) and comply with the Companies Act 2006.
- b) Investment income is recorded when receivable. Income arising on endowment funds is treated as unrestricted.
- 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. Time related grants received in advance are treated as deferred income.
- e) Donated services and facilities are included at the value to the charity where this can be quantified. The value of the service provided by the volunteers has not been included in these accounts.
- f) Investments are carried at market value. Changes in market value are recognised in the Statement of Financial Activities in the year that they occur.
- g) Liabilities for expenditure are recognised in accordance with the accruals concept.

Support costs are allocated in full to expenditure incurred on charitable activities. The majority of costs are allocated on a pro-rated basis over the different activities undertaken by the institute, excluding activities which are financed by restricted funds. Support costs which are related to a specific activity are allocated to that activity in full. The Trustees consider this to be the most appropriate method of allocation.

- h) The ivories held by the British Museum were donated to the Institute and have been treated as heritage assets and included in the accounts at market value. No depreciation has been charged on these assets (see note 2) as they are considered to have an indefinite life.

Tangible fixed assets 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 or valuation less estimated residual value of each asset over its expected useful life, as follows;

Computer Equipment	3 years Straight line
--------------------	-----------------------

- i) Stock of publications is valued at the lower of cost and net realisable value.
- j) The Institute participates in the Universities Superannuation Scheme (USS), a defined benefit pension scheme, which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set. The Institute is therefore exposed to actuarial risks associated with other institutions' employees and 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.

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**NOTES TO THE ACCOUNTS Continued
FOR THE YEAR ENDED 30 JUNE 2012**

2. INCOMING RESOURCES

	2012 Unrestricted £	2012 Restricted £	2012 Endowment £	2012 Total £	2011 Total £
Grants and Donations					
Donation from BISI Trust	-	-	-	-	3,900,000
Other donations	518	560	-	1,078	880
Subscriptions from members	23,064	-	-	23,064	19,510
Gift Aid – recoverable	583	-	-	583	523
Provision of office facilities and rent in kind	13,519	-	-	13,519	9,500
Total Grants and Donations	37,684	560	-	38,244	3,930,413

Under a deed of transfer dated 01.07.2010 the British Institute for the Study of Iraq (Charity no. 219948) transferred all its assets and liabilities to the newly incorporated entity 'The British Institute for the Study of Iraq' (Charity 1135395), a company limited by guarantee registered in England and Wales no. 06966984. The former unincorporated charity wound up its affairs as of 30 September 2010 and all the assets were transferred to the new entity. The former charity held a collection of ivories from Nimrud, received from the Iraqi authorities as part of the division of the finds during the excavations by Sir Max Mallowan. At the time of the transfer of assets in 2010, these ivories were on deposit at the British Museum. They were referred to in the previous Charity's recent annual reports and accounts under accounting policies. The ivories were originally valued in 2003 and re-valued in 2009 with a valuation of £3,900,000 and the incorporated charity held title to these heritage assets, which have been fully brought into the accounts.

Appeal Income

	£	£	£	£	£
Wheeler donation	-	-	-	-	40,000
Sponsor Xavier Pick event & Mohammed Kasim Jwad	-	8,000	-	8,000	5,773
Other appeal donation	-	1,321	-	1,321	-
Gift Aid - recoverable	-	150	-	150	131
Other appeal income (including events)	-	2,577	-	2,577	2,168
Total Appeal Income	-	12,048	-	12,048	48,072

	£	£	£	£	£
Investment Income					
Dividends on:					
COIF and M&G	-	-	-	-	16,361
Barings investments	38,541	123	-	38,664	11,637
Bank of COIF deposit interest	188	293	-	481	434
Total Investment Income	38,729	416	-	39,145	28,432

Any income arising on investments in the endowment fund is treated as unrestricted income.

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**NOTES TO THE ACCOUNTS Continued
FOR THE YEAR ENDED 30 JUNE 2012**

3. RESOURCES EXPENDED

	2012	2011
	£	£
a) Costs of Charitable Activity – Grants payable		
BISI made grants to 13 individuals in the year (16 in 2010/11)		
Research, travel and conference grants	12,545	18,477
Pilot Project grant	-	4,500
Development/Outreach grants	4,452	3,995
Publications grant	4,200	7,000
Returned grants	-	(1,768)
	21,197	32,204
Research, Travel and Conference and Fieldwork Grants		
Unrestricted Research Grants were made to 5 individuals (10 in 2010/11) The unrestricted grants awarded were as follows:-		
Dr Karen Radner & Dr Mark Altaweel – Geomorphological and palaeobotanical studies in Shahrizor region	2,645	-
Ranj Alaaldin – ‘The Shia Disconnect in Iraq’	1,900	-
Dr John MacGinnis – Ziyaret Tepe Archaeological Project	3,000	1,000
Dr Jane Moon – Preliminary investigations at Ishan Khaiber (near Ur)	5,000	-
Noorah Al-Gailani – ‘Documentation of the material culture of two Qadiri Sufi Shrines in Baghdad and Aqra’	-	1,600
Khyam Allami – ‘Sound of Iraq’ – SOI Project	-	1,000
Hannes Artens – ‘The PKK in Iraqi Kurdistan – The Politics of Sanctuary, Ethnic Alliances, and Inter-Ethnic Conflict’	-	3,450
Dr Elaine Crawley – ‘Doing Prison Work in Kurdistan: Challenges, Impacts and Role Development’	-	3,860
Dr Derek Kennet – ‘Partho-Sasanian – Early Islamic Trade between Iraq and South India’	-	703
Toby Matthiesen – ‘The Shia of Saudi Arabia: Identity Politics, Sectarianism and the State’	-	1,800
Jeffery & Jocelyn Orchard – ‘The Hajar Project, Oman: Ancient Aflaj Research Programme’	-	2,155
Dr Nicole Brisch – ‘Old Babylonian Satukku Texts from Nippur at the Oriental Institute, Chicago’	-	2,909
	12,545	18,477
BISI Pilot Project Grant		
Professor Hugh Kennedy – Pilot Project ‘Old Basra Project’	-	4,500
	12,545	22,977
Total Research Grants	12,545	22,977

**THE BRITISH INSTITUTE FOR THE STUDY OF IRAQ
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**NOTES TO THE ACCOUNTS Continued
FOR THE YEAR ENDED 30 JUNE 2012**

RESOURCES EXPENDED – continued

a) Costs of Charitable Activity – Grants payable – continued

Development/ Outreach Grants

Unrestricted Development Grants were made to 7 individuals or institutions (5 in 2010/11)

Dr Karen Radner & Dr Mark Altaweel – Sharizor Conference December 2011	552	-
Michael Laird – ‘Mudhif Cultural Preservation Project’	1,000	-
Sarah Panizzo/Gulan – ‘The Jews of Kurdistan’ event	500	-
Paul MacAlindin – ‘NYOI Visit to UK 2012’	1,000	-
Sarook Akram S. Sarky – ‘Planning for the Development of Nascent Ecotourism Industry in Kurdistan Region of Iraq – a Preliminary Stakeholder Workshop’	800	-
Imperial College later award Iraqi Cultural event	100	-
Paul MacAlindin – NYOI – National Youth Orchestra of Iraq – Erbil Summer School	-	1,000
Dr Erica Hunter – Christianity in Iraq Seminar Day IX (2011 – Seminar Day VIII)	500	1,000
Michelle de Gruchy & Ms Kristen Hopper – ‘Iraq: Archaeology, Cultural Heritage and Conflict’	-	495
Katie Billotte – Conference Grant ‘Eight Years in Babylon: Classics and the Iraq War Eight Years On’	-	500
Richard Pendry – ‘Reporters in Iraq: sub-contracting news gathering’	-	1,000
Total Development/ Outreach Grants awarded	4,452	3,995

Less: Development/Outreach Grant funds returned de Grunchey/Hopper

	-	(303)
Total Development/ Outreach Grants expenditure	4,452	3,692

Unrestricted Publications Grants were made to 1 individual (1 in 2010/11)

Dr Georgina Herrmann – ‘Ivories from Nimrud VII’	4,200	7,000
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Total Unrestricted Grants Payable

21,197 32,204

In addition to the 2011-12 grants BISI funded 4 Iraqi scholars during 2011-12 (3 during 2010-11)

Visiting Scholars Grants (Restricted Funds)

Dr Jane Moon – special grant for survey visit (January 2012)	3,000	-
Sound of Iraq Project /Khyam Allami & INLA archivists	16,000	-
TAARII ‘Iraq under the Sanctions’ Conference – BISI sponsorship 5 Iraqi participants	5,000	-
University of St Andrews Conference ‘At the Crossroads of Arabic Literature’ (Sept 2012)	1,300	-
National Youth Orchestra of Iraq – David Juritz Erbil Summer Violin training (2011)	3,000	-
Katie Billotte – Visiting Scholars Grant – ‘Eight Years on in Babylon: Classics and the Iraq War Eight Years On’ (Travel of Iraqi Scholar)	-	693
Total Development/ Outreach Grants awarded	28,300	693

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	Note	Working Fund directly attributed to costs £	Restricted £	Governance £	2012 Total £	2011 Total £
b) Analysis of other Charitable Activity costs: (including support costs)						
i. Directly allocated costs:						
London						
Visiting Scholars expenditure and appeal events (above expenditure is excluding the Visiting Scholars grants see note 3a)		-	18,589	-	18,589	34,312
London activities and lecture expenditure		4,014	32	-	4,046	2,219
PR and newsletter expenses		3,097	-	-	3,097	2,120
Total London Expenditure		7,111	18,621	-	25,732	38,651
Other Direct Costs						
Printing Annual Report		-	-	407	407	374
Publication & Journal costs		20,034	-	-	20,034	15,061
Total Other Direct Costs		20,034	-	407	20,441	15,435
ii. Support costs allocated to activities:						
London office administration salary & pension	9	41,605	-	-	41,605	29,140
Office expenditure		2,796	-	-	2,796	2,005
Rent and service charges		13,519	-	-	13,519	9,500
Bank and credit card charges		340	-	-	340	233
Examination / Audit fee		-	-	2,200	2,200	3,875
Accountancy (including support)		-	-	2,300	2,300	2,600
Consultancy costs		-	-	400	400	400
Legal fees & miscellaneous		-	-	40	40	7,962
Council & Committee meetings		-	-	456	456	506
Council and other travel expenses		383	-	567	950	247
Depreciation		-	-	442	442	349
Total Support Costs		58,643	-	6,405	65,048	56,817
Total Resources Expended		85,788	18,621	6,812	111,221	110,903

The Independent examination fee for the year amounted to £2,200 (2011 audit fee – £3,875).

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c) Donations Paid

During 2010/11 the Council of The British Institute for the Study of Iraq signed a memorandum of understanding with the British Museum, that detailed the donation by the charity of certain specific ivories totalling £1,404,000 in value in consideration of the care the Museum had taken in conserving these valuable heritage assets for over two decades. The Museum was able to raise funds through its 'Nimrud Ivories Appeal' to acquire specific ivories totalling £1,170,000 in value from the Institute and the sixty-five ivories, valued at £1,326,000 have been retained and are noted in the year end 2011 accounts. As part of the arrangements the British Museum will continue to take care of the remaining ivories, which will now be covered under UK government indemnity against loss or damage.

4. TANGIBLE ASSETS

	Computer and Equipment £	Total £
COST:		
Brought forward at 1 July 2011	4,172	4,172
Carried forward at 30 June 2012	4,172	4,172
DEPRECIATION:		
Brought forward at 1 July 2011	3,350	3,350
Charge in year	442	442
Carried forward at 30 June 2012	3,792	3,792
NET BOOK VALUE:		
At 30 June 2012	380	380
At 1 July 2011	822	822
Heritage Assets	Nimrud Ivories Settlement	Total
Movements in the year		
Brought forward at 1 July 2011	1,326,000	1,326,000
Carried forward at 30 June 2012	1,326,000	1,326,000

Further information concerning the Nimrud Ivories is included in notes 2 and 3(c) above.

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5. INVESTMENTS

	2012 Cost £	Market Value £	2011 Cost	Market Value £
Endowment Fund				
Gertrude Bell Memorial				
Barings Targeted Return Fund	123,778	117,252	123,778	121,914
Total Endowment Fund	<u>123,778</u>	<u>117,252</u>	<u>123,778</u>	<u>121,914</u>
Restricted Funds				
Bonham Carter Lecture Fund				
Barings Targeted Return Fund	2,330	2,207	2,330	2,295
Mallowan Fund				
Barings Targeted Return Fund	2,125	2,012	2,125	2,093
Total Restricted Funds	<u>4,455</u>	<u>4,219</u>	<u>4,455</u>	<u>4,388</u>
Unrestricted Funds				
Working Fund				
Barings Targeted Return Fund	1,230,215	1,205,352	1,230,215	1,253,278
Total Unrestricted Funds	<u>1,230,215</u>	<u>1,205,352</u>	<u>1,230,215</u>	<u>1,253,278</u>
Total endowment funds	123,778	117,252	123,778	121,914
Total restricted funds	4,455	4,219	4,455	4,388
Total unrestricted funds	1,230,215	1,205,352	1,230,215	1,253,278
Total Investments	<u><u>1,358,448</u></u>	<u><u>1,326,823</u></u>	<u><u>1,358,448</u></u>	<u><u>1,379,580</u></u>

MOVEMENTS IN INVESTMENT ASSETS	Cost	Market Value	Cost	Market Value
Brought forward at 1 July 2011	1,358,448	1,379,580	-	-
Transferred from BISI Trust	-	-	166,302	219,213
Disposals	-	-	(166,302)	(224,513)
Acquisitions	-	-	1,358,448	1,358,448
Increase/(decrease) in valuation	-	(52,757)	-	21,132
Realised gain	-	-	-	5,300
Carried forward at 30 June 2012	<u><u>1,358,448</u></u>	<u><u>1,326,823</u></u>	<u><u>1,358,448</u></u>	<u><u>1,379,580</u></u>

All investments were held in the UK.

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6. DEBTORS

	Unrestricted	Restricted	Total	2011
	£	£	£	£
Tax recoverable	588	150	738	654
VAT recoverable	270	-	270	585
Subscription income due	-	-	-	3,570
Publication income due	2,733	-	2,733	-
Investment income due	10,053	32	10,085	11,637
Grants repayable	-	-	-	1,681
Other debtors and prepayments	938	-	938	4,051
	<u>14,582</u>	<u>182</u>	<u>14,764</u>	<u>22,178</u>

7. CASH AND DEPOSITS AT BANK

	Total	2011
	£	£
Cash and deposits	<u>49,980</u>	<u>101,212</u>

8. CREDITORS

	Unrestricted	Restricted	Total	2011
	£	£	£	£
Amounts falling due within one year:				
Grants payable	11,996	-	11,996	7,100
London Office	24	-	24	1,645
Accruals and other creditors	4,959	493	5,452	7,493
	<u>16,979</u>	<u>493</u>	<u>17,472</u>	<u>16,238</u>

9. EMPLOYEES

	2012	2011
	£	(9 Months) £
The Institute employed one part-time employee to March 2012 and two part-time employees from April 2012 (2011: one part time employee) The remuneration was as follows:		
Salaries	33,778	23,576
Social Security	2,435	1,788
Pension Contributions (see below)	5,392	3,776
	<u>41,605</u>	<u>29,140</u>
Restricted expenditure	-	2,914
Unrestricted	41,605	26,226
	<u>41,605</u>	<u>29,140</u>

There were no employees that earned in excess of £60,000 during the year.

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The institution participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is 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 latest triennial actuarial valuation of the scheme was at 31 March 2011. This was the second valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. The actuary also carries out regular reviews of the funding levels. In particular, he carries out a review of the funding level each year between triennial valuations and details of his estimate of the funding level at 31 March 2012 are also included in this note.

The triennial 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 (ie the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. The financial assumptions were derived from market yields prevailing at the valuation date. An "inflation risk premium" adjustment was also included by deducting 0.3% from the market-implied inflation on account of the historically high level of inflation implied by government bonds (particularly when compared to the Bank of England's target of 2% for CPI which corresponds broadly to 2.75% for RPI per annum).

To calculate the technical provisions, it was assumed that the valuation rate of interest would be 6.1% per annum, salary increases would be 4.4% per annum (with short term general pay growth at 3.65% per annum and an additional allowance for increases in salaries due to age and promotion reflecting historic scheme experience, with a further cautionary reserve on top for past service liabilities) and pensions would increase by 3.4% per annum for 3 years following the valuation then 2.6% per annum thereafter.

At the valuation date, the value of the assets of the scheme was £32,433.5 million and the value of the scheme's technical provisions was £35,343.7 million indicating a shortfall of £2,910.2 million. The assets therefore were sufficient to cover 92% 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. On the scheme's historic gilts basis, using a valuation rate of interest in respect of past service liabilities of 4.4% per annum (the expected return on gilts) the funding level was approximately 68%. Under the Pension Protection Fund regulations introduced by the Pensions Act 2004 the Scheme was 93% funded; on a buy-out basis (ie assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 57% 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, using a AA bond discount rate of 5.5% per annum based on spot yields, the actuary estimated that the funding level at 31 March 2011 was 82%.

As part of this valuation, the trustees have determined, after consultation with the employers, a recovery plan to pay off the shortfall by 31 March 2021. The next formal triennial actuarial valuation is at 31 March 2014. If experience up to that date is in line with the assumptions made for this current actuarial valuation and contributions are paid at the determined rates or amounts, the shortfall at 31 March 2014 is estimated to be £2.2 billion, equivalent to a funding level of 95%. The contribution rate will be reviewed as part of each valuation and may be reviewed more frequently.

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The technical provisions relate essentially to the past service liabilities and funding levels, but it is also necessary to assess the ongoing cost of newly accruing benefits. The cost of future accrual was calculated using the same assumptions as those used to calculate the technical provisions but the allowance for promotional salary increases was not as high. Analysis has shown very variable levels of growth over and above general pay increases in recent years, and the salary growth assumption built into the cost of future accrual is based on more stable, historic, salary experience. However, when calculating the past service liabilities of the scheme, a cautionary reserve has been included, in addition, on account of the variability mentioned above.

As at the valuation date the Scheme was still a fully Final Salary Scheme for future accruals, and the prevailing employer contribution rate was 16% of salaries.

Following UK government legislation, from 2011 statutory pension increases or revaluations are based on the Consumer Prices Index measure of price inflation. Historically these increases have been based on Retail Prices Index measure of price inflation.

Since the previous valuation as at 31 March 2008 there have been a number of changes to the benefits provided by the scheme although these became effective from October 2011. These include:

New Entrants

Other than in specific, limited circumstances, new entrants are now provided on a Career Revalued Benefits (CRB) basis rather than a Final Salary (FS) basis.

Normal pension age

The normal pension age was increased for future service and new entrants, to age 65.

Flexible Retirement

Flexible retirement options were introduced.

Member contributions increased

Contributions were uplifted to 7.5% p.a and 6.5% p.a for FS Section members and CRB Section members respectively.

Cost sharing

If the total contribution level exceeds 23.5% of salaries per annum, the employers will pay 65% of the excess over 23.5% and members would pay the remaining 35% to the fund as additional contributions.

Pension increase cap

For service derived after 30 September 2011, USS will match increases in official pensions for the first 5%. If official pensions increase by more than 5% then USS will pay half of the difference up to a maximum increase of 10%

Since 31 March 2011 global investment markets have continued to fluctuate and following its peak in September 2011 inflation has declined rapidly towards the year end, although the market's assessment of inflation has remained reasonably constant. The actuary has estimated that the funding level as at 31 March 2012 under the scheme specific funding regime had fallen from 92% to 77%. This estimate is based on the results from the valuation at 31 March 2011 allowing primarily for investment returns and changes to market conditions. These are sighted as the two most significant factors affecting the funding positions which have been taken into account for the March 2012 estimation.

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On the FRS17 basis, using an AA bond discount rate of 4.9% per annum based on spot yields, the actuary calculated that the funding level at 31 March 2012 was 74%. An estimate of the funding level measured on a historic gilts basis at that date was approximately 56%.

Surpluses or deficits which arise at future valuations may impact on the institution's future contribution commitment. A deficit may require additional funding in the form of higher contribution requirements, where a surplus could, perhaps, be used to similarly reduce contribution requirements.

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.

At 31 March 2012, USS had over 145,000 active members and the institution had 2 active members participating in the scheme.

The total pension cost for the institution was £5,392 (2011: £3,776). The contribution rate payable by the institution was 16% of pensionable salaries.

10. RELATED PARTY TRANSACTIONS

The Trustees and Committee members were paid a total of £567 (2011: £246) in travelling expenses. No Trustees received remuneration in the year.

Professor Andrew George (Trustee from December 2009 to February 2012) received an honorarium as co-editor of the journal *Iraq* totalling £750 (2011: £750).

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11. RESTRICTED INCOME FUNDS

	Appeal & Fund for Iraq £	Mallowan Fund £	Bonham Carter Lecture Fund £	Total £
Income:				
Donations and subscriptions	1,323	-	-	1,323
Special donation for Sound of Iraq project	559	-	-	559
Appeal	10,576	-	-	10,576
Gift Aid – Appeals	150	-	-	150
Investment Income	293	59	64	416
	<u>12,901</u>	<u>59</u>	<u>64</u>	<u>13,024</u>
Expenditure:				
Direct Charitable Expenditure	(46,889)	-	(32)	(46,921)
	<u>(33,988)</u>	<u>59</u>	<u>32</u>	<u>(33,897)</u>
Net outgoing resources before valuations and investment assets disposals				
	<u>(33,988)</u>	<u>59</u>	<u>32</u>	<u>(33,897)</u>
Gains/(Losses) on revaluations and disposal of investment assets:				
Unrealised	-	(80)	(89)	(169)
Realised	-	-	-	-
	<u>(33,988)</u>	<u>(21)</u>	<u>(57)</u>	<u>(34,066)</u>
	<u>(33,988)</u>	<u>(21)</u>	<u>(57)</u>	<u>(34,066)</u>
Fund balance brought forward	92,852	2,496	3,470	98,818
Fund balance carried forward	<u>58,864</u>	<u>2,475</u>	<u>3,413</u>	<u>64,752</u>

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 Charity changed its name with the approval of its members on 12 December 2007 and all the assets are now in the name of The British Institute for the Study of Iraq (Gertrude Bell Memorial).

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 therefore to the trustees from time to time of 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 DBE. 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 Annual General Lecture.

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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' and are used for scholarships for the purposes as set out in our Appeal.

12. ANALYSIS OF TOTAL FUNDS

	Endow- ment Fund £	Working Fund un- restricted £	Appeal & Fund for Iraq £	Mallo- wan Fund £	Bonham Carter Lecture Fund £	Total £
Investments	117,252	1,205,352	-	2,012	2,207	1,326,823
Heritage assets	-	1,326,000	-	-	-	1,326,000
Tangible fixed assets	-	380	-	-	-	380
Stock	-	30,889	-	-	-	30,889
Debtors	-	14,582	150	15	17	14,764
Cash and deposits at bank	-	27,644	22,336	-	-	49,980
Creditors	-	(17,322)	-	-	(150)	(17,472)
Inter-fund transfers	4,667	(42,832)	36,378	448	1,339	-
Balance of funds at 30 June 2012	121,919	2,544,693	58,864	2,475	3,413	2,731,364

13. UNRESTRICTED FUNDS

	Total £
Brought forward at 1 July 2011	2,622,538
Realised and unrealised gains and losses	(47,926)
New incoming resources	(29,919)
Carried forward at 30 June 2012	<u>2,544,693</u>

Unrestricted funds include unrealised losses of £24,863 in relation to investment assets (see note 5)

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

The unrestricted funds are available to be spent for any purpose of the charity.