

**THE SOCIETY OF ANTIQUARIES OF LONDON**

**Registered Charity No. 207237**

**REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30 SEPTEMBER 2007**

**Burlington House**

**Picadilly**

**London W1J 0BE**

**The Society of Antiquaries of London  
Report and Financial Statements  
For the year ended 30 September 2007**

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# The Society of Antiquaries of London

## Reference and Administrative Details

### Trustees

#### *President*

Geoffrey John Wainwright, MBE, BA, PhD, FSA, Hon MIFA

#### *Vice-Presidents*

Martin Biddle, OBE, MA, FBA, FSA  
Timothy Charles Darvill, BA, PhD, DSc, FSA, FSAScot, MIFA, RPA  
Clive Stephen Gamble, MA, PhD, FBA, FSA, MIFA  
Ann Payne, OBE, BA, FRHistS

#### *Treasurer*

Martin John Millett, BA, DPhil, FBA, FSA

#### *Director*

Maurice Howard, MA, DPhil, FSA

#### *Secretary*

Alison Fay Taylor BA, FSA, MIFA

#### *Members of Council from 25 April 2007*

John Penrose Barron, MA, DPhil, FSA  
John Cherry, MA, FSA  
Eric Campbell Fernie, CBE, BA, AcDip, FBA, FSA, FRSE, Hon VPSA  
Roberta Lynn Gilchrist, BA, DPhil, FSA  
Frances Marian Griffith, BA, FSA, MIFA, MRTPI  
Colin Cliff Haselgrove, BSc, MA, PhD, FSA  
David Jennings, BA, FSA, MIFA  
John Stephen Johnson, MA, PhD, FSA  
Sian Eluned Rees, BA, PhD, FSA  
Dominic Tweddle, BA, PhD, FSA  
Anthony Raymond Wilmott, MA, FSA, MIFA  
Jean Lesley Wilson, MA, PhD, FSA

#### *Members of Council retiring on 25 April 2007*

Thomas Hugh Cocke, MA, PhD, FSA  
Philip John Lankester, BSc, MA, AMA, FSA, FSAScot  
Diana Mary Murray, MA, FSA, FSAScot, MIFA  
Adrian Charles Harris Olivier, BA, PhD, FSA, MIFA  
Elizabeth Shee Twohig, MA, PhD, FSA

# The Society of Antiquaries of London

## Reference and Administrative Details (continued)

### Senior Staff

#### *General Secretary (Chief Executive)*

David Richard Michael Gaimster, BA, PhD, FSA, AMA, MIFA

#### *Librarian*

Edmund Bernard Nurse, MA, FSA, MCLIP

#### *Publications Manager*

Kate Owen, MA, FSA

#### *Salon Editor and Website Manager*

Christopher Catling, MA, FSA, MIFA

#### *Finance Manager*

Lesley Favager, BSc, FCCA

#### *Communications Manager*

Jayne Phenton, MA

#### *Office Manager*

Georgia Toutzari, BA, PhD

#### *Property Managers, Kelmscott Manor*

Jane Milne, BA, and Tristan Molloy, BA

### Principal Advisers

#### *Bankers*

Coutts & Co  
St Martin's Office  
440 Strand  
London WC2R 0RS

#### *Solicitors*

Hammonds  
2 Park Lane  
Leeds LS3 1ES

#### *Auditors*

Kingston Smith LLP  
Chartered Accountants  
Devonshire House, 60 Goswell Road  
, London EC1M 7AD

#### *Investment Managers*

Sarasin Chiswell  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

# **The Society of Antiquaries of London**

## **Annual Report of Council**

### **For the year ended 30 September 2007**

This report reviews the Society's actual performance against the strategic objectives set by Council, and allows the costs of these activities, and any related income, to be identified.

#### **LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisation**

The present Society was formally established in 1718, although its origins can be traced back to 1707. It received a Royal Charter in 1751 and was given accommodation in Somerset House in the Strand by order of the Treasury and with royal consent in 1781. The Society moved to Burlington House, Piccadilly, in 1874. A lease was served from the then Office of the Deputy Prime Minister (ODPM) in 2005.

The Society's premises at Burlington House contain a specialist library, meeting rooms, a small but important collection of antiquities, manuscripts and paintings and the administrative offices of the Society. The Society has Registered Museum status for its historic collections at Burlington House and Kelmscott Manor in Oxfordshire, the former country home of William Morris, Fellow, and leader of the English Arts and Crafts movement.

The Society is composed of an elected college of over 2,500 Fellows, drawn from scholars and practitioners working in the fields of archaeology, architectural and art history, museology, conservation and cultural resource management together with ecclesiastical, documentary, heraldic, musical and linguistic study – the common theme being the study of the material past. The Society plays a significant role in encouraging scholarship nationally and internationally and performs a public advocacy role in matters involving the historic environment and the wider cultural heritage. As an independent charity and a leading non-governmental organization in its sector, the Society is uniquely placed to encourage and facilitate public debate on the management, conservation, presentation and wider understanding of the cultural heritage. It nominates representatives to the Council of the National Trust and appoints trustees to the British Museum and to the Sir John Soane's Museum in London. It advises all the All-Party Parliamentary Groups concerned with culture and heritage.

# **The Society of Antiquaries of London**

## **Annual Report of Council**

### **For the year ended 30 September 2007 (Continued)**

#### **Council (Trustees)**

The Society of Antiquaries of London is a Learned Society incorporated by Royal Charter in 1751. It is governed by its Royal Charter and Statutes (revised 2004). The main governing body is the Council which consists of twenty members (trustees) elected by Fellows, including the President, Treasurer, Director and Secretary, who act as Honorary Officers. It meets five times a year to set the broad strategy and business planning of the Society, to approve grant-making, investment of reserves and risk-management policies and also to monitor performance in all areas of activity. Council is advised by eight Standing Committees, which oversee the delivery of the Society's strategic objectives – Executive, Finance, Research, Publications, Library and Collections, Kelmscott, the Morris Fund and Croft Lyons. Membership of the various Standing Committees is listed in the Annual Report of the Society. To facilitate effective operations, the General Secretary (Chief Executive Officer) has delegated authority, within terms of delegation approved by Council, for implementing the strategic and business plan and for all day-to-day operational matters.

#### **Appointment of Council Members (Trustees)**

Every year the Society elects five new members of Council from its Fellowship. Council keeps the expertise and skill requirements for its membership under review and aims to ensure that it is both reflective of the interests of the Fellowship of the Society and has the business competence to administer the charity effectively. Shortly after their election, new members of Council undergo an induction day to brief them on their legal obligations under charity law, the governance of the Society, the committee and decision-making process, the strategic and business plan, accounting and risk-management cycles and on the recent financial performance of the charity. During the induction day, new trustees meet senior staff and other trustees.

#### **Subsidiary relationships**

The Society is the sole registered member of Lucerna Limited, a company Limited by guarantee, which operates the shop, collects admissions fees and provides refreshment facilities to the public at Kelmscott Manor, the Society's historic house in Oxfordshire.

#### **Risk Management**

Council of the Society has a well-established annual timetable for reviewing the major risks to which the Society is exposed. It has established systems and procedures to identify, prioritize and manage those risks. Particular attention has focused on the business risks arising from the failure of IT systems, physical catastrophe, threats to the security of library resources and historic collections and issues arising from the lease arrangements for the Society's accommodation. A key element in the management of financial risk is the setting of a total returns policy for investments and its regular review by Council (*see* Financial Review below).

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**OBJECTIVES AND ACTIVITIES**

The Society of Antiquaries of London is charged by its Royal Charter of 1751 with ‘the encouragement, advancement and furtherance of the study and knowledge of the antiquities and history of this and other countries’.

The range of the Society’s interests thus covers a wide field, from archaeology of all periods and all countries to heraldry, art history, architectural history and other subjects based on the study of the material remains of the past.

The Society reviewed its objectives during the course of 2006 and Council agreed the following set of key strategic objectives and business plan actions for the reporting year at its July 2007 meeting.

**Key strategic objectives of the Society**

1. Fostering public understanding
2. Engaging in public policy
3. Supporting research and communicating its results
4. Developing the Fellowship

**Business plan objectives 2006-7**

*1. Fostering public understanding*

- 1.1 Promote the Society’s assets, resources and collections to new audiences
- 1.2 Develop Burlington House as a prime venue for the cultural heritage community
- 1.3 Maintain and develop Kelmescott Manor as an exemplar of best practice in cultural resource management
- 1.4 Recognize excellence through public awards
- 1.5 Enhance the conservation grants programme

*2. Engaging in public policy*

- 2.1 Provide an independent forum for policy-making at Burlington House
- 2.2 Develop the Society’s advocacy role
- 2.3 Enlarge the Society’s influence with sector organizations and umbrella bodies
- 2.4 Communicate and disseminate news and opinion

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**Business plan objectives 2006-7 (contd.)**

*3. Supporting research and communicating its results*

- 3.1 Encourage, support and evaluate new research
- 3.2 Maintain the library as a leading specialist library on British and overseas archaeology, antiquities and historical monuments
- 3.3 Publish the Society's collections
- 3.4 Enhance and deliver the Society's research publications
- 3.5 Develop the Society's lecture and research seminar programme at Burlington House
- 3.6 Develop a collections strategy for the Society's Registered museums (Burlington House and Kelmscott Manor)

*4. Developing the Fellowship*

- 4.1 Recognize excellence amongst the Fellowship and involve Fellows in the activities of the Society
- 4.2 Encourage regional and international activity
- 4.3 Improve communication with the Fellowship
- 4.4 Expand the Fellowship while maintaining and promoting standards of entry
- 4.5 Review subscription rates and membership structure
- 4.6 Launch Tercentenary fundraising and legacy programmes
- 4.7 Make the most effective use of the Society's assets in support of these strategic objectives

The Society looks to achieve its strategic aims and deliver its operational objectives for the year through effective management, the expert advice of its Committees and Fellowship and through developing existing partnerships and creating new ones with other charities and public bodies in its sector, both in the UK and overseas.

**Grant making policy**

A primary objective of the Society, one that reflects its Royal Charter of 1751, is its support for research into the UK and overseas cultural heritage and communicating its results. This year the committee responsible for overseeing the allocation of research grants has reviewed the Society's grants strategies to ensure that its services respond to demand in what is a rapidly changing environment for research in the humanities. Against a background of changing policy amongst the main funding bodies, it is vital that the Society's research and publication programme meets the needs of both its Fellowship and the wider research community, particularly the individual researcher. The Society currently allocates around £36,000, or around three percent

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**Grant making policy (contd.)**

of its own available resources, to funding research projects annually and is aiming to increase this contribution significantly, both from fundraising and through working in partnership with other charities, so that it can make a more strategic contribution to the support of UK and international research relating to the cultural heritage. This year the Society received a generous bequest of £421,589 from the estate of the late Fellow Margaret Jones for the purpose of funding research.

The Society also invites applications for support of conservation to historic buildings, mainly churches, to its Morris Fund, which was formed in 1939 following the death of May Morris, the younger daughter of William Morris FSA. By the terms of her will the Society received her residuary estate 'for the purpose of providing a fund for the protection of ancient buildings', so perpetuating one of her father's chief interests. May Morris required that grants should be made only to works that are carried out in accordance with the principles of the Society for the Protection of Ancient Buildings (SPAB). The income of the Fund is not large (approximately £20,000 a year).

Details of how to apply for research and conservation grants, together with relevant forms, are available on the Society's website [www.sal.org.uk](http://www.sal.org.uk).

**Contribution of volunteers**

The Society is dependent on voluntary help to assist with the documentation and conservation of its historic resources (library, archives and museum collections) and with the maintenance of Kelmscott Manor for public enjoyment. Eighty-two volunteers undertake stewarding and guiding duties at the Manor during its open season (see Kelmscott Manor below). It is estimated that without this volunteer help an addition of two part-time staff members would be required to undertake 'front of house' duties, including the manning of the ticket hut, at an annual cost of about £23,000. In addition, the Society acknowledges the considerable benefit of the voluntary contribution made by members of Council (Trustees), its advisory committees and its working groups to the management of the Society's affairs, which equates to around 800 volunteer hours over the reporting year.

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**For the year ended 30 September 2007 (Continued)**

**KEY ACHIEVEMENTS AND PERFORMANCE 2006-7**

This report will focus on the key performance indicators for the reporting year 2006- 7. This year Council and its advisory committees have been working to finalise preparations and establish the platform for the Society's tercentenary year and events programme, with a view to launching a development campaign towards the close of that year to support the Society's activities in its fourth century. Principal outputs have been, firstly, the refurbishment, restoration and the upgrading of facilities of the Society's Burlington House premises in central London in time for its tercentenary; secondly, the planning and installation of the Society's tercentenary special exhibition *Making history: Antiquaries in Britain 1707-2007* at the Royal Academy of Arts in September 2007 and its preview show at the British Antique Dealers' Association Fair in March 2007; thirdly, final phase of property consolidation and the planning for repairs, renewals and upgrading at the historic Kemscott Manor estate; fourthly, creation of a refined case-for-support and advanced planning to launch a public development campaign in 2008; and, finally, the growth as per target of the Society's international elected college of Fellows. A new-style 'impact report' on the Society's activities during its tercentenary year 2007-08 will be issued in early 2009. Meanwhile, the programme of the Society's primary public benefit activities has been maintained and enhanced throughout the year in question, through new publications, greater documented demand for research and conservation grants, full participation in the public events of the Burlington House Cultural Campus, investment and enhancement of the Society's website in support of its tercentenary programme, and through the hosting of a public policy seminar on changes in the heritage protection regime for England and Wales.

**Objective 1: Fostering public understanding**

*Promoting the Society's assets, resources and collections to new audiences*

A priority for the year has been the finalisation of plans for a major programme of events to celebrate the Society's tercentenary from 1 October 2007. The Tercentenary Festival programme is intended to provide improved public access both to the Society's historic assets and learning resources and also to the knowledge and expertise of its Fellowship. Main outputs include:

- Research, design and planning for a special exhibition *Making History: Antiquaries in Britain 1707-2007* at the Royal Academy of Arts (RA) from 15 September through to 2 December 2007. The outcomes of the exhibition and its accompanying catalogue and educational programmes will be fully reviewed in the 2008 impact report.

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- A special preview loan exhibition at the British Antique Dealers' Association (BADA) Fair, Duke of York Square, London, from 21 to 27 March 2007. Some 36 exhibits were provided including oil paintings, museum objects, prints and drawings and manuscripts to show the range and variety of the collections at Burlington House and Kelmescott. An illustrated essay on the history of the Society's collections was written for the *Handbook*, which was widely distributed. Some 18,000 visitors attended the Fair, an increase on the previous year, and one private tour by Society staff and one public lecture by David Starkey FSA were given. The Society's loan exhibition was reviewed in four national newspapers and ten major arts and antiques magazines.
- Launch of the Society's Tercentenary Festival programme of keynote public lectures to be held in major cities throughout the United Kingdom, Ireland, North America and Australia from September 2007 onwards. The programme was launched on 26 September 2007 at St James's Church, Piccadilly, London, with a lecture by special exhibition guest-curator David Starkey FSA on 'The Antiquarian Endeavour'. Over 250 members of the general public attended. A full report on the Tercentenary Festival programme will appear in the impact report for 2008.

*Developing Burlington House as a prime venue for the cultural heritage community*

- Launched in September 2006, the Society, working with the Royal Academy and the other learned and scientific societies around the courtyard of Burlington House, has created a new 'cultural campus' in the heart of London. This collaboration is intended to convert the scientific and artistic output of the Societies into a coherent series of events and activities for improving public understanding of the cultural, historic, natural and scientific environments. By unlocking the archives and learning resources of the Courtyard Societies, initially through a programme of public lectures, the Societies aim to break down barriers and exploit synergies between the arts and sciences. The following Burlington House lectures were delivered over 2006-7:

|                 |  |
|-----------------|--|
| 1 March         | <i>Rocks, plants and antiquity: Sir Joseph Banks in Wales, 1763-73</i> by Dai Morgan Evans FSA |
| 21 June         | <i>Stonehenge: It's only rock 'n roll...</i> by Tim Darvill FSA and Clive Ruggles FSA          |
| 15-16 September | London Open House Weekend (full visitor access to the Society's apartments and library)        |

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- The settlement of a new lease from the Government, together with the Tercentenary of the Society in 2007–8, has provided an incentive and an opportunity to undertake vital capital improvements to facilities and restoration of the historic public interiors of the Society’s Burlington House premises. The proposed renewal scheme has been designed to assist the Society better deliver its core strategic objectives relating to fostering public understanding, engaging in public policy, supporting and communicating research and maximizing the effective use of its assets. Under the guidance of an expert steering group of Fellows (Ian Bristow (Chair), William Filmer-Sankey and Rory O’Donnell), the firm of Julian Harrap Architects was appointed to manage the renewal of services, facilities and the redecoration of the Meeting Room, Entrance Hall and Principal Staircase. Paul Drury FSA acted as technical advisor to Council and Kevin Newland of D.R. Nolans & Co. were retained as quantity surveyors. Poultney Gallagher Ltd supervised the works and specialist contracts. The works were accomplished to schedule over a six month period between April and September 2007. Key elements of the refurbishment include:
  - Installation of modern audio-visual facilities for the effective communication of research and debate, including remote live access;
  - Improvements to the comfort and functionality of the Meeting Room, including the introduction of air conditioning and flexible seating;
  - Restoration of Grade II\* listed Banks and Barry early 1870s interiors based on archaeological and documentary research;
  - Conservation and restoration of historic fixtures, fittings and furnishings;
  - Improvement of the visibility, environmental conditions, information and access to the Society’s collections of pictures and antiquities on display in its public rooms;
  - Creation of interconnected conference, reception and networking space for the Society and UK heritage community in the centre of London.

The Society is grateful for major grants from the Garfield Weston Foundation for £250,000 and from the Wolfson Foundation for £100,000 towards the costs of the refurbishment and restoration programme. Subsequent to the Financial year end, Sir Harry Djanogley generously provided a gift of £5,000.

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*Maintaining and developing Kelmscott Manor as an exemplar of best practice in cultural resource management*

The intention for 2007 had been to open the Manor in line with the established pattern: the season running from April until September, open every Wednesday (all day) and eight Saturday afternoons for the general public, Thursdays and Fridays for pre-booked groups, occasional school study days and a variety of additional bookings and events. However, the torrential rain of Friday 20 July caused flooding and early closure of the property. Consequently, Kelmscott Manor traded for 16 weeks (losing half the Saturday openings) instead of the planned 26. Despite extensive damage to the fabric of the Manor and its estate properties, due to the timely intervention of staff, none of the Society's historic collections were damaged. It is hoped that the site will be fully operable for the start of the 2008 season, in April.

Two of the Society's residential properties in the village were severely affected by the flood, causing immediate displacement of the tenants. However, the flood damage has created an opportunity for the Society to combine the programme of loss-adjusted repairs and renewals to the estate properties, with an accelerated schedule of planned priority upgrading works, as identified in the recent quinquennial inspection (see below) to the most badly affected properties. Upgrading of Manor Garden Cottage, for instance, will provide the opportunity to relocate the Society's property managers from the main house, thereby liberating the whole of the manor interior for public enjoyment. The repairs and priority upgrading programme will continue through the 2007-08 reporting period.

Main outputs for the truncated opening season include:

- the launch of the book *William Morris's Kelmscott: Landscape and History*, the publication which emerged from the Kelmscott Landscape Project (KELP);
- participation of 39 children in the print workshops and story-reading afternoons on two open days either side of Easter.
- school study days under the 'Inspiration for Learning' initiative continued to develop a distinctive Kelmscott Manor style and were enjoyed by four schools (additional to other group visits) during the season.
- fundraising continued in support of 'Inspiration for Learning' activities, with a total £1,429 raised in the year, including a grant of £229 towards materials and equipment from Upper Thames NADFAS (Young Arts) and a grant of £1,000 from Museums, Libraries and Arts towards a Learning Links placement with a local primary school.

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- At the close of the year Kelmscott Manor had an active volunteer team of eighty-two, thirteen new volunteers having been recruited during the year. Between them, the volunteers covered 639 duties (of between two and seven hours) throughout the shortened season.

The Society advertised for the appointment of new consultant conservation architects in 2006 following the retirement of Alan and Janet Frost, who received the Medal of the Society of Antiquaries of London in recognition of their long service at Kelmscott. Following interviews, the Society was pleased to appoint Paul Richold of the Bristol firm Architecton to this position in January 2007. Mr Richold delivered the report of the due quinquennial inspection of the Kelmscott Manor estate in July. The report contained a recommended schedule of works by order of priority over the next five years and into the next quinquennium.

Over the course of 2005-06 and 2006-07 the Society has undertaken a programme of estate consolidation around the historic core of Kelmscott Manor. It has disposed of two residential properties to the combined value of £1,060,000 in order to endow a new Kelmscott fund for the future upkeep of the estate. Council has agreed to allocate £100,000 in the immediate term for priority upgrading works to the Manor and estate properties.

The Strategic Planning Group, established by Kelmscott Committee in 2006, has been working on a masterplan for the future development and operation of the site, including more accessible opening arrangements, improvements to visitor amenities, the creation of learning resources and improvements to the historic setting of the Manor. It has been working closely with Kelmscott Manor's consultant conservation architect, who has produced a draft outline masterplan document. The Group aims to finalise the plan in time for integrating into the Society's Tercentenary Development Campaign to be launched publicly in 2008.

*Enhancing the conservation grants programme*

The Society supports the conservation of historic buildings, mainly churches, through its Morris Fund, which was formed in 1939 following the death of May Morris, the younger daughter of William Morris, Fellow. By the terms of her will the Society received her residuary estate 'for the purpose of providing a fund for the protection of ancient buildings', so perpetuating one of her father's chief interests. The income of the Fund is approximately £20,000 a year. In 2004 the Fund was boosted by the transfer of assets from the Lesley David Trust in accordance with the wishes of its trustees.

Twenty-two applications were considered and the total disbursement from the Morris Fund in the report period was £8,850.

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***Objective 2: Engaging in public policy***

*Providing an independent forum for policy-making at Burlington House*

The Society is well placed as an independent non-governmental organisation to encourage and facilitate public debate on the management, conservation, presentation and public understanding of the cultural heritage. The depth and breadth of knowledge and expertise among the Society's 2,500-strong Fellowship gives it the authority to speak on key issues of policy and delivery. The Society's growing emphasis on public engagement in both national and international issues is reflected in activities connected to developing the Society as a forum for public policy in the cultural heritage and as an advocate for voluntary organisations engaged in the historic environment and wider cultural heritage.

The Society continued to facilitate the meetings and activities of a wide range of cultural heritage organizations and allied learned societies in its apartments. More than 140 charitable organisations and public bodies currently use Burlington House for their activities.

Over the course of the year the Society responded to a number of national policy consultations, including, most notably, the proposals outlined in the Department for Culture Media and Sport White Paper, *Heritage Protection for the 21st Century*. The Society's response to the White Paper was largely based on a seminar that the Society hosted on 30 April 2007, attended by 90 representatives of heritage organisations, and on individual comments submitted by Fellows.

*Enlarging the Society's influence with sector organizations and umbrella bodies*

The Society has continued its administrative support of voluntary organizations engaged in public debate on the historic environment. The Society has maintained its support for the All-Party Parliamentary Archaeology Group (APPAG) and has established a regular cycle of networking events and joint lectures; in February 2007 the Society jointly hosted with APPAG a lecture by Phil Emery and Chris Thomas FSA on 'The archaeology of royal power: Westminster Hall and the King's Table' at Portcullis House, Westminster. It also facilitates the meetings of the Standing Conference on London Archaeology (SCOLA), which campaigns on heritage policy and management issues in the metropolis. The Society is currently in support of proposals to merge the Standing Conference into a new Council for British Archaeology Group for the London region, which will take on this important advocacy role.

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The Society participates as a key partner in two influential umbrella groups for the historic environment: The Archaeology Forum (TAF), for which the Society also provides a meeting venue, and Heritage Link. In September 2007 the Society once again hosted the Annual General Meeting of the Institute of Field Archaeologists.

The General Secretary represents the Society on a number of archaeological bodies and grant-giving trusts, including the management committees of the British Archaeological Awards and the City of London Archaeological Trust. He also represents the Society on the Culture Committee of the UK National Commission for UNESCO and chairs its Conventions Working Group.

The Society continues to take an active management role in leading cultural institutions in the capital. It has a statutory role to appoint trustees from among its Fellowship to the governing bodies of the British Museum (Professor Sir Barry Cunliffe, CBE), the Sir John Soane's Museum (Dr Ian Jenkins) and the National Trust (Ms Marian Campbell).

### *Communicating and disseminating news and opinion*

In anticipation of a significant growth in website use during the Tercentenary year, the Society invested in a major upgrade, and launched the newly designed site on 23 April 2007. Whereas previously the site was updated infrequently, by the Society's IT consultants, the newly designed system is under the control of Society staff who can update most of the pages using a content management system. New features include online ticket booking for Society meetings, downloadable information on grants, with application forms, the online library catalogue, the Society's illustrated catalogue of paintings and drawings, and information for organizations interested in hiring the Society's apartments and meeting rooms. The publications section allows users to see abstracts of papers in the *Antiquaries Journal* or to link to Oxbow and other distributors of the Society's publications.

### ***Objective 3: Supporting research and communicating its results***

#### *Encouraging, supporting and evaluating new research*

A primary objective of the Society, one that reflects its Royal Charter of 1751, is its support for research into the UK and overseas cultural heritage and communicating its results. This year the Research Committee completed a review of the grants programme to ensure it remains fit for purpose for servicing the needs of researchers in the historic environment and wider cultural heritage. Thanks to the generosity of the Headley

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Trust (part of the Sainsbury Family Charitable Trusts), the Society has also been able to launch a second programme of research bursaries to the value of £15,000 designed to assist final stage analysis of major archaeological projects. The award of £15,000 granted to Dr Patrick Clay for research and publication of the Iron Age and early Roman gold coin hoard from East Leicestershire is the first of two such larger research grants available to scholars.

The Society typically devotes around £36,000, or around three percent of its available resources, to funding research projects annually and is aiming to increase this contribution significantly, both from fundraising and through working in partnership with other charities, so that it can make a more strategic contribution to the support of UK and international research relating to the cultural heritage. In 2007 Council decided that a maximum of £30,000 would be made available for Minor Grants and the Lambarde Fund, £2,000 for the Wheeler Fund and £4,000 for the Janet Arnold Award. The allocation of £15,000 for the Research Bursary scheme has been made possible through generous funding from the Headley Trust (see below).

#### **Minor Grants**

Analysis of the numbers of applications for Minor Grants indicates a steady rise in the demand for support from the Society over the past three years, due in part by the decision for the 2006-07 round to increase the maximum individual award to £5,000. Thirty-five applications for Minor Grants were considered in 2007, with a total request for funds of £96,547.70. Total grants awarded amounted to £29,119. This compares with thirty-three applications in 2006, with a total request for funds of £71,021, and thirty-two applications in 2005, with a total request for funds of £60,741.

#### **William Lambarde Memorial Fund**

The income from this Fund provides for travelling scholarships in archaeology or otherwise for the promotion of antiquarian studies. Seven applications (four in 2006) were considered by the Research Committee and the following awards made. (Total grants awarded £800.)

#### **Tessa and Mortimer Wheeler Fund**

The Tessa and Mortimer Wheeler Fund was reconstituted in 1976 and provides travel grants for archaeology students. The Society, the British Academy and the Institute of Archaeology, University College London, provide representatives on the panel. Six applications (compared to six in 2006) were received for grants from an annual fund of £2,000. Total grants awarded £1500.)

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**Research Bursaries**

The Research Bursary Scheme was introduced in 2007 through the generosity of the Headley trust (part of the Sainsbury Family Charitable Trusts group), which provided funding in the order of £30,000 over two years for the purpose of assisting in the synthesis and communication of research or outputs from excavation or field work projects that will make an important contribution to British archaeology. The Scheme also aims to support those working in the independent and commercial sectors who wish to bring important new discoveries to full academic publication. Seven applications were received, with a total request for funds of £90,119.65. (Total grants awarded £15,000.).

**Janet Arnold Award**

Established to further in-depth studies of the history of Western dress. (Total grants awarded £3,000.)

*Maintaining the library as a leading specialist library on British and overseas archaeology, antiquities and historical monuments*

Individuals and trusts have continued to support the library with generous gifts. Grants of about £25,000 have been received in 2006/7 towards the costs of binding, conservation and the picture catalogue.

Donations in kind included about 300 books from 109 donors, and also about 250 monographs on the Copper and Bronze Age archaeology of Spain and Portugal from Professor Richard Harrison, Fellow, in memory of his late wife. Thomas Rowlandson's coloured engraving 'Death and the Antiquaries', was given by Robert Hutchinson, Fellow; and two books with annotations by former President, Joan Evans, were presented by two different donors.

Three important antiquarian books were purchased this year: Thomas Martin's *History of Thetford* (1779), John Corry's *History of Lancashire* (1825) and Inigo Jones's *Stonheng Restored* (1665). The last was acquired in time for the Tercentenary special exhibition. Adding to the collection of manuscripts, 200 letters were purchased which had been written to Thomas Wright, Fellow between 1851 and 1860. They included one by Charles Dickens about the British Museum's initial refusal to buy the Roach Smith collection of London antiquities.

The number of personal visitors to the Library, at 2,782, was slightly more than the previous year, with fewer Fellows and more readers who were not Fellows using the library. There was a similar number of book loans (935) as before (943). The Assistant Librarian answered 1,150 external enquiries by e-mail and 221 items of substantive correspondence by post.

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Group visits were made by the American Friends of the British Museum and the Ancient Monuments Society among others; they were shown special displays of relevant material. The increase in the number of ballots has provided greater opportunities for short talks on items in the collections. Nine were given during the year by Fellows and Society staff, several on exhibits for the Tercentenary exhibition.

Cataloguing of current monograph accessions came to 626 items during this period; 461 of these are British publications. A systems upgrade from Voyager 5 to Voyager 6.2 took place in March 2007. During the same month we finally succeeded in getting the new air-conditioned server room finished and moved the Unix server. The Head of Cataloguing spent possibly as much as half her time setting up the Voyager Acquisitions module for accessioning periodicals and monograph series and training one member of the library staff to do the data entry. To date, acquisitions and receipt data for 520 serial titles have been entered on the system. The aim is to transfer all acquisitions data to the Voyager system. This will enable library staff to monitor non-receipts and expenditure in a much more efficient way than is possible with paper-based procedures. The accessioning of periodicals will be handled much more speedily and monographs which are on order will be shown in the online catalogue. In August 2007 the Library sent the first updated file of approximately 2,400 bibliographical records to SUNCAT (the Serials Union Catalogue for the United Kingdom).

Work on the drawings catalogue has continued and a total of over 600 drawings were added to the database. These included drawings and maps of places in Worcestershire from the Prattinton collection which had already been digitized by the British Library. Catalogue data, including these and other recently catalogued items, was then sent to the Archaeology Data Service in York, which has since updated the online catalogue. The drawings in most of the Society's archaeological albums are now available online, with accompanying digital images. Two eighteenth-century collections, of over 400 drawings made for Francis Grose's *Antiquities of England and Wales* and the smaller Lyttelton collection of drawings of 'Saxon' churches have been added to the database, but the former not yet digitized.

Two conservation programmes continued. The three-year project funded by the Mercers' Company to conserve important works from the Society's collection of early books and manuscripts was completed. A grant of £5,000 was received for each of three years. Remedial work on early vellum manuscripts as well as paper was undertaken. One item of special interest, a fifteenth-century 12m roll chronicle (MS 501), which was to feature prominently in the Tercentenary special exhibition, took eleven days for repairs and cleaning. Two other manuscripts treated, a copy of Magna Carta and a rare jousting cheque from the reign of Henry VIII, were also included. The result was that the number of items conserved was at the lower end of the

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estimate (496) but on a wider range of material. More manuscripts (358) and fewer books (138) were treated by cleaning, local repairs and improved wrapping.

A grant of £6,500 was received for the fourth year out of five awarded for conservation by the Francis Coales Foundation (established by John Coales, FSA, who died on 6 October 2007). This year most of the grant was spent on extracting, cleaning and repairing items required for the Tercentenary exhibition and those at the BADA Fair in March 2007 (see above) and at the National Museum of Wales planned for December 2007. The residue was used towards binding three volumes of drawings of Kent monuments by Thomas Fisher, FSA (1772–1836). John Coales was especially interested in this artist and has bequeathed the Society a volume of his Hertfordshire drawings.

Generous donations totalling \$11,780 for book conservation in memory of two deceased American Fellows, Gordon Willey and William Howells, were received in January. The gifts have enabled the Society to put in hand the repair and conservation of all eleven volumes of the *Description de l'Égypte* (1820–6) and other works. Volunteers from the National Association of Decorative and Fine Arts Societies (NADFAS) continued to come once a week to refurbish books; and their work is much appreciated.

*Publishing the Society's collections*

In 2006, the Marc Fitch Fund generously awarded a grant of £25,000 towards continuing the Society's catalogue of paintings and the cost of infra-red photography. Many newly researched catalogue entries have been completed, with over 100,000 words written to date.

*Enhancing and delivering the Society's research publications*

Volume 86 of the *Antiquaries Journal* was published in December 2006 and volume 87 was in preparation during the year for publication in December 2007.

Discussions were thus initiated during the year with four possible partners with online publishing expertise with a view to placing the *Journal* on the internet, and ultimately making every volume available in digital form. In order to increase the international scope and reach of the *Journal*, it was also decided to establish an editorial board of advisers from the Fellowship, based in different parts of the world, willing to act as advocates for the *Journal* and help identify authors and papers suitable for publication in the *Journal*.

As a separate initiative, in pursuit of its commitment to supporting research and communicating its results, the Society provided financial support to the Council for British Archaeology for the establishment of an

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online platform for enabling national and local archaeological societies to publish the contents of their periodicals and monographs online. The pilot site, called ArchLib (<<http://archlib.britarch.net>>), was launched on 27 June 2007, initially comprising journal papers and books from eight different publishers, with full search facilities that allow users to retrieve data from over 2,000 pages of material. Phase II, to which the Society has made a further financial contribution, will see a significant expansion in the material available from archaeological publishers.

The year was highly productive in terms of publications, with delivery of three research monographs during the course of the year:

- the final volume presenting the results of the excavation at the ancient Roman city of Nicopolis, *Nicopolis ad Istrum III: A late Roman and early Byzantine City: the finds and the biological remains* (Research Report 67), by Dr Andrew Poulter, Fellow, was published on behalf of the Society by Oxbow Books, in March 2007;
- *William Morris's Kelmscott: Landscape and History*, edited by Alan Crossley, Tom Hassall and Peter Salway, Fellows, jointly published by Windgather Press and the Society, in May 2007;
- and Research Report (No. 74), *Excavations at Tintagel Castle, Cornwall, 1990–1999*, by Rachel Barrowman, Colleen Batey, Fellow, and Christopher Morris, Fellow, in September 2007.

It has been some ten years since the last edition of the Society's monograph series *Archaeologia* appeared, and it was decided that the collection of essays on the history of the Society edited by Susan Pearce FSA and commissioned to commemorate the Society's Tercentenary, *Visions of Antiquity: the Society of Antiquaries of London 1707–2007*, should be published as volume 111 of *Archaeologia*. The book was delivered at the end of the reporting year and launched at a reception held at the Courtauld Institute of Art on 4 October 2007. A review of responses to the volume will appear in the full round-up of the Society's tercentenary in the 2008 impact report.

The Society's heraldic publications are monitored by the Croft Lyons Committee and supported financially through the Croft Lyons Fund, which was founded for the encouragement of the study of heraldry. Work continued on the editing of volume III of the *Dictionary of British Arms, Medieval Ordinary, and on the fourth volume of *Aspilogia, The Rolls of Arms of Edward II.**

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*Developing the Society's lecture and research seminar programme at Burlington House*

Despite closure of the Society's Meeting room for restoration and refurbishment from January 2007, a full programme of Thursday evening lectures was maintained thanks to the collaboration and support of a number of partner institutions, most notably the Geological Society of London, which provided use of its own Meeting room. Highlights of the programme included a pair of keynote lectures by Sir Neil Cossons FSA, retiring Chairman of English Heritage, on *Industrial Archaeology: the Challenge and the Future of the Evidence*, and a lecture held jointly in Canterbury with the Kent Archaeological Society on the occasion of that Society's 150<sup>th</sup> anniversary on the subject of the local Whitefriars excavations.

*Developing a collections strategy for the Society's Registered museums (Burlington House and Kelmscott Manor)*

Much of the work on the Society's collections has focused on preparations for the Society's 2007 tercentenary special exhibition at the Royal Academy of Arts, *Making History: Antiquaries in Britain 1707–2007* (see above). More than one hundred of the Society's own key objects were prepared for display from its collections at both Burlington House and Kelmscott Manor, including some objects recalled from loan to other institutions. All objects were re-valued for insurance purposes and the catalogue accompanying the exhibition required extensive research and high-quality photography.

Conservation of collections has included: paintings and their frames, both oil on canvas and oil on panel; manuscripts; books; prints and drawings; textiles; and metal objects. In the autumn of 2006, five panel paintings were sent to the Hamilton Kerr Institute in Cambridge for conservation: two portraits of Richard III, and one of Edward IV, Henry VII and the picture of Athelstan c 1500 from the 'Saxon Kings' series. A generous grant from the Leche Trust of £8,400 enabled conservation work to be carried out on the large canvas portraits of Humfrey Wanley and William Stukeley which were in a poor state of repair.

Two paintings were loaned to the exhibition *Lost faces: identity and discovery in Tudor Royal portraiture* at Philip Mould Ltd, 29 Dover Street, London, held 5–26 March 2007. These were the portraits of Richard III with the broken sword and the Unknown King from the series of 'Saxon Kings'. A fully illustrated catalogue accompanied the exhibition.

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***Objective 4. Developing the Fellowship***

*Improving communication with the Fellowship*

User statistics for the new website show that a large proportion of those visiting the site do so in order to read the Society's newsletter, *Salon* (which stands for the Society of Antiquaries' of London's Online Newsletter). Though this began as an internal news bulletin, reporting on the activities of the Society and its Fellows, and on the heritage issues of the day that impact on the Fellowship, it now has a very wide and influential readership and is thus an important medium for reflecting the influential role that Fellows of the Society play in public and intellectual life. This year, *Salon* also performed a key role in disseminating the Society's response to the Government's White Paper on Heritage Protection, following a well-attended seminar held on 30 April 2007 (see above).

*Fellowship News*, the Society's hard-copy newsletter, continues to provide news and reports of Society activities to all Fellows, and is especially appreciated by those who do not have electronic access.

*Expanding the Fellowship while maintaining and promoting standards of entry*

Members of the Society are known as Fellows of the Society of Antiquaries of London (FSA). To be elected persons shall be 'excelling in the knowledge of the antiquities and history of this and other nations' and be 'desirous to promote the honour, business and emoluments of the Society'. In recognition that the Society needs to maintain and enhance its representation across the broad historic environment and cultural heritage, both in the UK and overseas, it is set on a programme of recruitment to expand the Fellowship to 3,000 individuals by 2009. Electronic nomination and balloting systems introduced in 2004–5 have had a significant impact on progress towards that target, with many more Fellows now participating in the nominating and balloting process. In 2006-7 the Society elected its full target of 175 new Fellows at seven ballots, which was in line with the 174 new Fellows elected in 2005-6. The current election rate is a significant improvement on the 116 new Fellows elected at the five ballots taking place in 2004–5. As of the end of the reporting year the Fellowship (including Hon Fellows) stood at 2,503.

*Launching the Tercentenary Development Campaign*

As an independent charity, the Society receives no core funding from central Government or any other agency. Investment of the Society's reserves allows a consistent and preserved capital base, which provides a continuity of income to support the Society's charitable purposes. The external mission of the Society has

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three strategic aims, to foster public understanding of cultural heritage, to provide a neutral forum for debate on heritage issues and to support research and communicate its results. As it moves into its fourth century, the Society's challenge is to extend its knowledge and facilities to a broader public. In order to develop as an organization and deliver those objectives more effectively to a wider constituency, the Society is looking to raise additional funds. Council, in a draft case-for-support document, which was further refined over 2007, has agreed the following key priorities for fundraising from external sources over the next five years. The projects address two broad areas: improvement in the services the Society is able to provide and investment in its historic assets to enable wider public engagement.

| <i><b>Project</b></i>                          | <i><b>Objective</b></i>  | <i><b>Est. net cost</b></i> |
|--|--|-----------------------------|
| <i>Research</i>                                | <i>Increase annual grants from £35k to £100k</i>   | <i>£1.5m</i>                |
| <i>Publications</i>                            | <i>Increase annual publication programme from value of £120k to £200k</i>                                      | <i>£.2m</i>                 |
| <i>Public Policy</i>                           | <i>5 year Public Policy engagement programme</i>   | <i>£500k</i>                |
| <i>Library</i>                                 | <i>Online resources, conservation, staffing</i>  | <i>£.1m</i>                 |
| <i>Historic Collections</i>                    | <i>Improved storage, study space, curatorial provision, online access, and collections outreach programmes</i> | <i>£.1m</i>                 |
| <i>Kelmscott Manor</i>                         | <i>Major upgrade of facilities to allow improved visitor access and learning opportunities</i>                 | <i>£.2m</i>                 |
| <i>Burlington House Refurbishment, Phase 2</i> | <i>Refurbishment of Library and basements to create better study and meeting spaces</i>                        | <i>£.3m</i>                 |
| <b><i>Total</i></b>                            |  | <b><i>£11m</i></b>          |

This clearly represents an ambitious goal for a charity of the size of the Society, but without investment on this scale over the next few years, the Society of Antiquaries will not be able to play the role which its founders foresaw for it 300 years ago, and which is now needed more than ever. Following an appeal to the Fellowship in the Autumn of 2007, it is intended to launch the campaign publicly in the Summer of 2008.

During 2006-7 the Society retained Brakeley Ltd to help develop its case for support and to help facilitate Campaign Development Group (chaired by David Starkey FSA and assisted by Elaine Paintin FSA as Vice-Chair), which held four meetings over the year. Meanwhile, the active North American and Caribbean Fellowship has established steering group across the Atlantic and is planning its first meeting in the Autumn of 2007.

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**Financial Review**

The format of the Report of Council and the Financial conforms to the format of the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP) 2005. This includes the consolidation of the Society's activities with those of its wholly-owned trading subsidiary, Lucerna Limited.

In this format, expenditure is allocated to each of our main objectives – Fostering Public Understanding, Engaging in Public Policy, Supporting Research & Communicating its results and Promoting the Interests of the Fellowship. Totals for each of these areas are shown in the Consolidated Statement of Financial Activities and a breakdown of these costs which is detailed in notes 5 to 8 on page 37 of the accounts

The Society monitors and controls its income and expenditure by separating it into routine and exceptional items. Routine Income & Expenditure is budgeted annually and performance against budget is reviewed by the Finance Committee on a quarterly basis. Exceptional items of expenditure, and the funding of these items, are monitored separately and should not be considered as part of the 'normal' costs of running the Society.

For the fifth consecutive year, routine income (after the application of capital draw down as referred to in the Reserves Policy note) exceeds expenditure. In 2007, this operating result was a surplus of £12,490 after applying £120,000 draw down. This should be compared against a budgeted deficit of £69,014 which applied £150,000 draw down. Since the statutory format of these accounts does not allow for the presentation of capital draw down, and only details Exceptional items in the notes to the accounts, a table is included on the following page which separates routine items from exceptional items and notes how exceptional items have been funded.

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|  | 2007                  | 2006                    |
|--|-----------------------|-------------------------|
| <b>Routine Income &amp; Expenditure</b>                              |                       |                         |
| Income   | 1,157,032             | 1,216,257               |
| Expenditure  | <u>(1,264,542)</u>    | <u>(1,196,724)</u>      |
|  | (107,510)             | 19,533                  |
| Draw Down Applied  | <u>120,000</u>        | <u>55,000</u>           |
| <b>Net operating Result</b>  | <b>12,490</b>         | <b>74,533</b>           |
| Depreciation   | (72,123)              | (50,560)                |
| <b>Exceptional Income</b>  |                       |                         |
| Bequests received  | 421,589               | 2,100                   |
| Net surplus on disposal of cottages                                  | 321,468               |                         |
| Tercentenary Donations received                                      | 10,206                |                         |
| <b>Exceptional Expenditure</b>                                       |                       |                         |
| <b>Burlington House Refurbishment</b>                                |                       |                         |
| Grant for Refurbishment  | 350,000               |                         |
| Refurbishment costs not capitalised                                  | (69,966)              | (47,443)                |
| <b>Tercentenary Exhibition</b>                                       |                       |                         |
| Exhibition Grants & Ticket Sales                                     | 19,597                |                         |
| Cost of Exhibition   | (334,897)             | (104,535)               |
| <b>Other Exceptional Expenditure</b>                                 |                       |                         |
| Tercentenary Lectures & Events                                       | (12,681)              |                         |
| Tercentenary Publications  | (31,630)              | (14,038)                |
| Tercentenary Campaign  | (26,900)              | (21,576)                |
| <b>Net incoming/(outgoing) resources</b>                             | <u>587,153</u>        | <u>(161,519)</u>        |
| <b>Reverse application of draw down</b>                              | (120,000)             | (55,000)                |
| <b>Reconciliation to Statement of Financial Activities</b>           | <u><b>467,153</b></u> | <u><b>(216,519)</b></u> |
| <b>Society Funding of Exceptional expenditure</b>                    |                       |                         |
| Refurbishment  | 280,034               | (47,443)                |
| Exhibition   | (315,300)             | (104,535)               |
| Other Exceptional Expenditure  | <u>(71,211)</u>       | <u>(35,614)</u>         |
| <b>Net exceptional expenditure</b>                                   | (106,477)             | (187,592)               |
| <b>Draw Down from Capital</b>  |                       |                         |
| Burlington House Refurbishment                                       | 350,000               | 45,000                  |
| Add back capitalisation of refurbishment work at 30th September 2007 | (562,707)             |                         |
| <b>Other Exceptional Expenditure</b>                                 |                       |                         |
| Draw Down up to budget allocation to fund Exceptional Items          | 30,000                | 55,592                  |
| <b>Tercentenary Exhibition</b>                                       |                       |                         |
| Coutts credit Line (repaid from capital Dec 2007)                    | 268,877               | 81,000                  |
| Funded from retained operating income                                | <u>(20,307)</u>       | <u>(6,000)</u>          |

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**Reserves Policy**

The Society undertakes a wide range of activities in pursuance of its strategic objectives which are set out on page 5. Many of these activities are funded from restricted funds donated for specific purposes, but all need a continuity of income provided by a consistent and preserved capital base. A significant factor affecting the general policy towards reserves is that during its existence and in fulfilment of its objectives, the Society has built up significant holdings of manuscripts, books, pictures, artefacts and other objects of antiquarian importance. It also has the specialist staff to assist in the access to and use of these collections. The provision of enough capital to provide the income to allow for the necessary continued growth and maintenance of and access to these collections is therefore a prime objective. The policy is kept under review, but the trustees wish, as far as possible, to maintain and indeed increase the current levels of capital and income.

Currently, the Society has been using capital to fund its full range of activities and has adopted a policy of 'total returns', which has been developed in conjunction with our investment managers, who have advised Council that on the basis of the investment objectives set out below, up to 1.5% of the value of the portfolio can be withdrawn annually without eroding the capital base. This enables the Society to maintain and develop activities and to ensure a balance between the needs of current and future beneficiaries of the charity, as required by charity law. In accordance with the total returns policy, confirmed by Council in 2006, a general fund drawdown of up to 1.5% of the value of the portfolio was authorised in line with the amount recommended by the Society's investment advisor. The actual amount drawn down in 2007 of £150k represents 1.2% of the total year end value of the portfolio. Of this amount, £120k (2006: £55k) was used to fund the routine operation of the Society and the balance used to cover activities related to our Tercentenary which are detailed on the previous page. In addition, Council authorised a further draw down of £500k to help defray the costs of planning for the refurbishment of Burlington House. Of this, £350k was applied within the financial year and the balance of £150k held in a deposit account at the year end. Our conservative approach to drawing down on our capital means that, since this policy came into force in 2003, we have not drawn down all the capital which was authorised for routine expenditure. The cumulative amount authorised but not drawn down at 30 September 2007 was £211k (2006: £175k).

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The Society's free reserves, as defined by the Charities Commission, are represented by those unrestricted funds that are not tied up in fixed assets or long term investments. These are shown in note 22 to the financial statements and indicate a deficit of £506,701 at 30<sup>th</sup> September 2007 (£152,751 deficit at 30<sup>th</sup> September 2006). When the amounts of undrawn total return referred to above are taken into account, a deficit of free reserves amounting to £295,701 remains (2006: £40,000 surplus). The minimum of free reserves necessary in order to provide working capital for the Society is considered to be in the region of £150,000 to £200,000.

To enable the Society to maintain and increase its capital base, it is necessary to retain a substantial proportion of funds within investment assets. During 2007, significant one-off expenditure was required for work in connection with the refurbishment of the Society's rooms and for the Tercentenary exhibition. Application of the undrawn total return of £211k that is available to the Society and the additional funding derived from the credit line at Coutts, currently standing at £349,877 but within an overall facility of £800,000, would eliminate the deficit on the free reserves and provide sufficient working capital for the Society to continue to meet its objectives. Subsequent to the year end, Council authorised full repayment from investment assets of the outstanding amount of the credit line at Coutts.

**Investment Policy**

The Society's holdings are managed by Sarasin Chiswell. Their performance is reviewed by the Finance Committee, which reports to Council. The policy of the Trustees of the Society is to maintain the invested capital of the Society for both the long term benefit and the present activities of the Society.

Taking into account the Society's policy together with the expected return and risks relative to the liabilities on different types of investment, the Trustees believe that it is appropriate to the aim to achieve steadily growing income and capital appreciation to maintain and improve upon the value in real terms and provide long term protection from inflation. The performance benchmark for the fund is a composite comprising of 12% allocation to the FTSE Gilts All Stocks Index, and 85% allocation to the FTSE All Share 5% capped index and a 3% allocation to the London Interbank bid (Libid) one week cash deposit rate.

A full statement of Investment Policy Principles is held by the Society.

At 30<sup>th</sup> September 2007, the Society's listed investments had a market value of £12.1 million, together with £235k held in cash awaiting investment. Following the very difficult market conditions of the past years, our investments continued to recover during 2007, leading to investment gains of just under 8% of the value at the start of the year. After Capital Draw Down and the investment of new funds resulting from the bequest and the consolidation of the Kelmscott Estate, the capital value of investments has increased by 18%.

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#### **Heritage Assets**

The historic collections of the Society consist of objects, manuscripts, prints and drawings, pictures and books which date from between c. 300,000 BC to the twentieth century AD. These collections are held for the purposes of assisting the study of the past. No value is placed on these collections as the process and costs of obtaining valuations for the thousands of items involved would be disproportionate to any public benefit that might be derived. It is additionally considered impractical to apply conventional valuation techniques to the collections, due to the uniqueness of their nature. It is not proposed to publish a Heritage Asset Register on the grounds that the publication of such a register would constrain the working operations of the Society. For the purposes of research and conservation an inventory of the historic possessions has been created. This continues to be expanded and up-dated on a regular basis.

#### **Funding**

Year on year, the relative proportions of income remain fairly constant. In 2005, Council stated that it would be looking to the Fellowship for its practical support in maintaining and developing alternative sources of income. In this context, it should be noted that funding from subscription income has increased from 24% to 28% of total income. Fellows should note that, by electing to subscribe via Gift Aid, a retrospective tax claim of up to six years can be made by the Society dating back to the date of Election. We would therefore urge all Fellows to elect to pay their subscription as a Gift Aided donation.

The early closure of Kelmscott manor due to flooding is described elsewhere in this report. Insurance received as part of the Business Interruption claim has ensured that funding levels from Lucerna remain constant and the donation made under deed of covenant for 2007 was £80k.

#### **Exceptional Items**

Included within the objective 'Fostering Public Understanding' are four key items of exceptional expenditure, that of £334,897 on preparation for the Tercentenary exhibition, Refurbishment costs of £69,966 (£563k being capitalised), Tercentenary lectures & events £12,681 and costs relating to the flood at Kelmscott of £4k (all covered by insurance).

The autumn of 2007 will see the start of a year of celebration to mark the Tercentenary of the Society which falls in December 2007. The exceptional items reflect the costs to date in the above areas and more complete information is given in the Annual Report.

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Tercentenary special exhibition

Note 25 on page 46 of these statements refers to the financial implications of the Exhibition held at the Royal Academy of Arts. The Society is aware that whilst the cost of the Exhibition remained within budget, income did not reach that targeted. However, since the Society believes that there are substantial non-financial benefits from the exhibition to both itself and to the wider public, the success of the exhibition should not be measured in terms of financial criteria alone. A full report will be presented in the Trustees' Report for 2008. A credit agreement has been made with our bank in order to finance the work prior to the exhibition. This financing was repaid from capital in December 2007.

Tercentenary Festival Programme

Towards the end of financial year, the Society launched its Tercentenary Festival Programme which includes both keynote public lectures and Fellows' events. The cost of this remains within budget.

Burlington House Refurbishment

The work to refurbish rooms within Burlington House is described elsewhere in this report. Where appropriate, the cost of the refurbishment has been capitalised.

Summary

During 2007, much emphasis was spent on preparing for the Tercentenary Exhibition and the Refurbishment of rooms at Burlington House and this is reflected in the costs shown within the objective for Fostering Public Understanding. 2008 will see the completion of the Society's Tercentenary year and the launch of the campaign to raise funds for the Society.

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**PLANS FOR FUTURE PERIODS**

During the reporting year 2007–8 the Society will focus on the delivery of its Tercentenary Festival programme, which will be launched in mid-September 2007 with the opening of the Society’s special exhibition *Making History: Antiquaries in Britain 1707-2007* at the Royal Academy of Arts, London. A decision is pending from the Heritage Lottery Fund to assist touring the core of this exhibition to four regional locations in England over 2008-10. The Festival also comprises a full programme of keynote public lectures to be held in major cities throughout the United Kingdom (including London, Edinburgh, Cambridge, Liverpool and Cardiff), Ireland, USA and Australia. These public lectures, which explore the beginnings of antiquarian study through to the cutting-edge technologies that will underpin the study of the past in the future, will be given by prominent experts in their fields. Full details of the Society’s special exhibition and the full Tercentenary Festival Programme can be found at [www.sal.org.uk](http://www.sal.org.uk)

The Society’s tercentenary will climax in July 2008 with the public launch of its Tercentenary Development Campaign for external financial support (see above). In order to assist it to deliver this Campaign effectively, Council has agreed the appointment for three-years of a dedicated full-time professional development support officer from the New Year of 2008.

## **The Society of Antiquaries of London Statement of Council's Responsibilities**

Law applicable to charities in England and Wales requires the Council to prepare financial statements for each financial year which give a true and fair view of the Society's financial activities during the year and of the financial position of the Society and the group at the end of the year.

In preparing financial statements giving a true and fair view, the Council should follow best practice and:-

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

The Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable it to ensure that the financial statements comply with the applicable law. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Report of the Fellows appointed under Chapter XVIII of the Statutes of the Society of Antiquaries of London to the Society**

We have examined the financial statements set out on pages 33 to 46.

As stated in the Independent Auditors' Report on page 31, charity law requires the Society to appoint an independent firm of registered auditors to carry out an audit of the Society's accounts. In carrying out our duties as set out in Chapter XVIII of the statutes of the Society we have relied upon the audit work carried out by the independent auditors, in particular with regard to the checking of receipts, examination of vouchers and certification of securities.

We have obtained confirmation from the independent auditors that, as a result of their audit work, which included sample checking of receipts and examination of vouchers, they are satisfied that the Society has maintained proper accounting records in accordance with section 41 of the Charities Act 1993 and paragraph 2 of Chapter XIII of the statutes of the Society. The investments of the Society have been verified by certificates received from the Society's investment advisers, and certificates confirming the Society's balances with their bankers have also been obtained.

In carrying out our examination of the accounts and investigation into the financial condition of the Society no matter has come to our attention that we consider necessary to report to the Society.

.....  
G.M. Andrews

.....  
R .Bland

.....  
R. Hutchinson

.....  
G. Danell

Date: 8<sup>th</sup> February 2008

## **Independent Auditors' Report to the Council of The Society of Antiquaries of London**

We have audited the group and parent charity financial statements of the Society of Antiquaries for the year ended 30<sup>th</sup> September 2007 which comprise the Group Statements of Financial Activities, the Group and Society Balance Sheets and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Society's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

### **Respective Responsibilities of Trustees and Auditors**

The Council's responsibilities for preparing the Report of Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Report of Council is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit, or if information specified by law in respect of trustees' remuneration and other transactions is not disclosed.

We read the Report of Council and consider the implications for our report if we become aware of any apparent misstatements within it. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent Auditors' Report to the Council of The Society of Antiquaries of London (continued)**

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Society and the group as at 30<sup>th</sup> September 2007 and of the incoming resources and application of resources of the group for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Devonshire House  
60 Goswell Road  
London EC1M 7AD  
Date:

Kingston Smith LLP  
Chartered Accountants  
and Registered Auditors

Date: 8<sup>th</sup> February 2008

**The Society of Antiquaries of London**  
**Consolidated Statement of Financial Activities**  
**For the year ended 30 September 2007**

|   | Note | 2007<br>Unrestricted<br>Funds | 2007<br>Restricted<br>Funds | 2007<br>Endowment<br>Funds | 2007<br>Total<br>Funds | 2006<br>Total<br>Funds |
|---|------|-------------------------------|-----------------------------|----------------------------|------------------------|------------------------|
|   |      | £                             | £                           | £                          | £                      | £                      |
| <b>INCOMING RESOURCES</b>                                 |      |                               |                             |                            |                        |                        |
| <b>Incoming resources from generated funds:</b>           |      |                               |                             |                            |                        |                        |
| <i>Voluntary income</i>                                   |      |                               |                             |                            |                        |                        |
| Donations, grants & bequests                              |      | 11,135                        | 70,196                      | 421,589                    | 502,920                | 99,886                 |
| Grants for Refurbishment                                  |      | 350,000                       | -                           | -                          | 350,000                | -                      |
| Grant for Exhibition                                      |      | 9,400                         | -                           | -                          | 9,400                  | -                      |
| <i>Activities for generating funds</i>                    |      |                               |                             |                            |                        |                        |
| Turnover from Trading Subsidiary                          |      | -                             | 126,246                     | -                          | 126,246                | 228,505                |
| Insurance refunds   |      | -                             | 109,354                     | -                          | 109,354                | -                      |
| Income from Exhibition                                    |      | 10,197                        | -                           | -                          | 10,197                 | -                      |
| Funds raised  |      | 738                           | -                           | -                          | 738                    | 1,269                  |
| Hire of rooms   |      | 42,601                        | -                           | -                          | 42,601                 | 77,127                 |
| <i>Investment &amp; interest Income</i>                   | 3    | 264,183                       | 180,158                     | -                          | 444,341                | 470,133                |
| <b>Incoming resources from charitable activities:</b>     |      |                               |                             |                            |                        |                        |
| Subscriptions & Admissions                                | 2    | 327,526                       | -                           | -                          | 327,526                | 296,410                |
| Sales of publications & copyrights                        |      | 4,024                         | 27,929                      | -                          | 31,953                 | 41,544                 |
| <b>Other incoming resources:</b>                          |      |                               |                             |                            |                        |                        |
| Miscellaneous Income                                      |      | 1,775                         | 1,373                       | -                          | 3,148                  | 3,483                  |
| Net surplus on disposal of cottages                       |      | -                             | 321,468                     | -                          | 321,468                | -                      |
| <b>TOTAL INCOMING RESOURCES</b>                           |      | <b>1,021,579</b>              | <b>836,724</b>              | <b>421,589</b>             | <b>2,279,892</b>       | <b>1,218,357</b>       |
| <b>RESOURCES EXPENDED</b>                                 |      |                               |                             |                            |                        |                        |
| <b>Cost of Generating Funds</b>                           |      |                               |                             |                            |                        |                        |
| <i>Costs of generating voluntary income:</i>              |      |                               |                             |                            |                        |                        |
| Fund Raising Consultant (Tercentenary Campaign)           |      | 26,900                        | -                           | -                          | 26,900                 | 21,576                 |
| <i>Cost of trading operations:</i>                        |      |                               |                             |                            |                        |                        |
| Cost of Sales of Trading Subsidiary                       |      | -                             | 40,376                      | -                          | 40,376                 | 82,307                 |
| <i>Investment Manager's costs:</i>                        |      | <u>37,729</u>                 | <u>8,023</u>                | <u>11,782</u>              | <u>57,534</u>          | <u>55,852</u>          |
|   |      | <u>64,629</u>                 | <u>48,399</u>               | <u>11,782</u>              | <u>124,810</u>         | <u>159,735</u>         |
| <b>Charitable activities</b>                              |      |                               |                             |                            |                        |                        |
| Fostering Public Understanding                            | 5    | 547,142                       | 270,021                     | -                          | 817,163                | 456,654                |
| Engaging in Public Policy                                 | 6    | 85,210                        | -                           | -                          | 85,210                 | 67,353                 |
| Supporting Research & Communicating its results           | 7    | 309,591                       | 217,035                     | -                          | 526,626                | 524,504                |
| Promoting the Interests of the Fellowship                 | 8    | <u>176,654</u>                | <u>-</u>                    | <u>-</u>                   | <u>176,654</u>         | <u>157,141</u>         |
| Total Charitable activity costs                           |      | <u>1,118,597</u>              | <u>487,056</u>              | <u>-</u>                   | <u>1,605,653</u>       | <u>1,205,652</u>       |
| <b>Governance Costs</b>                                   | 9    | <u>75,321</u>                 | <u>6,955</u>                | <u>-</u>                   | <u>82,276</u>          | <u>69,489</u>          |
| <b>Total Resources Expended</b>                           |      | <u>1,258,547</u>              | <u>542,410</u>              | <u>11,782</u>              | <u>1,812,739</u>       | <u>1,434,876</u>       |
| <b>Net incoming/(outgoing) resources before transfers</b> |      | (236,968)                     | 294,314                     | 409,807                    | 467,153                | (216,519)              |
| Transfers between funds                                   | 12   | (12,839)                      | 12,839                      | -                          | -                      | -                      |
| Gains on investment assets                                |      | 615,167                       | 415,529                     | 178,622                    | 1,209,318              | 845,071                |
| Net Movement in Funds                                     |      | <u>365,360</u>                | <u>722,682</u>              | <u>588,429</u>             | <u>1,676,471</u>       | <u>628,552</u>         |
| <b>Fund balances brought forward at 1 October 2006</b>    |      | <u>7,262,810</u>              | <u>3,771,872</u>            | <u>2,519,546</u>           | <u>13,554,228</u>      | <u>12,925,676</u>      |
| <b>Fund balances carried forward at 30 September 2007</b> | 22   | <u>7,628,170</u>              | <u>4,494,554</u>            | <u>3,107,975</u>           | <u>15,230,699</u>      | <u>13,554,228</u>      |

# The Society of Antiquaries of London

## Balance Sheets at 30 September 2007

|                                     | Note | Group<br>2007            | Society<br>2007          | Group<br>2006            | Society<br>2006          |
|-------------------------------------|------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                     |      | £                        | £                        | £                        | £                        |
| <b>Fixed Assets</b>                 |      |                          |                          |                          |                          |
| Tangible assets                     | 13   | 810,120                  | 810,120                  | 218,329                  | 218,329                  |
| Investments                         | 14   | <u>14,309,967</u>        | <u>14,309,967</u>        | <u>13,098,289</u>        | <u>13,098,289</u>        |
|                                     |      | <u>15,120,087</u>        | <u>15,120,087</u>        | <u>13,316,618</u>        | <u>13,316,618</u>        |
| <b>Current Assets</b>               |      |                          |                          |                          |                          |
| Stock                               |      | 73,658                   | 8,860                    | 47,674                   | 2,340                    |
| Debtors                             | 15   | 458,460                  | 543,927                  | 159,467                  | 265,703                  |
| Cash at bank and in hand            |      | <u>523,171</u>           | <u>496,605</u>           | <u>317,653</u>           | <u>251,329</u>           |
|                                     |      | 1,055,289                | 1,049,392                | 524,794                  | 519,372                  |
| <b>Liabilities:</b>                 |      |                          |                          |                          |                          |
| Amounts falling due within one year | 16   | <u>(944,677)</u>         | <u>(939,775)</u>         | <u>(206,184)</u>         | <u>(201,757)</u>         |
| <b>Net Current Assets</b>           |      | <u>110,612</u>           | <u>109,617</u>           | <u>318,610</u>           | <u>317,615</u>           |
| <b>Liabilities:</b>                 |      |                          |                          |                          |                          |
| Amounts falling due after one year  | 17   | -                        | -                        | (81,000)                 | (81,000)                 |
| <b>Net Assets</b>                   |      | <u><u>15,230,699</u></u> | <u><u>15,229,704</u></u> | <u><u>13,554,228</u></u> | <u><u>13,553,233</u></u> |
| <br>                                |      |                          |                          |                          |                          |
| <b>Funds</b>                        |      |                          |                          |                          |                          |
| Permanent Endowment Funds           | 18   | 3,107,975                | 3,107,975                | 2,519,546                | 2,519,546                |
| Restricted Capital Funds            | 19   | 4,142,954                | 4,142,954                | 3,413,980                | 3,413,980                |
| Restricted Income Funds             | 20   | 351,600                  | 350,605                  | 357,892                  | 356,897                  |
| Unrestricted Funds                  | 21   | <u>7,628,170</u>         | <u>7,628,170</u>         | <u>7,262,810</u>         | <u>7,262,810</u>         |
|                                     |      | <u>15,230,699</u>        | <u>15,229,704</u>        | <u>13,554,228</u>        | <u>13,553,233</u>        |

Approved by the Council on

.....  
Geoffrey Wainwright

Members of Council

.....  
Martin Millett

# The Society of Antiquaries of London

## Notes to the Financial Statements

### For the year ended 30 September 2007

#### 1 Accounting Policies

The following policies have been adopted consistently in dealing with all material items in the financial statements.

##### **Accounting Basis and Standards**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of listed investments, and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005.

##### **Bequests and Legacies**

Bequests and legacies are included in the Statement of Financial Activities in the accounting year in which they are receivable. They are allocated between the Society's funds in accordance with the donors' wishes, where expressed.

##### **Subscriptions**

Fellows' subscriptions cover a calendar year to 31 December. They are time apportioned over the accounting periods to which each calendar year relates. Sums received in respect of subscriptions compounded in accordance with the Society's statutes are included in the Statement of Financial Activities in the year in which they are received. No reserve has ever been made for any unexpended balance as the amounts involved are not material.

##### **Investment Income**

Investment Income is recognised when received by investment managers.

##### **Insurance Refund**

An insurance refund was received in the year for loss of earnings resulting from the closure of Kelmscott Manor to the public after severe flooding in July 2007. This income has been recognised on a receivable basis in line with UITF 40 revenue recognition guidelines.

##### **Allocation of Expenditure**

Expenditure is allocated directly to the charitable objective to which it relates. For staff costs and other overheads which cannot be wholly allocated to any one objective, the apportionment between objectives is on a basis reflecting the split of resources used.

##### **Governance Costs**

Governance costs relate to the direct costs associated with the constitutional and statutory requirements of the charity and include the costs of external audit, secretariat and other constitutional related costs.

##### **Grants Payable**

These are charged to the relevant fund in the Statement of Financial Activities in the period in which the commitment is made.

##### **Fixed Assets and Depreciation**

Expenditure of a capital nature is capitalised and depreciation on fixed assets is provided at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

|  |             |
|--|-------------|
| Building improvements - general                        | 10 years    |
| Building improvements - Burlington House refurbishment | 18 years    |
| Building improvements at Kelmscott                     | 25 years    |
| Lift   | 25 years    |
| Furniture, fittings and equipment                      | 4 - 5 years |
| Computer equipment                                     | 4 years     |
| Website management software                            | 3 years     |

Cottages on the Kelmscott Estate are not depreciated but are shown at their open market values as the Society receives rental income therefrom. The net surplus on disposal represents the difference between the sales proceeds and the previous open market value recorded in the financial statements.

No value is attributable in the balance sheet for the Society's library, antiquities, pictures or Kelmscott Manor, as these items are of a heritage nature.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**1 Accounting Policies (Continued)**

**Fixed Assets and Depreciation (Continued)**

The Society's collections and Kelmscott Manor are maintained to advance the conservational and educational objectives of the charity. Substantially all of these items have been donated to the Society over many years and reliable cost/valuation information is not available. As noted in the Report of the Council, the cost of obtaining current valuations would be onerous when compared with any additional benefit that might be derived in assessing the stewardship of the Society's assets. It is additionally considered impractical to apply conventional valuation techniques to the collections, due to the uniqueness of their nature. Similarly, it is not appropriate to apply conventional valuation techniques to the property, Kelmscott Manor, due to its unique association with William Morris making the property irreplaceable in terms of recreating the same educational benefits.

During the year £nil (2006: £865) was spent on the acquisition of heritage possessions.

**Investments**

The Society's investments are included in the financial statements at their mid-market values at the balance sheet date. Realised and unrealised gains and losses on investments are added to or deducted from the appropriate fund in the balance sheet.

**Stock**

Stock of goods for resale is stated at the lower of cost and net realisable value. The majority of the Society's stock of publications are learned journals, research reports and occasional papers which are issued to Fellows. Unissued copies are available for resale but no value is attributed to them as the demand is uncertain.

**Pension Scheme Contributions**

The pension schemes of the Society are funded by contributions partly from the employees and partly from the Society at rates determined by the Universities Superannuation Scheme. Such contributions are held in trustee administered funds completely independent of the Society's finances.

The contributions made by the Society are charged to the Statement of Financial Activities when paid.

**Consolidation**

The Society is the sole registered member of Lucerna Limited, a company Limited by guarantee, which operates the shop, collects admission fees and provides refreshment facilities to the public at Kelmscott Manor, the Society's property in Oxfordshire. The company pays its taxable profit to the Society under Gift Aid. Consolidated accounts have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities.

**2 Subscriptions and Admissions**

|   | 2007    | 2006    |
|---|---------|---------|
|   | £       | £       |
| Subscriptions for year                      | 257,614 | 228,719 |
| Admissions in year                          | 18,655  | 18,078  |
| Tax recoverable on gift aided subscriptions | 51,257  | 49,613  |
|   | 327,526 | 296,410 |

**3 Interest and Investment Income**

|   | Unrestricted<br>Funds | Restricted<br>Funds | Total<br>2007 | Total<br>2006 |
|---|-----------------------|---------------------|---------------|---------------|
|   | £                     | £                   | £             | £             |
| Income from listed investments and interest receivable from investment managers | 257,338               | 135,550             | 392,888       | 413,421       |
| Bank deposit interest   | 6,845                 | 3,233               | 10,078        | 6,197         |
| Rents from Kelmscott Cottages   | -                     | 41,375              | 41,375        | 50,515        |
|   | 264,183               | 180,158             | 444,341       | 470,133       |

**4 Grants Payable**

A complete list of the grants payable is given in the Annual Report to Fellows, copies of which can be obtained from the General Secretary. The total grants awarded out of restricted income funds is shown in note 20 to the financial statements.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**5 Fostering Public Understanding**

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total 2007     | Total 2006     |
|--|-----------------------|---------------------|----------------|----------------|
|  | £                     | £                   | £              | £              |
| Operating costs of Kelmscott (App I)   | -                     | 238,650             | 238,650        | 186,345        |
| Conservation Grants                    | -                     | 8,850               | 8,850          | 12,625         |
| Building & Office Running Costs        | 63,757                | -                   | 63,757         | 60,099         |
| Staff costs                            | 34,916                | -                   | 34,916         | 28,988         |
| Depreciation                           | 47,243                | -                   | 47,243         | 16,592         |
| Recharge of costs between funds        | (16,318)              | 16,318              | -              | -              |
| Sundry Costs                           | -                     | 2,173               | 2,173          | 27             |
| <b>Exceptional Items:</b>              |                       |                     |                |                |
| Preparation of Tercentenary Exhibition | 334,897               | -                   | 334,897        | 104,535        |
| Refurbishment at Burlington House      | 69,966                | -                   | 69,966         | 47,443         |
| Tercentenary Lectures & Events         | 12,681                | -                   | 12,681         | -              |
| Flood related costs at Kelmscott       | -                     | 4,030               | 4,030          | -              |
|  | <u>547,142</u>        | <u>270,021</u>      | <u>817,163</u> | <u>456,654</u> |

**6 Engaging in Public Policy**

|                                 | Unrestricted<br>Funds | Restricted<br>Funds | Total 2007    | Total 2006    |
|---------------------------------|-----------------------|---------------------|---------------|---------------|
|                                 | £                     | £                   | £             | £             |
| Salon & Website                 | 32,112                | -                   | 32,112        | 25,770        |
| Staff costs                     | 27,700                | -                   | 27,700        | 25,143        |
| Building & Office Running Costs | 17,898                | -                   | 17,898        | 16,440        |
| Depreciation                    | 7,500                 | -                   | 7,500         | -             |
|                                 | <u>85,210</u>         | <u>-</u>            | <u>85,210</u> | <u>67,353</u> |

**7 Supporting Research & Communicating its Results**

|                                 | Unrestricted<br>Funds | Restricted<br>Funds | Total 2007     | Total 2006     |
|---------------------------------|-----------------------|---------------------|----------------|----------------|
|                                 | £                     | £                   | £              | £              |
| Library Activities              | 66,227                | 45,237              | 111,464        | 88,876         |
| Publications                    | -                     | 107,371             | 107,371        | 118,881        |
| Research Grants                 | -                     | 49,419              | 49,419         | 34,901         |
| Lectures & Annual Report        | 9,270                 | -                   | 9,270          | 9,526          |
| Building & Office Running Costs | 47,817                | -                   | 47,817         | 45,074         |
| Staff costs                     | 191,765               | -                   | 191,765        | 200,159        |
| Depreciation                    | 6,834                 | -                   | 6,834          | 25,139         |
| Recharge of costs between funds | (14,121)              | 14,121              | -              | -              |
| Sundry costs                    | 1,799                 | 887                 | 2,686          | 1,948          |
|                                 | <u>309,591</u>        | <u>217,035</u>      | <u>526,626</u> | <u>524,504</u> |

**8 Promoting the Interest of the Fellowship**

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total 2007     | Total 2006     |
|--|-----------------------|---------------------|----------------|----------------|
|  | £                     | £                   | £              | £              |
| Communication with & Election of Fellows | 38,500                | -                   | 38,500         | 24,417         |
| Staff costs                              | 97,954                | -                   | 97,954         | 98,956         |
| Building & Office Running Costs          | 36,675                | -                   | 36,675         | 30,496         |
| Depreciation                             | 3,525                 | -                   | 3,525          | 3,272          |
|  | <u>176,654</u>        | <u>-</u>            | <u>176,654</u> | <u>157,141</u> |

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**9 Governance Costs**

|                                | Unrestricted<br>Funds | Restricted<br>Funds | Total 2007 | Total 2006 |
|--------------------------------|-----------------------|---------------------|------------|------------|
|                                | £                     | £                   | £          | £          |
| Audit Fees                     | 15,000                | 2,000               | 17,000     | 15,000     |
| Financial Advice & Accountancy | 51,359                | 4,955               | 56,314     | 45,049     |
| Legal & Professional           | -                     | -                   | -          | 2,140      |
| Bank Charges                   | 5,285                 | -                   | 5,285      | 4,330      |
| Council and Committee Meetings | 3,677                 | -                   | 3,677      | 2,970      |
|                                | 75,321                | 6,955               | 82,276     | 69,489     |

**Auditors' remuneration**

|                    |   | 2007   | 2006   |
|--------------------|---|--------|--------|
|                    | £ | £      | £      |
| Audit Fee          |   | 17,000 | 15,000 |
| Non-Audit Services |   | 27,729 | 4,225  |
|                    |   | 44,729 | 19,225 |

**10 Employee Information**

|  | 2007 | 2006 |
|--|------|------|
| The average number of persons employed by the Society during the year was: |      |      |
| Library and museum   | 7    | 7    |
| Administration and management  | 5    | 5    |
| Kelmscott Manor  | 10   | 11   |
|  | 22   | 23   |

All staff at Kelmscott Manor are part time and working patterns reflect the seasonal nature of the activities at Kelmscott. Only five members of staff have a Full time Equivalent exceeding 0.7.

|                               | 2007    | 2006    |
|-------------------------------|---------|---------|
|                               | £       | £       |
| Their total remuneration was: |         |         |
| Wages and salaries            | 449,501 | 398,116 |
| Social security costs         | 37,106  | 33,297  |
| Pension costs                 | 40,126  | 42,713  |
|                               | 526,733 | 474,126 |

No employee received remuneration in excess of £60,000 (2006 - none).

No remuneration has been paid to the members of Council other than the reimbursement to 15 Council members of their travel expenses totalling £6,317 (2006 - £5,755), incurred when attending meetings or other Council business.

# The Society of Antiquaries of London

## Notes to the Financial Statements

### For the year ended 30 September 2007 (Continued)

#### 11 Pension Scheme

The Society 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 trustee-administered fund. It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme and hence contributions to the scheme are accounted for as if it were a defined contribution scheme. The cost recognised within the net incoming resources for the year in the statement of financial activities being equal to the contributions payable to the scheme for the year.

The latest actuarial valuation of the scheme was at 31 March 2005. 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 of 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 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% per annum, salary increases would be 3.9% per annum and pensions would increase by 2.9% per annum. The valuation was carried out using the projected unit method.

At the valuation date, the value of the assets of the USS was £21,741m and the value of the past service liabilities was £28,308m leaving a deficit of £6,568m. 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 (ie 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 FRS 17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

The institution contribution rate required for future service benefits alone at the date of the valuation was 14.3% of salaries but it was agreed that the institution contribution rate will be maintained at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the company's future contribution commitment. An additional factor which could impact the funding level of the scheme is that with effect from 16 March 2006, USS positioned itself as 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 total pension cost for the Society was £40,126 (2006 - £42,713). The contribution rate payable by the Society was 14% of pensionable salaries. The auditors and actuary to the USS have confirmed that it is appropriate to take the pension costs in the Society's accounts to be equal to the actual contributions paid during the year. In addition one employee (2006 - one) pays additional voluntary payments into the scheme.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**12 Transfers between Funds**

Income from the Hugh Phillips Fund is appropriated to other restricted income funds for the purposes described in note 18. Additional inter-fund transfers are also described in the table that follows.

|   | Unrestricted<br>2007<br>£ | Restricted<br>2007<br>£ | Total<br>2006<br>£ |
|---|---------------------------|-------------------------|--------------------|
| <i>Transferred from Hugh Phillips fund:</i>   |                           |                         |                    |
| Research  | -                         | 12,460                  | 22,966             |
| <i>Transferred from R.S. Newall fund:</i>   |                           |                         |                    |
| Research  | 12,839                    | -                       | -                  |
| <i>Transferred from Research Fund:</i>  |                           |                         |                    |
| Janet Arnold  | -                         | -                       | 1,000              |
| <i>Transferred from Kelmscott Cottages restricted capital fund:</i>   |                           |                         |                    |
| Kelmscott Capital Fund  |                           | 941,816                 |                    |
| Burlington House Refurbishment restricted capital fund  | -                         | 104,652                 | -                  |
| <i>Transferred from Bicentenary Fund to Croft Lyon Fund</i><br>(for tercentenary publications)  | -                         | 5,142                   | -                  |
| <i>Amounts transferred to the Kelmscott Income Fund from Radford Fund</i><br>From Radford Fund (contribution to cost of historic possessions) | -                         | -                       | 865                |
|   | 12,839                    | 1,064,070               | 38,869             |

Following the sale of the cottages at the Kelmscott Estate, £104,652 of the proceeds of the sale has been transferred to the new Burlington House Refurbishment fund to form a sinking fund to be used for the refurbishment of the Society's premises at Burlington House. The balance of the proceeds amounting to £941,816 has been transferred to the Kelmscott Capital Fund.

**13 Tangible Assets**

|                       | Building<br>Improvements<br>£ | Furniture<br>Fittings and<br>Equipment<br>£ | Computer<br>Equipment<br>£ | Society<br>Total<br>£ | Lucerna<br>Limited<br>Fittings<br>£ | Group<br>Total<br>£ |
|-----------------------|-------------------------------|---|----------------------------|-----------------------|-------------------------------------|---------------------|
| <b>Cost</b>           |                               |   |                            |                       |                                     |                     |
| At 1 October 2006     | 497,033                       | 61,124                                      | 273,698                    | 831,855               | 23,538                              | 855,393             |
| Additions             | 562,707                       | 73,462                                      | 29,455                     | 665,624               | -                                   | 665,624             |
| Flood damaged items   | -                             | (2,703)                                     | -                          | (2,703)               | -                                   | (2,703)             |
| At 30 September 2007  | 1,059,740                     | 131,883                                     | 303,153                    | 1,494,776             | 23,538                              | 1,518,314           |
| <b>Depreciation</b>   |                               |   |                            |                       |                                     |                     |
| At 1 October 2006     | 300,975                       | 55,998                                      | 256,553                    | 613,526               | 23,538                              | 637,064             |
| Charge for the year   | 48,374                        | 5,890                                       | 17,859                     | 72,123                | -                                   | 72,123              |
| Flood damaged items   | -                             | (993)                                       | -                          | (993)                 | -                                   | (993)               |
| At 30 September 2007  | 349,349                       | 60,895                                      | 274,412                    | 684,656               | 23,538                              | 708,194             |
| <b>Net Book Value</b> |                               |   |                            |                       |                                     |                     |
| At 30 September 2007  | 710,391                       | 70,988                                      | 28,741                     | 810,120               | -                                   | 810,120             |
| At 30 September 2006  | 196,058                       | 5,126                                       | 17,145                     | 218,329               | -                                   | 218,329             |

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

| 14 Investments  | Investment<br>Properties<br>£ | Listed<br>Investments<br>£ | Total<br>2007<br>£ | Total<br>2006<br>£ |
|---|-------------------------------|----------------------------|--------------------|--------------------|
| Market value brought forward  | 2,350,000                     | 10,682,621                 | 13,032,621         | 11,900,832         |
| Less: Disposals at opening market value   | (725,000)                     | -                          | (725,000)          | -                  |
| Less: Disposals at opening market value<br>(proceeds £3,125,535 , gain £33,717) | -                             | (3,091,818)                | (3,091,818)        | (5,787,101)        |
| Add: Acquisitions at cost   | -                             | 3,682,985                  | 3,682,985          | 6,216,087          |
| Net gains on revaluation  | 325,000                       | 850,601                    | 1,175,601          | 702,803            |
|   | <u>1,950,000</u>              | <u>12,124,389</u>          | <u>14,074,389</u>  | <u>13,032,621</u>  |
| Cash held by investment managers  | -                             | 235,578                    | 235,578            | 65,668             |
| Market value carried forward  | <u>1,950,000</u>              | <u>12,359,967</u>          | <u>14,309,967</u>  | <u>13,098,289</u>  |
| Cost (excluding cash balances)  | <u>-</u>                      | <u>10,256,652</u>          | <u>10,256,652</u>  | <u>9,032,456</u>   |

The investment properties relate to the Kelmscott Cottages from which rental income is derived. They were valued on an open market value basis by Carter Jonas LLP, a firm of independent Chartered Surveyors, on 6 January 2005. A further internal revaluation was carried out as at 30 September 2007 based on the values achieved in respect of the Cottages sold.

All of the investments are listed on the UK Stock Exchange.

| 15 Debtors  | Group<br>2007<br>£ | Society<br>2007<br>£ | Group<br>2006<br>£ | Society<br>2006<br>£ |
|---|--------------------|----------------------|--------------------|----------------------|
| Subscriptions and room hire debtors                           | 13,417             | 13,417               | 13,290             | 13,290               |
| Investment income receivable                                  | 75,491             | 75,491               | 43,996             | 43,996               |
| Income tax recoverable  | 2,829              | 2,829                | 16,570             | 16,570               |
| Grants receivable   | 107,779            | 107,779              | -                  | -                    |
| VAT receivable  | 127,664            | 127,664              | -                  | -                    |
| Other debtors   | 75,987             | 48,266               | 31,309             | 27,195               |
| Amount owed by Lucerna Limited (see below)                    | -                  | 113,188              | -                  | 110,351              |
| Prepayments   | 55,293             | 55,293               | 54,301             | 54,301               |
|   | <u>458,460</u>     | <u>543,927</u>       | <u>159,466</u>     | <u>265,703</u>       |
|   | Group<br>2007<br>£ | Society<br>2007<br>£ | Group<br>2006<br>£ | Society<br>2006<br>£ |
| The amount owed by Lucerna Limited comprises:                 |                    |                      |                    |                      |
| Gift Aid donation due   | -                  | 80,230               | -                  | 66,788               |
| Current account   | -                  | 45,958               | -                  | 8,563                |
| Insurance money received by Society                           | -                  | (48,000)             | -                  | -                    |
| Loan bearing interest at Lloyds Bank plc<br>base rate plus 3% | -                  | 35,000               | -                  | 35,000               |
|   | <u>-</u>           | <u>113,188</u>       | <u>-</u>           | <u>110,351</u>       |

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**16 Liabilities: Amounts falling due within one year**

|                                    | Group<br>2007<br>£ | Society<br>2007<br>£ | Group<br>2006<br>£ | Society<br>2006<br>£ |
|------------------------------------|--------------------|----------------------|--------------------|----------------------|
| Coutts Loan (see note 17)          | 349,877            | 349,877              | -                  | -                    |
| Creditors and grants payable       | 409,034            | 409,034              | 56,278             | 56,278               |
| VAT payable                        | -                  | -                    | 339                | 134                  |
| PAYE payable                       | 11,814             | 11,814               | 11,470             | 11,470               |
| Subscription income in advance     | 65,762             | 65,762               | 57,978             | 57,978               |
| Accruals and other deferred income | 108,190            | 103,288              | 80,119             | 75,897               |
|                                    | <u>944,677</u>     | <u>939,775</u>       | <u>206,184</u>     | <u>201,757</u>       |

**17 Liabilities: Amounts falling due after more than one year**

|             | Group<br>2007<br>£ | Society<br>2007<br>£ | Group<br>2006<br>£ | Society<br>2006<br>£ |
|-------------|--------------------|----------------------|--------------------|----------------------|
| Coutts Loan | -                  | -                    | 81,000             | 81,000               |

The loan facility with Coutts is secured by way of a Memorandum of Deposit of stocks and shares dated 23 June 1992 and supported by an undertaking of Sarasin Chiswell Associates Limited, to hold stocks and shares to the Bank's order to a value of £800,000. The credit facility of £800,000 was made available to help finance the costs of the Tercentenary Exhibition.

The loan facility was repaid in full in December 2007.

**18 Permanent Endowment Funds**

|                                    | Balance at<br>30.9.06<br>£ | New<br>Endowments<br>Received | Investment<br>Management<br>Fees<br>£ | Net<br>Investment<br>Gains<br>£ | Balance at<br>30.9.07<br>£ |
|------------------------------------|----------------------------|-------------------------------|---------------------------------------|---------------------------------|----------------------------|
| Stevenson Fund                     | 77,379                     | -                             | (403)                                 | 6,300                           | 83,276                     |
| Somers Clarke Fund                 | 13,090                     | -                             | (65)                                  | 1,027                           | 14,052                     |
| Robert Garraway Rice Fund          | 29,617                     | -                             | (154)                                 | 2,405                           | 31,868                     |
| William Lambarde<br>Memorial Fund  | 32,849                     | -                             | (168)                                 | 2,362                           | 35,043                     |
| William and Jane Morris Fund       | 555,997                    | -                             | (1,500)                               | 17,241                          | 571,738                    |
| Croft Lyons Fund                   | 45,872                     | -                             | (232)                                 | 4,161                           | 49,801                     |
| Tessa and Mortimer<br>Wheeler Fund | 30,585                     | -                             | (154)                                 | 2,751                           | 33,182                     |
| Hugh Phillips Fund                 | 1,433,944                  | -                             | (7,473)                               | 116,844                         | 1,543,315                  |
| Janet Arnold Fund                  | 300,213                    | -                             | (1,633)                               | 25,531                          | 324,111                    |
| Margaret and Tom Jones Fund        | -                          | 421,589                       | -                                     | -                               | 421,589                    |
|                                    | <u>2,519,546</u>           | <u>421,589</u>                | <u>(11,782)</u>                       | <u>178,622</u>                  | <u>3,107,975</u>           |

The permanent endowment funds represent capital funds which have been donated or bequeathed to the Society, the income from which is to be applied for specific purposes within the Society's objects. The permanent endowments do not contain any power to convert capital into income except by application to the Charity Commissioners.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**18 Permanent Endowment Funds (continued)**

The nature and purpose of each of the funds is as follows:

**Stevenson and Somers Clarke Funds**

The income from these funds is for the general purposes of the Society.

**Robert Garraway Rice Fund**

The income from this fund is applied to the general purposes of the Society with special reference to the Research Fund, including prehistoric archaeology such as subscriptions to excavations and to works and papers dealing with the same, also for promoting and assisting genealogical research. The income is therefore transferred to the Research Fund and grants awarded accordingly.

**William Lambarde Memorial Fund**

The income from this fund is applied for the provision of a travelling scholarship or scholarships in archaeology or otherwise for the promotion of antiquarian studies.

**William and Jane Morris Fund**

This was formed in 1939, and its income is devoted primarily to grants for the conservation of churches and their fittings, although secular buildings are not excluded.

The fund was augmented in June 2004 by the transfer of the assets of the Lesley David Trust (charity number 262760) to the Society.

**Croft Lyons Fund**

The income from this fund, founded in 1926 is, following Colonel Croft Lyons' direction, applied to the encouragement of the study of heraldry.

**Tessa and Mortimer Wheeler Fund**

This was reconstituted in 1976, and provides travel grants to students of archaeology.

**Hugh Phillips Fund**

The income from this fund is appropriated to the Bicentenary (Publications) Fund and to the Research Fund at the discretion of the Council but with a restriction that research grants awarded therefrom are towards increasing knowledge of life and customs in the British Isles at any period prior to AD 1800.

**Janet Arnold Fund**

This was formed in 2002 and is to fund research into the history of dress.

**Margaret and Tom Jones Fund**

The fund has been formed during 2007 following receipt of the bequest of £421,589 from the estate of Mrs M Jones. The terms of the bequest specify that income from the fund is utilised to provide funding for research grants to support project relating to the methods or results gained at the excavations at Mucking Essex.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**19 Restricted Capital Funds**

|                                     | Balance at<br>1.10.2006 | Investment<br>Management<br>Fees | Investment<br>Gain/(Loss)<br>& Transfers | Balance at<br>30.9.2007 |
|-------------------------------------|-------------------------|----------------------------------|--|-------------------------|
|                                     | £                       | £                                | £  | £                       |
| Research Fund                       | 67,354                  | (948)                            | 1,355                                    | 67,761                  |
| Bicentenary (Publications) Fund     | 383,795                 | (2,093)                          | 1,702                                    | 383,404                 |
| Kelmscott Fund                      | 99,551                  | (2,282)                          | 987,074                                  | 1,084,343               |
| Kelmscott Cottages                  | 2,350,000               | -                                | (400,000)                                | 1,950,000               |
| Burlington House Refurbishment Fund | -                       | -                                | 104,652                                  | 104,652                 |
| Gravett Fund                        | 513,280                 | (2,700)                          | 42,214                                   | 552,794                 |
|                                     | <u>3,413,980</u>        | <u>(8,023)</u>                   | <u>736,997</u>                           | <u>4,142,954</u>        |

The restricted capital funds have arisen from specific allocations and appeals by the Council for the purposes indicated below. These are distinguished from permanent endowments by the fact that the Council has power to spend the capital if necessary.

**Research Fund**

The Research Fund, inaugurated in 1889, provides grants to support archaeological and documentary research within the Society's fields of interest.

The Joan Pye Awards have been established to assist scholars who have completed a post-graduate research degree, with further work in the fields of prehistoric and Roman archaeology within the United Kingdom.

The Hugh Chapman Memorial Research Fund provides awards for projects dealing with the Western Roman Empire and archaeological and antiquarian matters in London and its environs.

**Bicentenary (Publications) Fund**

The Bicentenary (Publications) Fund, established after the Bicentenary of the Royal Charter in 1951, provides for the cost of the Society's publication series.

**Kelmscott Funds**

Kelmscott Manor and Estate was bequeathed to the Society under the terms of the will of May Morris. The Manor is not valued in the accounts because it is of an historic nature. The invested funds have arisen following the disposal of part of the Estate property, including two cottages which were sold during the year, which is required to be spent on the maintenance and conservation of historic buildings. Although the capital can be spent under the terms of the will it is presently being invested and the income utilised in maintaining Kelmscott Manor. A proportion of the proceeds from the sale of the cottages has been transferred to the Burlington House Refurbishment Fund (see below).

The cottages on the Estate are let to tenants on an arms' length basis and have therefore been included at their open market value at the balance sheet date.

The restricted income fund incorporates the activities of Lucerna Ltd through which trading activity at Kelmscott Manor is conducted. A combined income and expenditure account, which incorporates Lucerna Ltd, is given in Appendix I.

**Burlington House Refurbishment Fund**

The Burlington House Refurbishment Fund was established during the year, utilising £104,652 of the sale proceeds received following the sale of two cottages at the Kelmscott Estate. The Fund provides for the cost of ongoing refurbishment work required at Burlington House to ensure compliance with the terms of the lease agreement with the Secretary of State.

**Gravett Fund**

This fund has been created following the bequest of Kenneth Gravett, FSA, most of which was received during 2001. The terms of the bequest permit the capital and the income to be spent on library activities. Currently the funds are generating income which is credited to a separate restricted income fund for library activities.

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**20 Restricted Income Funds**

|   | Janet<br>Arnold | Library<br>Activities | William<br>Lambarde<br>Memorial | William &<br>Jane Morris | Croft<br>Lyons | Tessa &<br>Mortimer<br>Wheeler | Garraway<br>Rice &<br>Research | Bicentenary<br>(Publications) | Hugh<br>Phillips | Kelmscott      | Total           |
|---|-----------------|-----------------------|---------------------------------|--------------------------|----------------|--------------------------------|--------------------------------|-------------------------------|------------------|----------------|-----------------|
| <b>Incoming Resources</b>                                 |                 |                       |                                 |                          |                |                                |                                |                               |                  |                |                 |
| Donations, grants & bequests                              | -               | 25,184                | -                               | -                        | -              | -                              | 15,000                         | 13,779                        | -                | 16,233         | 70,196          |
| Investment Income   | 11,042          | 18,257                | 1,138                           | 20,166                   | 1,350          | 893                            | 3,865                          | 19,180                        | 50,533           | 50,501         | 176,925         |
| Interest  | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 3,233          | 3,233           |
| Sales   | -               | -                     | -                               | -                        | -              | -                              | -                              | 27,929                        | -                | 126,246        | 154,175         |
| Insurance claim for Slab Fence                            | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 9,946          | 9,946           |
| Insurance claim subsequent to flood                       | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 99,408         | 99,408          |
| Miscellaneous Income                                      | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 1,373          | 1,373           |
| <b>Total Incoming Resources</b>                           | <b>11,042</b>   | <b>43,441</b>         | <b>1,138</b>                    | <b>20,166</b>            | <b>1,350</b>   | <b>893</b>                     | <b>18,865</b>                  | <b>60,888</b>                 | <b>50,533</b>    | <b>306,940</b> | <b>515,256</b>  |
| <b>Resources Expended</b>                                 |                 |                       |                                 |                          |                |                                |                                |                               |                  |                |                 |
| <b>Cost of Generating Funds</b>                           |                 |                       |                                 |                          |                |                                |                                |                               |                  |                |                 |
| Cost of Sales of Trading Subsidiary                       | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 40,376         | 40,376          |
| <b>Charitable activities</b>                              |                 |                       |                                 |                          |                |                                |                                |                               |                  |                |                 |
| Fostering Public Understanding                            | -               | -                     | -                               | 11,023                   | -              | -                              | -                              | -                             | -                | 257,079        | 268,102         |
| Supporting Research & Communicating its results           | 4,294           | 44,822                | 71                              | 1,919                    | 6,040          | 1,589                          | 45,417                         | 107,049                       | 7,753            | -              | 218,954         |
| <b>Governance Costs</b>                                   |                 |                       |                                 |                          |                |                                |                                |                               |                  |                |                 |
|   | -               | -                     | -                               | -                        | -              | -                              | -                              | -                             | -                | 6,955          | 6,955           |
| <b>Total Resources Expended</b>                           | <b>4,294</b>    | <b>44,822</b>         | <b>71</b>                       | <b>12,942</b>            | <b>6,040</b>   | <b>1,589</b>                   | <b>45,417</b>                  | <b>107,049</b>                | <b>7,753</b>     | <b>304,410</b> | <b>534,387</b>  |
| <b>Net incoming/(outgoing) resources before transfers</b> | <b>6,748</b>    | <b>(1,381)</b>        | <b>1,067</b>                    | <b>7,224</b>             | <b>(4,690)</b> | <b>(696)</b>                   | <b>(26,552)</b>                | <b>(46,161)</b>               | <b>42,780</b>    | <b>2,530</b>   | <b>(19,131)</b> |
| Transfers between funds                                   | -               | -                     | -                               | -                        | 5,142          | -                              | 25,299                         | (5,142)                       | (12,460)         | -              | 12,839          |
| <b>Net Movement in Funds</b>                              | <b>6,748</b>    | <b>(1,381)</b>        | <b>1,067</b>                    | <b>7,224</b>             | <b>452</b>     | <b>(696)</b>                   | <b>(1,253)</b>                 | <b>(51,303)</b>               | <b>30,320</b>    | <b>2,530</b>   | <b>(6,292)</b>  |
| Fund balances brought forward at 1 October 2006           | 28,936          | 13,153                | (833)                           | 43,916                   | (452)          | 3,084                          | 1,253                          | 146,210                       | 97,404           | 25,221         | 357,892         |
| <b>Fund Balances carried forward at 30 September 2007</b> | <b>35,684</b>   | <b>11,772</b>         | <b>234</b>                      | <b>51,140</b>            | <b>-</b>       | <b>2,388</b>                   | <b>-</b>                       | <b>94,907</b>                 | <b>127,724</b>   | <b>27,751</b>  | <b>351,600</b>  |

**The Society of Antiquaries of London**  
**Notes to the Financial Statements**  
**For the year ended 30 September 2007 (Continued)**

**21 Unrestricted Funds**

Included in General Purposes Fund investments are the following funds whose income is allocated on the basis of units held within the General Purposes Fund:

| Fund           | No. of<br>Units  | Value of<br>Investment<br>Fund<br>£ | Interest and<br>Investment<br>Income<br>£ |
|----------------|------------------|-------------------------------------|---|
| W.L. Hildburgh | 8,349            | 57,788                              | 2,094                                     |
| I.D. Margary   | 194,642          | 1,347,214                           | 48,823                                    |
| Minet /Evans   | 414,772          | 2,870,844                           | 104,041                                   |
| A.W.G. Lowther | 63,378           | 438,671                             | 16,078                                    |
| R.S. Newall    | 296,297          | 2,050,819                           | 67,843                                    |
| C.A.R. Radford | 60,285           | 417,262                             | 13,804                                    |
| Owen           | 137              | 948                                 | 32  |
| Total          | <u>1,037,860</u> | <u>7,183,546</u>                    | <u>252,715</u>                            |

In accordance with the wishes expressed in his will, income from the R.S. Newall Fund is used for the purposes of "Research in the widest sense". £12,839 of the income for 2007 has been transferred to the Research Fund as shown in note 12, and the balance utilised within the General Fund to finance library expenditure which facilitates research activities.

The income attributable to the Owen Fund is utilised in library expenditure within the General Fund in accordance with the wishes of the donor.

**22 Analysis of Group Net Assets between Funds**

|  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | Total Funds<br>£  |
|--|----------------------------|--------------------------|-------------------------|-------------------|
| Fixed assets                           | 705,723                    | 104,397                  | -                       | 810,120           |
| Investments                            | 7,429,148                  | 4,009,207                | 2,871,612               | 14,309,967        |
| Other net current (liabilities)/assets | <u>(506,701)</u>           | <u>380,950</u>           | <u>236,363</u>          | <u>110,612</u>    |
|  | <u>7,628,170</u>           | <u>4,494,554</u>         | <u>3,107,975</u>        | <u>15,230,699</u> |

The Unrestricted Fund net current liabilities is represented mainly by the outstanding credit line at Coutts of £349,877 (shown in note 16) and amounts payable in respect of the refurbishment costs. These will be funded by capital drawdowns as more fully explained in the trustees report.

**23 Operating Lease Commitments**

On 1 February 2005 the Society entered into an operating lease for Burlington House. The lease runs for 10 years and expires on 31 January 2015, and is renewable in 10 year periods at the Society's option. The amount of rent expected to be paid in 2007/08 is £2,468.

**24 Capital Commitments**

Expenditure of £72,000 (2006:£nil) has been committed at the year end as part of the refurbishment works at Burlington House.

**25 Post Balance Sheet Event**

The Society's Tercentenary Exhibition at the Royal Academy ran from 15th September to 2nd December, and therefore fell mainly outside the period covered by these financial statements. The total net costs incurred in respect of the Exhibition is expected to be in the region of £702,000, of which £334,897 is included in 2007 (£118,535 in 2005 and 2006). Income from Ticket sales & Grants is expected to be in the region of £92,000, of which £19,251 is included in 2007 (£20,000 in 2005 and 2006).

**The Society of Antiquaries of London**  
**Appendix I**  
**Kelmscott Manor and Lucerna Limited**  
**Combined Income and Expenditure Account**  
**For the year ended 30 September 2007**

|   | 2007            | 2006           |
|---|-----------------|----------------|
| <b>Income</b>                                   | <b>£</b>        | <b>£</b>       |
| Donations and grants                            | 9,804           | 23,342         |
| Grants & Donations - education programme        | 1,429           | -              |
| Grant for work to slab fence                    | 3,000           | -              |
| Insurance claim for damage to slab fence        | 9,946           | -              |
| Grant for purchase of data logger               | 2,000           | -              |
| Interest and investment income                  | 12,359          | 4,251          |
| Rents from Cottages                             | 41,375          | 50,515         |
| Admission fees                                  | 37,451          | 67,658         |
| Catering  | 22,468          | 41,093         |
| Goods & Books sold                              | 66,327          | 119,754        |
| Photo/film fees                                 | 532             | 341            |
| Other income                                    | 841             | 3,142          |
|   | <hr/>           | <hr/>          |
| <b>Total Income</b>                             | <b>207,532</b>  | <b>310,096</b> |
|   | <hr/>           | <hr/>          |
| <b>Cost of Sales</b>                            |                 |                |
| Catering cost of sale                           | 8,298           | 15,439         |
| Goods and Books for resale                      | 20,115          | 50,828         |
| Shop expenses                                   | 6,359           | 9,216          |
| Restaurant Expenses                             | 2,159           | 1,599          |
| Printing admission tickets & Kelmscott leaflets | 1,690           | 3,107          |
| Credit card charges                             | 1,755           | 2,118          |
|   | <hr/>           | <hr/>          |
|   | <b>40,376</b>   | <b>82,307</b>  |
|   | <hr/>           | <hr/>          |
| <b>Gross Profit</b>                             | <b>167,156</b>  | <b>227,789</b> |
|   | <hr/>           | <hr/>          |
| <b>Expenditure</b>                              |                 |                |
| Salaries  | 117,098         | 99,943         |
| Staff training and recruitment                  | 1,331           | 2,366          |
| Repairs and maintenance                         | 18,577          | 16,216         |
| Work to slab fence                              | 19,106          | -              |
| Rates and household                             | 14,806          | 11,657         |
| Insurance                                       | 18,639          | 12,091         |
| Post and telephone                              | 2,601           | 3,214          |
| Printing, stationery and computer expenses      | 3,662           | 4,850          |
| Photography and shop                            | 143             | 199            |
| Publicity                                       | 4,492           | 4,014          |
| Work to website                                 | 3,373           | 1,800          |
| Education Programme                             | 1,323           | -              |
| Garden expenses                                 | 1,609           | 2,848          |
| Addition to collection                          | -               | 865            |
| Professional fees                               | 13,098          | 6,499          |
| Audit and accountancy                           | 6,955           | 6,720          |
| Depreciation                                    | 7,019           | 5,556          |
| Recharge support costs                          | 14,399          | 15,433         |
| Sundries  | 11,773          | 14,307         |
|   | <hr/>           | <hr/>          |
| <b>Total Expenditure</b>                        | <b>260,004</b>  | <b>208,578</b> |
|   | <hr/>           | <hr/>          |
| <b>Operating (Deficit)/Surplus</b>              | <b>(92,848)</b> | <b>19,211</b>  |
|   | <hr/>           | <hr/>          |
| Flood related expenses                          | (4,030)         | -              |
| Claim accrued for above                         | 4,030           | -              |
| Business Interruption Insurance reclaim         | 95,378          | -              |
|   | <hr/>           | <hr/>          |
| <b>Net surplus for the year</b>                 | <b>2,530</b>    | <b>19,211</b>  |
|   | <hr/> <hr/>     | <hr/> <hr/>    |