



CUMBERLAND AND WESTMORLAND
ANTIQUARIAN AND ARCHAEOLOGICAL SOCIETY

Registered Charity No. 227786

**Report
and Accounts**

Year ended 31 January 2019

Cumberland and Westmorland Antiquarian and Archaeological Society

LIST OF TRUSTEES AFTER ELECTIONS AT THE ANNUAL GENERAL MEETING IN APRIL 2018

Mr Adrian Allan
Mr Warren Allison
Mr Robert Baxter
Mrs Alison Blair
Mr Gabriel Blamires
Professor David Breeze
Mr Graham Brook
Mr Ian Caruana
Dr Rob David
Dr Fiona Edmonds
Mr Peter Elliott
Mr Daniel Elsworth
Dr Helen Evans
Mr Kevin Grice
Professor Ian Hodgkinson
Ms Eleanor Kingston
Mrs Marion McClintock
Ms Louise Martin
Mrs Lorna Mullett
Professor Michael Mullett
Ms Rachel Newman
Dr Richard Newman
Dr Jane Platt
Dr Sarah Rose
Professor Colin Richards
Dr William Shannon
Professor David Shotter
Professor Keith Stringer
Dr Jean Turnbull
Ms Sally Watson
Professor Angus Winchester
Dr Michael Winstanley

ANNUAL REPORT, 2018-19

The Society is a charity, constituted by rules revised and adopted in April 2008 and approved by the Charity Commission (number 227786).

The objects of the Society are to promote, encourage, foster and co-ordinate the work of archaeology, history, genealogy, customs and traditions, with special reference to the County of Cumbria, which now includes the historic counties of Cumberland and Westmorland and Lancashire North of the Sands and the Sedbergh district of Yorkshire.

The legal title of the Society is the Cumberland and Westmorland Antiquarian and Archaeological Society. The Society may also be represented by another name in circumstances determined by the Council from time to time.

The Society is governed by a Council of trustees (see page 2). All the trustees are fully aware of their responsibilities under charity law. Principal officers are elected annually, and three other members are elected for a term of four years. Affiliated group chairmen are members ex officio, and past presidents can choose to continue as members of the Council. No officers receive any financial recompense for their services to the Society.

The principal office of the Society is c/o Honorary General Secretary, Westlands, Westbourne Drive, Lancaster, Lancashire, LA1 5EE.

The Independent Examiner is Mr D. H. Fell, F.C.A., of Ingalls Chartered Accountants, Libra House, Murley Moss Business Village, Oxenholme Road, Kendal, Cumbria LA9 7RL.

The stockbroker and investment adviser to the Society is Investec.

The Society has been successful in meeting its objects. The business of the Society has been carried out by the Council (see above) and by its various committees (see below). The Standing Committee has continued to meet between Council meetings to discuss issues and prepare recommendations for consideration by the Council. The Council met on 13 January 2018, 7 April 2018, 13 October 2018, and 12 January 2019. The Standing Committee met on 21 February 2018, 27 June 2018, 9 August 2018, 14 November 2018, and 5 February 2019. The Society continues its commitment to its members and to the fulfilment of its public benefit, in line with its objects and as set out below and in the Treasurer's report.

The Society's officers have been active, in the work of its committees, its publications, and its activities. One innovation that will be proposed to the annual general meeting in April 2019 is that the Society should in future have a President in Waiting: that is, the next President will be nominated a year early, subject to confirmation in the year in which he or she takes up the post. The change is intended to give the incoming president twelve months in which to understand the opportunities and potential issues that are waiting, and allow the outgoing president to share with a successor the key elements of the Society's future direction.

Society members will recently have received Newsletter No 90, the 19th and final issue that Dr Jean Turnbull will edit in her six-year period of office as Editor. We know that many Society members see the Newsletter as their most immediate and important link with the Society and will want to thank Jean for her ability to bring out newsletters that reflect the activities and business of the Society in colourful and highly readable contributions from many people. We owe her a great debt of gratitude. Her successor, Ms Bronwen Riley, will produce her first issue in July and we welcome her to this vital role.

Easily the most significant discussion over the coming months will be about the Society becoming a charitable incorporated institution, using the association model that is appropriate for a membership organisation. The Council in October 2018 received and overwhelmingly supported a proposal from the Society's review group, recommending a change of status from its present unincorporated form to an incorporated organisation that will give the Society additional powers and protection to its trustees. A proposal inviting Society members to endorse this decision is included in the papers for the annual general meeting in April 2019, and a report will be made on the discussions to date. The Charity Commission has a model template for the purpose, and a small development group, convened by the General Secretary, has begun work on how the Society can work within this framework while continuing to pursue its distinctive aims and culture.

The Society's revised web site came on stream, as intended on 1 May 2018, although further development work continues. We owe an enormous debt to our Web Master, Mr John Steel, for his work over many months to consult members and officers and to turn their requests into a site that is greatly improved in appearance, is suitable for all kinds of devices, and is much more systematic in its operation. Inevitably there were difficulties along the way, and his patience in overcoming them set an example to us all.

May 2018 also marked the formal enactment of the new General Data Protection Regulations. Much work had taken place to bring the Society's operations into line with the GDPR in time for the new regulations to take effect and to make its practices compliant with them. This is an area of work where constant vigilance is necessary and all Society officers are aware of their additional obligations and responsibilities.

A defining feature of Dr Rob David's Presidency has been his commitment to building on important connections across Cumbria, and this has coincided with a period when the Society's strong financial performance has meant that additional investment for the public benefit has been possible. The Council has approved a further grant of £20,000 over three years to the Cumbria County History Trust for its work on the production of a Victoria County History for Cumbria. We shall hear more at the AGM about the publication of an authoritative history of Kirkoswald and continuing research on Kirkby Lonsdale and surrounding townships to which the Society's funds have and will make a major contribution. Similarly, the Society has agreed to give a three-year grant to Tullie House for their health, wellbeing and community programme, and we look forward to our collaboration with them. Other initiatives are at earlier stages of discussion and further reports will be made at the AGM.

The laying down of historic societies is always a matter for regret, and we were sorry to learn that the Hadrianic Society had decided that it should no longer continue. Its remaining funds were divided between the Society of Antiquaries at Newcastle upon Tyne and the CWAAS, as the two organisations whose objects were closest to those of the Hadrianic Society. We were grateful for their gift of £4858 and shall apply it to activities or publications that relate to Hadrian's Wall.

1. Outreach Committee (chairman: Professor Keith Stringer)

The main work undertaken by and for the committee over the past twelve months can be summarised as follows.

- (a) Thanks largely to the titanic efforts and expertise of Mr John Steel, the new Cumbria Past website went live on 1 May 2018. There have been teething problems quite beyond John's control, not least because of problems associated with, and created by, Paypal; but development of the site continues steadily.
- (b) For the third year running, the Society had a stand at the Westmorland Show (13 September 2018), and it will be represented there again on 12 September 2019 in the Schools' Tent. We also ensured that, for the first time ever, CWAAS was properly publicised at the Cumberland Show (16 June 2018), and a return appearance will be made on 15 June 2019. Both these ventures, which have generated significant public interest in the Society's activities and those of the affiliated groups, will become routine features of the Outreach programme. Warm thanks are also due to those volunteers (not all members of the committee) who served on the stands and who have made these initiatives so successful hitherto.
- (c) We are on the verge of launching, in association with Minerva Heritage, a CWAAS Resource Pack for teaching Key Stage 1/2 Prehistory in Cumbria, which will be circulated free of charge to all relevant schools in the county, probably in May or June 2019. A pilot resource has already been tested with the aid of pupils from Maryport Church of England Primary School and, in the light of feedback received, a great deal of additional work has been done to develop a tighter and more focused text.
- (d) Mutually beneficial links have been consolidated with Cumbria Archive Service, the Cumbria County History Trust, the Regional Heritage Centre at Lancaster University, the British Library, and the Cumbria Local History Federation.
- (e) After a period of maternity leave, Dr Sarah Rose has made a most welcome return to the committee, and will resume her post as Press Officer. The committee's effectiveness has also been reinforced by the addition of two new members in the persons of Ms Bronwen Riley and Ms Sally Taylor. We are also most grateful to Ms Becky Moreton for her administrative support.
- (f) By the time of the AGM, Dr Jean Turnbull will have retired from her role as Newsletter editor. The Society owes her a large debt both for her dedicated service over almost seven years and for her editorial efficiency and helpfulness, which have ensured that CWAAS has a regular, thrice-yearly publication which any society would be proud to own. Jean's successor is Bronwen Riley, who has recently undertaken a detailed review of the Newsletter style and format in order to ensure it continues to go from strength to strength. Innovations already agreed include increasing the page size almost to A4, using larger fonts, and extending the page length from 26 to 32 pages.

2. Publications Committee (chairman: Professor Michael Mullett)

Digitisation, web pages and publishing. The committee is deeply indebted to the exhaustive technical and professional work of Mr John Steel and to the high standards of production and delivery of Messrs Titus Wilson.

Publications. The committee continues to oversee a wide range of high quality scholarly work, from the Crosby Garrett Helmet, through a study of government and society in 13th century Cumberland, the Appleby Horse Fair, observations of

the natural world, the memoirs of the 17th century Westmorland scholar and politician Daniel Fleming, and the 1851 Religious Census of Cumberland (in collaboration with the Surtees Society). The committee records its gratitude to the promptly and expertly executed labours of the peer reviewers who help us maintain the exemplary standards of our publications in regional studies.

Transactions. Delivery dates for the annual appearance of Transactions are now firmly in place; no later than the end of October in any given year. Under the direction of the convenor of the editorial team, a production programme for each article and scholarly note tracks its state of readiness throughout the year in question. Assisted by the editors where necessary, contributors are bringing the scholarly apparatus of their work into line with the guidelines set out in the web page document, 'Instructions to Contributors'. The editors are particularly keen to encourage a strong revival of the submission of briefer scholarly notes, including those that address matters of academic controversy.

As with the book length publications, the committee is indebted to the support of anonymous reviewers of articles and notes submitted: these act with expedition, efficiency and due consideration towards the contributors in question.

The balance in the journal's contents, as between archaeological and humanities contributions, needs to be kept under regular review.

CARR series This series forms one of the most distinctive and popular features of the Society's publications repertoire. Further titles are expected on a cremation cemetery and two major regional monastic sites. Once again, special thanks are due to the expert reviewers of these submissions.

3. Research and Grants Committee (chairman: Ms Eleanor Kingston)

The committee met on 6 March 2018 and approved an historic building survey of Warcop Hall, and investigations by the Lake District Archaeology Volunteer Network of the settlement and industrial site at High Park and How Ridding, Witherslack.

An application for support to photograph pages from the Machell MS, to enable transcription and translation to be shared more widely, was approved by email over the summer, as well as a grant to the Lunesdale Archaeology Society for the enhancement of illustrations for their Low Borrow Bridge excavation report.

At our meeting on 18 September 2018 the committee approved an application from the Newlands Furnace Trust, near Ulverston, who asked for support to enable an archaeological evaluation of the blowing chamber of the furnace.

Since the September meeting, we have also approved two further applications, one to undertake geophysical survey at Birdoswald and Willowford on Hadrian's Wall and another for professional photography of objects for a book, "Living on the Edge of Empire: the objects and people of Rome's northern frontier".

The finance available to the committee at the beginning of the year amounted to approximately £11,000. We have offered £5,766 in grants over the period.

The committee distributed publicity flyers for the Clare Fell Bursary Fund to all universities that offer archaeology degrees at the start of the autumn term. It is a pleasure to report that we have had one application, to investigate routes to the Langdale Axe Factory, which was approved.

The next meeting will be held on 12 March 2019 and we already have one application for consideration.

4. Industrial Archaeology Committee (chairman: Mr Warren Allison)

The HLF-funded Coniston copper mines project has been completed, with the result that the copper mines have been taken off Historic England's "at risk" register.

The HLF-funded Oresom project in the north Pennines has also finished, and a walk leaflet around Whitesyke and Bentyfield mines is to be produced.

As part of the HLF-funded work at Boot Mill in Eskdale, a desk top survey is being undertaken.

Other changes that have taken place this year are:

- The river banks at Rampgill dressing floor, Nenthead, and the mine dumps at Whitesyke and Bentyfield mines have been stabilised. The old Vielle Montaigne processing mill, also at Nenthead, has been demolished;

- Work at Warwick Bridge corn mill is progressing, with an expected completion date of summer 2019;
- The Newlands Furnace Trust near Ulverston is having the floor inside the arch of the furnace lowered to allow better access, and this is being carried out under archaeological supervision, as it is a scheduled monument. Unfortunately, the blacking mill nearby has been demolished for redevelopment;
- After many years, the Backbarrow iron works have finally been consolidated;
- There is the possibility of an archaeological dig on two bloomery sites at Witherslack;
- The mill at Seascale has been recorded prior to demolition. The mill at Ennerdale, which appears to have been first an early manorial corn mill and then a paper mill, has been recorded, but has mostly now collapsed;
- A holiday home at Millbeck near Keswick appears to be on the site of an old fulling mill.

The Cumbria Industrial History Society has complained about the removal of slate debris on the River Crake, at the lowest navigable point from Coniston Water, where slate was unloaded and carted down to the coast for onward shipping. The archaeologist for the Lake District National Park intervened and halted work. The society has also protested about removal of old mill dams on several south Cumbria weirs by the South Cumbria Rivers Trust, and have published a diary of the owner of Thompson's cardboard mill at Little Salkeld.

The Cumbria Amenity Trust Mining History Society is to undertake a survey of the Buttermere copper mines, which were worked from 1615 to 1620, with the possibility of re-opening some of the levels, as well as re-examining the Borrowdale Wad Mines.

Warren Allison has been bequeathed the Sam Murphy archive, which he is in the process of cataloguing.

5. Society activities

The range of Society activities has been exceptionally extensive. The annual general meeting on 7 April 2018 took place at Tullie House, where the Society was warmly welcomed. The day's events included presentations by Mr Frank Giecco about the 2017 excavation of a Roman bath house at the former Carlisle Cricket Ground and Dr James Bowen about the recent work of the Cumbria County History Trust. A memorable visit to the Cumbria Museum of Military Life, led by Mr Stuart Eastwood, concluded the day. The Society was also represented at two county shows: for the first time at Cumberland in June and for the third successive year at Westmorland. These shows are an excellent means of making the Society's presence and activities known to the general public.

On 28 April a day-long conference took place at the University of Cumbria's Fusehill campus, entitled "Cymry in the North: the North Britons from the sixth century to the tenth". This was jointly organised by the Society, the Regional Heritage Centre at the University of Lancaster, and the Dumfriesshire and Galloway Natural History and Antiquarian Society. The papers presented to a packed audience were of the highest standard and the conference highlighted many aspects of the history and archaeology of the North Britons that merit further investigation. The annual May Walk, led by Mr Mark Blackett-Ord, took place at Orton and combined a stone circle at Gamelands with 12th century All Saints at Orton and a monument to a stopping off place for the later Charles II in 1651. For the Summer Evening on 22 June, coordinated by Mrs Lorna Mullett, members were able to explore Patterdale Hall and its gardens, now run by Bolton School as an outdoor centre. There was a fascinating industrial walk to the Coniston copper mining area, led by Ms Eleanor Kingston and Mr Warren Allison on 7 July, while a village walk around Hartsop near Ullswater on 4 August was led by local residents at short notice after the organiser's illness. An additional visit, to Sir John Barrow's modest birthplace at Ulverston, was added to the programme in August and led by Mr Daniel Elsworth, while a further walk, around Maryport and led by Mr Keith Thompson and Dr Rob David, took place in late September. Finally, and by no means least, an indoor event took place on a bitterly cold day in November at Kendal Museum and the Castle Dairy, the latter having been a fine hall house that still contains much of the original structure.

The Society is deeply grateful to all those who led, spoke at and supported this programme, including Ms Becky Moreton for the background arrangements and publicity.

Marion McClintock
Honorary General Secretary
1 February 2019

Cumberland & Westmorland Antiquarian & Archaeological Society
Assets and Liabilities 31 January 2019

Assets	£	2019 £	2018 (restated) £
Investments at market value			
British Government and Non-Government Bonds	219,104		
Equities	543,801		
		762,905	847,669
Cash in hand			
Barclays bank	88,237		
Held by Stockbroker	355		
		88,592	27,991
		851,497	875,660
Represented by :			
Unrestricted Funds		287,180	300,311
Restricted Fund		89,858	93,506
Designated Funds		474,460	481,843
		851,497	875,660

Independent Examiner's Report to the Trustees of the Cumberland and Westmorland Antiquarian and Archaeological Society
I report to the Trustees on my examination of the accounts of the above charity for the year ended 31st January 2019.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act)

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that, in any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached

D. H. Fell FCA,
Ingall's (Kendal) Ltd, Chartered Accountants,
Libra House, Murley Moss Business Village,
Kendal LA9 7RL.

5 March 2019

Cumberland and Westmorland Antiquarian & Archaeological Society
Statement of Financial Activities for the year ended 31 January 2019

					31/01 2018
	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds £	Total Funds £
Income Received					
Subscriptions	23,168			23,168	22,119
Interest and dividends	9,640	3,001	15,467	28,108	27,647
Sales of Publications			6,062	6,062	4,041
Licensing	26			26	52
Grants and donations	10		5,511	5,521	37
Excursion receipts	1,545			1,545	950
Sundry				0	587
Total Income	34,389	3,001	27,040	64,430	55,431
Payments Made					
<i>Transactions 2018</i>	17,114			17,114	16,197
<i>Newsletter & Mailouts</i>	6,511			6,511	7,159
Printing, postage, Internet & stationery	360		7	367	364
Meetings	1,042		48	1,090	1,089
Subscriptions and journals	274			274	164
Officers' expenses	613		565	1,178	1,168
Insurance	1,252			1,252	1,396
Freelance Admin Support	2934			2934	1624
Bank charges	160			160	161
Professional fees	540			540	840
Grants and donations	651	4,000	9,794	14,445	19,608
Stockbroker's fee	5,935			5,935	6,083
Book publication			10,176	10,176	5,378
Refunds & Sundry			177	177	0
Excursions	1,623			1,623	458
Total Expenditure	39,009	4,000	20,767	63,776	61,689
 Net surplus/-deficit	 -4,620	 -999	 6,273	 654	 -6,258
 Other movements					
Realised gain on investments	2182	680	3,502	6364	2,679
Realised loss on investments	-81	-26	-129	-236	-32
Unrealised gain on investments	3279	1,026	5,290	9613	68,976
Unrealised loss on investments	-13,909	-4,329	-22,319	-40,557	-8,425
Net movement in funds	-13,131	-3,648	-7,383	-24,162	56,940
 Balance brought fwd 31/1/18	 300,311	 93,506	 481,843	 875,660	 818,718
 Balance carried forward	 287,180	 89,858	 474,460	 851,498	 875,660

Cumberland and Westmorland Antiquarian and Archaeological Society

Notes to the accounts for the year ended 31 January 2019

Public Benefit

The Society's charitable purpose is "*the advancement of the arts, culture, heritage or science*", and our objects are "*to promote, encourage, foster and co-ordinate the study of archaeology, history, genealogy, customs and traditions with special reference to the County of Cumbria, which now includes the historic counties of Cumberland and Westmorland and Lancashire North of the Sands and the Sedbergh district of Yorkshire*". Our activities are reported on the Charity Commission website as "Funds historical and archaeological research with grants to volunteer groups, schools, museums and academic/professional researchers: operates a website with accessible heritage information: supports local historical societies in studying the historical environment: holds study days, lectures and visits: publishes a respected journal, plus books and other publications".

The Society has consistently shown through its annual reports how it has brought about benefits to the general public by the implementation of its objects, through outreach work to the general public, including schools and community groups, through the publication of scholarly but accessible publications on topics relevant to Cumbria, through grants of funds to appropriate organisations and individuals for fieldwork and analysis relating to the history and antiquities of the county, and through work on the industrial heritage of the county and its conservation. Our grants and donations in 2018 included £4,000 as the fourth of a series of annual grants to be paid on a reducing basis over a period of five years to the Cumbria County History Trust in support of their work in researching the history of Cumbria and of their longer-term commitment to producing a Victoria County History of Cumbria. We have grant-aided community groups, and have enabled students in full-time education to benefit from a subsidised membership subscription of £6. We have developed a Resource Pack of teaching materials covering Cumbria's prehistory for primary schools in the county.

Our web site makes heritage information freely available to all, including every edition of *Transactions* since the Society's foundation on 1866, apart from the latest ten years (restricted to members). The site was relaunched during 2018, making it more accessible on tablets and smart phones. We give public notice of our meetings, and those of our affiliated groups, many of which are open to members of the public at a nominal price.

Income and Expenditure

The Statement of Financial Activities shows a modest excess of income over expenditure, of £654, compared with a deficit of £6,258 in the previous year, and deficits of £20,644 and £18,671 in the two prior years, associated with the costs of celebrating our 150th Anniversary in 2016. Subscription (including Gift Aid) and investment income both showed slight increases on the previous year, while sales of publications were up significantly, as was Grants & Donations, thanks to the gift of £4958 from the Hadrianic Society upon dissolution. Expenditure was slightly up on the previous year, mainly as a result of a significant increase in publication costs, with three major publications in the year. The value of grants and donations awarded was somewhat down on the previous year, in part due to the planned year on year reduction in the grant to the Cumbrian County History Trust, which this year was £4000 (£6000 in 2017), while there was also no major Clare Fell grant awarded this year.

Grants are funded from investment income, which also subsidises any short-falls in publication costs. Member subscriptions are set at a level which is intended broadly to cover the costs of *Transactions* and the members' *Newsletter*, plus printing and postage to members, which, together with the AGM and other meetings, and officers' expenses, came to £26,260, compared with subscription income of £23,168. It is not intended to increase member subscriptions this year.

Review of risks

The Charity Commission requests smaller charities, i.e. those with an income below £250,000 p.a., to carry out a risk assessment and to review the systems that have been put in place to mitigate those risks.

The major risks to which the Society is exposed are:

1. Poor management of investments.
2. Incompetent or dishonest members dealing with the Society's funds.
3. Loss of, or damage to, the books in our library and stocks of unsold publications.
4. Issues arising from an inability for us to continue with our website in its current form

The systems that have been established to minimise these risks are as follows:

1. The portfolio is managed at the Trustees' discretion and on their behalf by the Investment Committee, consisting of the Treasurer, Ian Caruana and Timothy Sykes. Before making new investments, the advice of our stockbrokers, Investec, is sought. Our investment policy is shown below.
2. A running check is kept on the funds by reconciling monthly the cash books against the bank statements of our four accounts. Three individual signatures are accepted on our cheques; those of the Treasurer, The President, and Secretary. Normally only the Treasurer signs a cheque, but either of the other two may do so if required. All claims for expenses from our officers are scrutinised by the Treasurer, who is responsible for paying them. Larger items of expenditure are discussed and approved by Council before payment. At the end of each financial year (1 February to 31 January) our accounts are examined by our independent examiners, Ingalls of Kendal, and then, if they are approved, they are presented to the Society at the AGM for further scrutiny. In the event of the actions of a member, trustee, or officer of the Society proving to be inappropriate, Council may terminate his or her membership (rule 17).
3. The library remains in the care of the University of Cumbria and is stored under locked conditions at the Millbourne Street campus. Access is limited but loans can be obtained by arrangement with librarians in the main library at Fusehill Street, using a pre-booking form on the Cumbria Past web site. Our book stocks are insured at replacement value.

4. Our website has recently been updated and improved. The Secretary has the Access codes should they be required.

The Society operates a cash based accounting system, not accrual based. At the year-end there were no significant items of income not yet received, or expenditure not yet invoiced. However, it should be noted that the Society has made approximately £62,000 of advanced commitments, comprising the final payment of the current grant to the CCHT of £2,000 in the year 2019, plus a further agreed grant of £20,000 over the three years 2020-2022, plus a grant to Tullie House Museum of £20,000 over the next three years together with grants awarded by the Research and Grants Committee, but not yet claimed, amounting to £3,000, and gross costs of forthcoming Publications during 2019 and beyond of £17,000.

Policy on reserves

Our financial reserves are those assets in the Unrestricted Funds that are not set aside for the defined purposes of the charity, currently £287,180, a decrease of £13,131 on the previous year (restated), mainly as a result of the deterioration in the value of our investments in the second half of 2018. The Society's aim is to maintain sufficient reserves to enable it to meet the needs of the activities of the Society and to respond to any unexpected calls on them. There are six funds (those listed later, plus General and Activities) distributed between four bank accounts. Any of these accounts may need to pay out a sizeable cheque at any time and monies to meet these needs are kept available. For example, publishing a book may cost up to £10,000 for which payment is usually required at short notice. In light of significant increase in forward commitments of grants to other organisations and institutions within the county, it was thought prudent to increase our cash holdings by £60,000, though selling some of our investments mid-year, before the values started their rapid decline. We aim to keep sufficient free reserves to meet our financial objectives, including unexpected expenditure, without having to make an unplanned sale of our investments, which might incur significant losses. We currently have £88,592 in available cash, compared with £27,991 last year..

In order to maintain income for grants and donations, and to subsidise publications and other activities for the public benefit, interest from invested reserves is needed, with a target of £30,000 per annum, and a minimum requirement of £22,000. This year, income from dividends and interest was £28,108. This reserve policy continues to be monitored by the Treasurer and reviewed by Council if thought necessary

The stock market

The total assets of the society stand at £851,497, down £24,163 on the previous year (£875,660), as a result in falls in the value of our investments in the second half of the year. The financial year 2018-2019 showed a marked deterioration from mid year in the value of our investments, following the recovery noted over the previous two years, with our investments decreasing at market value by £24,764 or 3%, excluding the sale of £60,000 of shares, made up of all our shares in Sainsbury's, plus partial disposals of AstraZeneca, Segro, Blackrock and Bankers' Investment Trust. No acquisitions or rights issues were taken up during the year.

Investment Policy

Following a formal five-year review, a revised policy was adopted by Council on 21 October 2017.

- 1) The investment risk profile will be 'medium'. The focus of the investment policy will be upon a balance of income and growth, with the objective of at least maintaining capital value. The aim will be to invest for the long term.
- 2) Our target income from our investments is £30,000 per annum, with a requirement, subject to market conditions, of income in excess of £22,000
- 3) Both capital and revenue may be used at any time for the furtherance of the aims of the society, and therefore the portfolio will be managed on a total return basis.
- 4) A wide spread of investments will be held, spread between gilts, other fixed interest bonds, collective investments, charity funds, and individual shares. We will invest flexibly, as market conditions allow, but will aim as a guideline to keep our holdings of UK Gilts within the range of 15-30% of our total portfolio, Other Bonds at between 0-15%, Alternative Assets at 0-5%, Charity Funds between 10-20%, Investment trusts between 20-40% and Equities between 20-40%. In addition, our maximum exposure to all forms of equity (Charity Funds, Investment Trusts and individual company investments) should not normally exceed 70% of the total portfolio.
- 5) All bonds held will be of 'investment grade'.
- 6) We will normally only invest in shares where the market capitalisation is at least £250m and preferably over £500m
- 7) No *initial* investment should exceed 5% of the total value of the funds under management, and no individual share should exceed 10%. The total sum of all equity holdings in excess of 5% (excluding collective funds) should not exceed 25% of the fund's total value at any time.
- 8) We will only invest in products that are comprehensible: specifically, we will not invest in negotiable instruments known as 'derivatives'.
- 9) We will not hold equities of UK or overseas companies whose core business is the manufacture of tobacco products, or the manufacture of arms and armaments, or whose core business is gambling, or whose core business is, or which involves, the testing of cosmetic or household products on animals.
- 10) The Investment Committee will exclude investment in any other company where its opinion is that investing in (or continuing to invest in) that company would damage the Society's reputation. It will also, subject to meeting the requirements of paragraphs 1 to 9 above, look favourably on investment in companies whose activities either maintain the integrity of, or enhance, the historic and cultural environments of the places in which they operate; or where this is not possible, as a priority, seek to minimise any damage to such environments.

Policy Review: This policy will be kept under review by the Investment Committee and will be subject to formal review by the Council no less frequently than once in five years, the next review to be held prior to October 2022.

Authorised parties: Bill Shannon, as Treasurer will normally issue instructions to Investec. In the absence of the Treasurer either of the other members of the Investment Committee (Ian Caruana, Timothy Sykes) may issue instructions. All members of the Investment Committee may receive information from Investec.

Cumberland and Westmorland Antiquarian and Archaeological Society
Portfolio at Market Value - Bonds

British Government Bonds

<i>Holding £</i>	<i>Stock</i>	<i>MV at 31/01/2019</i>
20,075	3.75% 2019	20,733
2,058	2.50% 2020	7,395
2,396	2.50% 2024	8,713
25,400	4.25% 2027	32,247
5,000	4.75% 2030	6,908
22,301	4.25% 2032	30,051
18,000	4.25% 2036	25,484
10,000	4.25% 2046	15,631

Non Government Bonds

7,800	Invesco	16,220
23,800	Royal London	24,929
25,800	M&G Guernsey	30,793
		<u>219,104</u>

Cumberland and Westmorland Antiquarian and Archaeological Society
Portfolio at Market Value - Equities

<i>Holding £</i>	<i>Equities</i>	<i>MV at 31/01/2019]</i>
728	Royal Dutch Shell 'B'	17,248
582	Rio Tinto Ord	24,373
525	Unilever	20,917
1,000	Glaxosmithkline	14,770
260	Astrazeneca	14,378
10,295	Vodaphone Ord	14,262
1,525	SSE plc Ord	17,839
8,133	Lloyds Banking Group Ord	4,709
1311	Standard Chart plc Ord	8,048
6300	Legal and General Ord	16,345
2,733	Segro (Slough Estates) Ord	17,680
12,312	City of London Inves. Ord	48,325
415	M and G Charifund Acc	99,217
2,502	M and G Charifund Inc	37,456
3740	Murray Income	28,162
1,400	Blackrock Sm Comp Ord	18,165
1,400	European Inv Ord (F + C)	11,116
5,400	Schroder Oriental	13,095
2,847	Bankers Invest Trust Ord	23,374
13,400	Somerset Capital	17,847
17,000	Picton Prop Income Ord	15,096
24,018	INT Public Partner Ord	37,012
23,600	Civitas Social Housing	24,367
		<u>543,801</u>

Note: Bankers Investment Trust and INT Public Partner are invested internationally

The Society's Funds

The Funds of the Society are classified into three types: Unrestricted Funds; Restricted Funds and Designated Funds.

All Funds are Income Funds, i.e. there is no restriction on the disbursement of capital.

Restricted Funds

	<i>Balance</i> 31/01/2018	Movement		<i>Balance</i> 31/01/2019
	£	Incoming £	Outgoing £	£
Fahy	93,506	4,629	-8,277	89,858

The Fahy Fund is a Restricted Fund to assist in the publication of Genealogical & Historical Research covering Lancashire North of the Sands and the southern part of Cumbria.

Designated Funds

	<i>Balance</i> 31/01/2018	Movement		<i>Balance</i> 31/01/2019
	£	Incoming £	Outgoing £	£
Publications	162,393	19,613	-18,402	163,603
Research & Grants	239,432	11,853	-20,473	230,812
Clare Fell	80,017	3,960	-3,934	80,043
	<u>481,843</u>	<u>35,426</u>	<u>-42,809</u>	<u>474,460</u>

The Designated Funds have been set aside by Council out of the unrestricted funds for specific purposes, as below:

Publications Fund is for the publication of papers and books other than *Transactions* and those publications which fall within the remit of the Fahy Fund.

Research and Grants Fund is for the provision of grants and donations to further research, fieldwork, education, the recording of historic and archaeological features, the preservation and conservation of historic features in the built landscape, and the publication of matters of interest to the society. The fund also covers Grants for Schools for projects which are linked to the History National Curriculum and which are about some aspect of Cumbria's Past.

The *Clare Fell Bursary Fund* offers bursaries to young people who wish to develop their interest in archaeology, by undertaking a particular project on some aspect of the archaeology of Cumbria, or to young people living in Cumbria who wish to undertake a project relating to the archaeology of another area. Preference will be given to individuals under the age of 25, but applications will be accepted from others studying for undergraduate or higher degrees, and from group applications from schools, colleges, universities, YACs or other groups of young people.