

Scottish Charity Number SC000241

**EDINBURGH MATHEMATICAL SOCIETY**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2009**



## EDINBURGH MATHEMATICAL SOCIETY

### REFERENCE AND ADMINISTRATIVE INFORMATION

The Edinburgh Mathematical Society (EMS) is a registered Scottish charity, No. SC000241.

#### Trustees

Professor R J Archbold (President)	
Dr L Boulton	
Dr C M Campbell (Vice President)	(Resigned 17 <sup>th</sup> October 2008)
Dr P Davies (Vice President)	(Appointed 17 <sup>th</sup> October 2008)
Dr M H Eggar (Librarian)	(Resigned 17 <sup>th</sup> October 2008)
Dr J Farkas	
Dr E Gasparim (Librarian)	(Appointed 17 <sup>th</sup> October 2008)
Dr A D Gilbert (General Secretary)	
Professor I Gordon (Convener of the Editorial Board)	(Appointed 17 <sup>th</sup> October 2008)
Professor D Higham	
Dr G Hornig	
Dr J Kedra	(Appointed 17 <sup>th</sup> October 2008)
Dr T Leinster	
Professor T H Lenagan (Meetings Secretary)	
Dr A Libman	(Resigned 17 <sup>th</sup> October 2008)
Dr C Maclachlan (Convener of the Editorial Board)	(Resigned 17 <sup>th</sup> October 2008)
Dr J D Mitchell	(Appointed 17 <sup>th</sup> October 2008)
Dr R Paris	
Dr C M Roney-Dougal	(Resigned 17 <sup>th</sup> October 2008)
Dr M A Youngson (Treasurer)	

#### Principal address

The Honorary Secretary  
Edinburgh Mathematical Society  
University of Edinburgh  
School of Mathematics  
James Clerk Maxwell Building  
The King's Buildings  
Mayfield Road  
Edinburgh EH9 3JZ

#### Website

<http://www.ems.ac.uk>

#### Bankers

Bank of Scotland  
The Mound  
Edinburgh EH1 1YZ

The Royal Bank of Scotland plc  
36 St Andrew Square  
Edinburgh EH2 2YB

Standard Life Bank  
30 Lothian Road  
Edinburgh EH1 2DH

#### VAT registration number

GB 607 3627 45

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT (*cont'd*)

#### FOR THE YEAR ENDED 31 JULY 2009

The trustees present their report and financial statement for the year ending 31 July 2009.

#### **Structure, governance and management**

The Society is governed in accordance with its Constitution and Rules (copies of which are available on request). The Constitution places the responsibility for the management of the Society in the hands of its General Committee, comprising President, Vice-President, one or two Secretaries, Treasurer, Librarian, Convener of the Editorial Board and at least six but not more than ten additional members. The Society also has an Investment Committee (responsible for monitoring the Society's finances and selecting investments), an Editorial Board, a Policy Advisory Group, a Research Support Fund Committee, an Education Committee and, when required, a Whittaker Prize Committee.

For the purposes of charity legislation, the trustees of the Society are precisely the members of the General Committee. The members for 2008-09 are listed on the previous page. Apart from the Convener of the Editorial Board (who is appointed by the General Committee for a period of up to three years), the members of the General Committee are elected annually at the Annual General Meeting of the Society which is held in October. A list of the current members of all committees is available on request.

#### **Objectives, activities and achievements**

The Edinburgh Mathematical Society was founded in 1883 for "the mutual improvement of its members in the Mathematical Sciences, pure and applied", an objective that was later recast in broader and more outward looking terms as "the promotion and extension of the Mathematical Sciences, pure and applied, particularly in Scotland". The Society is an unincorporated association firmly established as the principal mathematical society for the university community in Scotland. Its membership is drawn from all the Scottish universities and other educational institutions as well as from mathematicians in industry and commerce both at home and overseas.

#### **Meetings of the Society**

In 2008-09 the Society held seven regular meetings, each addressed by a prominent mathematician. Additionally the Society organised a workshop on infinite group theory and related topics as well as a joint two-day meeting with the London Mathematical Society. Details of the speakers for the Society meetings and the titles of their talks are given in the table below.

Date	Place	Speaker	Title
17/10/08	Edinburgh	Prof F Ricci (Pisa)	Uncertainty inequalities and semigroups
14/11/08	Glasgow	Prof K Hess (Lausanne)	Free loop spaces in topology and physics
12-13/12/08	Edinburgh Joint EMS/LMS	Prof L Bartholdi (Lausanne)	Automatically presented groups
		Prof M Bridson (Oxford)	Dimension, rigidity and fixed point theorems
		Prof A Valette (Neuchâtel)	The Haagerup property and its stability properties
		Prof E Zelmanov (San Diego)	Asymptotic properties of finite groups and finite dimensional algebras

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT *(cont'd)*

#### FOR THE YEAR ENDED 31 JULY 2009

Date	Place	Speaker	Title
23/01/09	Heriot-Watt	Prof L E Fraenkel (Bath)	On the increase in asymmetry of capacity, surface area and the likes.
20/02/09	Edinburgh	Prof C Linton (Loughborough)	Three astronomical anniversaries
20/03/09	Dundee	Prof R Ricca (Milano-Bicocca)	Topology bounds the energy of knots and links
24/04/09	Stirling	Prof J King (Nottingham)	Divergent series and the role of exponentially small terms in differential equations
22/05/09	St Andrews	Prof A Caranti (Studi di Trento)	Ciphers and Groups

The Proceedings of the Edinburgh Mathematical Society has been published by the Society since 1883. Three issues are published each year containing research papers covering a wide range of topics in pure and applied mathematics. The Proceedings has an international board of consulting editors and has a world-wide circulation. The Society has now a completely digitised archive of the Proceedings collections. A rolling collection of the most recent 10 years is available to subscribers only, and all issues before that period right back to 1883 are freely available.

The Society is conscious that its declared objective - "the promotion and extension of the Mathematical Sciences" - is sometimes best achieved through the support of activities planned and instigated by others. It therefore has schemes for awarding grants for mathematical activities, and it also joins with other societies in supporting various joint initiatives at national and international level through subscriptions, donations and representation on committees. Details are set out below.

Applicant	Purpose	
Joint Mathematical Council	Affiliation Fee and donation	£60.00
Society of Friends of Oberwolfach	Donation	£224.98
European Mathematical Society	Corporate Membership Fee	£366.87

The Society became a member of the Council of Mathematical Sciences in January 2008. The CMS is an umbrella organisation representing university level mathematics throughout the UK. There is no membership fee, but the Society will cover the cost of sending a representative to future meetings.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT (*cont'd*)

#### FOR THE YEAR ENDED 31 JULY 2009

##### **Newsletter**

The *President's Newsletter* is sent annually to all members. It is designed to keep members informed about the Society's activities and describes recent events in a more detailed and informal way than is possible in this Annual Report. Copies are available on request.

##### **Membership**

Membership of the Society is open to all who are interested. Applications for membership are considered by the General Committee and can be refused only for good and proper reasons. The Society has reciprocity agreements with a number of overseas mathematical societies under which membership of one society gives the right to join the others at a reduced subscription. Postgraduate students at Scottish universities are offered free membership of the Society throughout the duration of their studies to encourage them to take part in Society activities.

##### **Library**

Most of the collections belonging to the Society are held in the James Clerk Maxwell Building Library at the University of Edinburgh and are recorded as such in the Edinburgh University Library catalogue. Some older books and journals are housed at the Collaborative Academic Store for Scotland (CASS), which is located in the Causewayside Building of the National Library of Scotland. The Society's principal collection consists mainly of periodicals obtained by exchange with other learned societies throughout the world; at present about 150 periodical titles are received. Members may consult or borrow books from the Society's Library, and are also entitled to use Edinburgh University Library; in return, members of Edinburgh University Library may use the Society's Library.

##### **Website**

The Society has now a new state-of-the-art website. It is now much easier for society members and non-members, to access information about the EMS, such as key committee members, meetings calendar, proceedings, support funds, and history of the Society.

##### **Grants**

The Society has three schemes for awarding grants: the **Research Support Fund**, the **Education Fund** and the **St Andrews Fund**.

The **Research Support Fund** (launched as the Centenary Fund in 1983, the Society's centenary year, and renamed in 2002 to make a clear statement of its purpose) gives financial support to a variety of mathematical activities, including research visits, conferences and publications. Any person may apply for a grant or guarantee from this fund. Applications are considered by the Research Support Fund Committee. The committee works to a set of rules, copies of which are made available to potential applicants. Awards are normally paid to an applicant's institution rather than the applicant personally. The **Education Fund** supports educational activities of a mathematical nature at both school and university level. At school level it is advertised as the *Schools Enrichment Fund*. Applications may be made to the Education Committee, but additionally the Education Committee actively seeks out projects worthy of support and may organise activities itself. The **St. Andrews Fund** (formerly used to support colloquia at the University of St. Andrews) is used to support the annual postgraduates' meeting at the Burn.

In addition to the above funds, General Committee from time to time makes special grants. Sometimes these are major grants for the support of large international conferences but equally they may be small grants for worthy mathematical purposes that do not fall within the remits of the two schemes.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT *(cont'd)*

#### FOR THE YEAR ENDED 31 JULY 2009

The budgets for Research Support Fund, Education Fund and St. Andrews Fund for this year and last year are given below:

	<b>2007-08</b> <b>£</b>	<b>2008-09</b> <b>£</b>
Research Support Fund	16,000.00	16,000.00
Education Fund	7,000.00	7,000.00
St. Andrews Fund	2,500.00	2,500.00

The following tables show details of the grants awarded in 2008-09.

#### **Research Support Fund grants paid in 2008-09:**

<b>Applicant</b>	<b>Purpose</b>	<b>Amount</b>
A Grothey (Edinburgh)	workshop on Stochastic Programming	£750.00
W Lamb (Strathclyde)	visit of J Banasiak	£195.00
S Theriault (Aberdeen)	visit of J Wu	£300.00
A Sevastyanov (Aberdeen)	Algebra and Representation Theory in the North	£498.21
A Crow (Glasgow)	Edinburgh-Glasgow-Aberdeen Algebraic Geometry Seminar	£995.91
I Cheltsov (Edinburgh)	visit of V Golyshev	£500.00
A Konovalov (St Andrews)	visit of G Ellis	£482.62
A Konechny (Heriot-Watt)	visit of D Friedan	£437.10
I Gordon (Edinburgh)	workshop on Infinite Groups	£596.45
J Nimmo (Glasgow)	conference on Geometric Aspects of Discrete and Ultra-discrete Integrable Systems	£1,000.00
J Mitchell (St Andrews)	North British Semigroups and Applications Network	£588.55
A Konovalov (St Andrews)	visit of E Jespers	£490.00
J Farkas (Stirling)	visit of P Hinow	£595.00
R Simitev (Glasgow)	visit of F Busse	£652.92
X Luo (Glasgow)	visit of B Griffith	£750.00
M Ainsworth (Strathclyde)	23rd Biennial Numerical Analysis Conference	£1,000.00
C Eilbeck (Heriot-Watt)	visit of Y Onishi	£1,000.00

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT *(cont'd)*

#### FOR THE YEAR ENDED 31 JULY 2009

#### Education Fund grants paid in 2008-09:

Applicant	Purpose	
L O'Carroll (Edinburgh University)	Advanced Higher and Higher Mathematics Revision Sessions	£500.00
S Kerber (St Roch's Secondary School)	FunMaths Roadshow Funding	£400.00
T McNutt (Breadalbane Academy)	Mathematics consumables	£430.00
D Martin (Harris Academy)	Maths competition	£100.00
D McGuigan (Waid Academy)	Eco-warriors project	£250.00
J Campbell (Farr High School)	Senior Maths weekend	£340.00
P Batty (Brae High School)	Primary Maths Fun Day	£358.00
S Payne (Kyle Academy)	Lunchtime Puzzle Club, 'Maths fun afternoon', Parents Evening activities	£400.00
F Withey (Stirling High School)	Maths Masterclasses	£500.00
D Saffhill (Penicuik High School)	S1 Geometry in Art poster competition	£335.00
A Thompson (Dornoch Academy)	Highland Senior Mathematics weekend	£500.00
A MacDonald (St Aidan's High School)	Advanced Higher/Higher study weekend	£500.00
J Bryson (Lesmahagow High School)	Lesmahagow High School Primary Maths Challenge	£100.00
C O'Donnell (Broxburn Academy)	P7 Maths Challenge Day	£250.00
C Barr (Clydebank High School)	P7 Maths Challenge Day/S1 & S2 Maths Challenge Day	£250.00
J Bryson (Lesmahagow High School)	Problem of the Month competition	£50.00
M McCreaner (Cleveden Secondary School)	Primary Enterprise Mathematical Day	£250.00
L Dorris (Taylor High School)	Maths Camp at Kilbowie Outdoor Centre	£500.00
J Wilson (Greenfaulds High School)	Higher study weekend	£400.00

#### St Andrews Fund grant paid in 2008-09:

A meeting for postgraduate students was held at the Burn, near Edzell, from 2<sup>nd</sup> to 4<sup>th</sup> June. From those who applied, 26 students from five Scottish universities were allocated places. The evident continuing success of this event bodes well for the continued health of Scottish mathematics.

The Burn Conference 2009	£2,109.01
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#### Special grants paid in 2008/9:

Sir David Wallace Travel Expenditure Edinburgh Meeting	£160.68
K Brown RSE Room Hire	£424.06
Sir David Wallace Travel Expenditure Edinburgh Meeting	£116.74

In addition to the previously listed grants, the Society approved in March 2008 a joint project with the International Centre for Mathematical Sciences to support "Research in Groups", and to provide additional support for Scotland-based mathematicians attending ICMS-sponsored workshops. The offer of £2,000 per year for four years starting August 2008-July 2009 was accepted by ICMS.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT *(cont'd)*

#### FOR THE YEAR ENDED 31 JULY 2009

##### Grant Rebates

J Campbell	Farr High School	£20.00
C Smyth	University of Edinburgh	£202.00

##### ***Voluntary and Paid Work***

The Society's officers and committee members undertake all their work for the Society on a voluntary basis. They therefore receive no payment beyond the reimbursement of some of their expenses. Many members of the Society, and indeed non-members too, also assist the Society in a range of activities including refereeing papers submitted to the Proceedings and representing the Society on other bodies. They too receive no payment other than reimbursement of some expenses. The Society is deeply grateful for all this assistance freely given and is very conscious that without it the Society's work would come to a halt.

The Society is also very grateful to the Scottish universities, particularly the University of Edinburgh, for permitting staff and resources to be used to assist the Society. The Society continues to contract for the services of a part-time Secretary in the School of Mathematics.

The Society has a contract with the International Centre for Mathematical Sciences in Edinburgh for the management of pre-production editorial work on the Proceedings.

##### ***Financial Review***

In round figures income was £66,000 and expenditure was £69,000 and at the end of the year the Society's assets were £245,000.

This year the Society had one major one-off expense. This was the payment for the digitalisation of the back issues of the Proceedings of the Edinburgh Mathematical Society. The Society had undertaken this as a special project during last year to mark its 125<sup>th</sup> anniversary. In addition due to the timing of typesetting work for the Proceedings of the Edinburgh Mathematical Society there was a temporary increase in typesetting costs during this year.

Despite this additional expenditure, the Society was able to maintain the amount awarded by the Research Support Fund and the Education Fund during the course of the year. After providing for the expenditure on the production of the Proceedings of the Edinburgh Mathematical Society and the appropriate assistance in the running of the Society it has been the policy of the Society to actively deploy the income it receives for the support of the mathematical community. It was very encouraging to see the quality and number of applications received by the Research Support Fund and the Education Fund during the course of the year and it is gratifying to note that the Society currently has the resources to be able to support so many of these applications.

During the year the overall value of our investments fell again though not as much as in the previous year. Whilst our holding of government stock has held up, the equity investments have borne the brunt of a falling market. As these are long-term investments there is little option but to sit things out until the market improves. While the pessimistic view is that our investments have fallen in value since their peak, the optimistic view is that they are still showing healthy growth on the initial amounts invested. It may be necessary to realise some of our investments to meet proposed expenditure on the activities of the Society.

The Trustees approved the following distribution of assets among the Society's Designated Funds: Whittaker Prize Fund £10,000; St Andrews Fund £10,000; the remaining assets divided equally (to the nearest penny) between the Grants and Awards Fund and the Strategic Reserves Fund.

##### ***Plans for future periods***

The speakers and dates for the Society's eight meetings in 2009-10 have already been confirmed.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT *(cont'd)*

#### FOR THE YEAR ENDED 31 JULY 2009

##### ***Risk management***

The trustees have continued to assess the risks to which the Society is exposed, in particular those relating to the operational and financial activities of the Society. They are satisfied that adequate systems and controls are in place to mitigate any exposure to risk.

##### ***Statement of trustees' responsibilities***

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Law applicable to charities in Scotland requires the trustees 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 its financial position at the end of the year. In preparing the financial statements the trustees are required to:

- select suitable accounting policies and 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 the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The trustees are responsible for keeping accounting records, that disclose with reasonable accuracy the financial position of the Society and which enable them to ascertain the financial position of the Society and which enable them to ensure that the financial statements, comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the terms of the Society's Constitution and Rules. The applicable law also sets out the trustees' responsibilities for the preparation and content of the trustees Annual Report. In addition, the trustees are responsible for any other information published along with the Trustees' Annual Report and financial statements.

The trustees are 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.

##### **On behalf of the trustees**

**Dr AD Gilbert**  
General Secretary

\_\_\_\_\_ 2009



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
OF EDINBURGH MATHEMATICAL SOCIETY**

I report on the financial statements of the Society for the year ended 31 July 2009 which are set out on pages 10 to 16.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the trustees and report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Society and the trustees, as a body, for my work or for this report.

**Respective responsibilities of trustees and examiner**

The Society's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of examiner's statement**

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Society and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Regulations, and
  - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

**Kenneth McDowell CA  
CHIENE + TAIT  
Chartered Accountants and Independent Examiners  
61 Dublin Street  
Edinburgh  
EH3 6NL**

\_\_\_\_\_ 2009

**EDINBURGH MATHEMATICAL SOCIETY**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 JULY 2009**

	<b>General Unrestricted Fund</b>	<b>Designated Funds</b>	<b>2009 Total</b>	<b>2008 Total</b>
	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds:				
Voluntary income	322.00	-	322.00	74.75
Investment income	1,440.46	7,320.23	8,760.69	9,772.47
Incoming resources from charitable activities:				
Publisher: proceedings income	52,485.84	-	52,485.84	49,349.09
Members' subscriptions	4,756.00	-	4,756.00	4,060.00
<b>Total incoming resources</b>	<b>59,004.30</b>	<b>7,320.23</b>	<b>66,324.53</b>	<b>63,256.31</b>
<b>Resources expended</b>				
Charitable activities:				
Proceedings	33,380.95	-	33,380.95	27,649.81
Meetings and lectures	2,778.42	-	2,778.42	1,799.89
Seminars and conferences	-	2,109.01	2,109.01	2,168.10
Grants, awards and prizes	-	18,346.24	18,346.24	25,963.97
Digitisation of PEMS	-	6,114.35	6,114.35	-
Subscriptions and donations	651.85	-	651.85	1,146.76
Management and administration	5,175.83	-	5,175.83	4,097.49
	41,987.05	26,569.60	68,556.65	62,826.02
Governance costs	1,155.00	-	1,155.00	1,100.00
<b>Total resources expended</b>	<b>43,142.05</b>	<b>26,569.60</b>	<b>69,711.65</b>	<b>63,926.02</b>
<b>Net (outgoing)/incoming resources before transfers</b>	<b>15,862.25</b>	<b>(19,249.37)</b>	<b>(3,387.12)</b>	<b>(669.71)</b>
Transfers between funds	(19,680.46)	19,680.46	-	-
<b>Net (outgoing)/incoming resources before other recognised gains and losses</b>	<b>(3,818.21)</b>	<b>431.09</b>	<b>(3,387.12)</b>	<b>(669.71)</b>
Realised gain on investments	-	132.20	132.20	8.21
Unrealised losses gains on revaluation of investments	-	(20,680.32)	(20,680.32)	(37,943.29)
<b>Net movement in funds</b>	<b>(3,818.21)</b>	<b>(20,117.03)</b>	<b>(23,935.24)</b>	<b>(38,604.79)</b>
Total funds brought forward	61,502.52	206,947.77	268,450.29	307,055.08
<b>Total funds carried forward</b>	<b>57,684.31</b>	<b>186,830.74</b>	<b>244,515.05</b>	<b>268,450.29</b>

The notes on pages 12 to 16 form part of these financial statements.

**EDINBURGH MATHEMATICAL SOCIETY**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 JULY 2009**

	<b>Notes</b>	<b>2009</b>	<b>2008</b>
		£	£
<b>Fixed assets</b>			
Investments	9	186,830.74	206,947.77
<b>Current assets</b>			
Debtors	10	2,912.63	2,098.90
Cash at bank and in hand	11	55,926.68	60,503.62
		<u>58,839.31</u>	<u>62,602.52</u>
<b>Creditors: amounts falling due within one year</b>	12	<u>1,155.00</u>	<u>1,100.00</u>
<b>Net current assets</b>		<u>57,684.31</u>	<u>61,502.52</u>
<b>Net assets</b>		<u><u>244,515.05</u></u>	<u><u>268,450.29</u></u>

**The funds of the charity:-**

**Unrestricted funds**

General fund	13	57,684.31	61,502.52
Designated funds	13	186,830.74	206,947.77
		<u>244,515.05</u>	<u>268,450.29</u>

The financial statements were approved by the trustees on \_\_\_\_\_ 2009 and are signed on their behalf by:-

**Professor R J Archbold**  
President

**Dr M A Youngson**  
Treasurer

The notes on pages 12 to 16 form part of these financial statements.

# EDINBURGH MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2009

#### 1. Accounting policies

##### **Accounting convention**

The financial statements are prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2005), the Charities Accounts (Scotland) Regulations 2006 and the Society's Constitution and Rules.

##### **Incoming resources**

Income is recognised in the period in which the Society is entitled to receipt and can be measured with reasonable certainty.

Investment income is recognised in the period in which it is receivable.

Members' subscriptions are recognised on a cash received basis.

##### **Resources expended**

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. Grants, awards and prizes are accounted for when the recipient has submitted a claim and the trustees have thereafter agreed to pay the amount without condition. Expenditure on the governance of the Society, including independent examination and professional advice, is analysed to the governance costs category.

Management and administration costs have been separately disclosed in the Statement of Financial Activities. In the opinion of the trustees, there is no reliable method to allocate such support costs within charitable activities.

##### **Assets and liabilities**

Income and expenditure that is due to be received or incurred in one financial year but is not actually received or incurred before the end of that year is treated as an asset or liability in the Balance Sheet only if the payment is a legal or contractual requirement and not if the payment will be made on a voluntary basis. So, for example, payments for secretarial services could come into this category but membership subscriptions and grants would not.

##### **Contributions and refunds received**

The Society sometimes receives contributions from various sources towards meetings and other events that it organises. Sometimes also the recipient of a grant has to refund part or all of the grant, because conditions attached to the grant have not been met or the financial position has changed. In all such cases the contributions and refunds are recognised as income.

##### **Investments**

Investments are valued at their market value (selling price in the case of unit trusts).

##### **VAT**

The Society is VAT registered so expenditure is stated net of the recoverable amount of VAT.

##### **Foreign currency transactions**

For expenditure incurred in a foreign currency the amount shown in the Statement of Financial Activities is the total amount paid in Sterling including any bank charges. Similarly, for income received in a foreign currency the amount shown is the amount received in Sterling gross of any of any bank charges.

# EDINBURGH MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (cont'd)

### FOR THE YEAR ENDED 31 JULY 2009

#### 2. Proceedings

The Statement of Financial Activities does not show the complete financial position of the *Proceedings* because it contains income and expenditure relating to different volumes and does not include income and expenditure transactions by the Society's Publisher. Therefore, an analysis of the *Proceedings* by volume is set out in the Supplementary Information on page 17. That analysis is obtained by combining information in the Society's financial records with the Publisher's annual statements of account. There is, however, one point that is not covered by that analysis. The cost of complimentary copies of the *Proceedings* for copyright libraries, other organisations with whom the Society has exchange agreements, marketing purposes, internal use of the Society and its Publisher, and a small number of life members of the Society entitled to receive them under a now withdrawn Society rule is included in the expenditure, but no attempt has been made to quantify the value to the Society and the mathematical community of the journals in the Society's library that the Society receives from other organisations as a result of the exchange agreements.

#### 3. Employees

The Society has no employees but incurs the cost of secretarial services.

#### 4. Remuneration and reimbursement of expenses to trustees

No remuneration was paid to trustees. Trustees received reimbursement of expenses for the following two reasons: firstly travel expenses and accommodation of trustees attending meetings of, or on behalf of, the Society and secondly expenses incurred by the President of the Society entertaining speakers or guests of the Society. The total reimbursement of expenses paid to trustees was £1,488.84 (2008: £2,015.75).

#### 5. Grants

Details of the grants awarded for the period are given in the trustees' report. It is the policy of the Society to award grants to institutions and only in exceptional circumstances to individuals. The largest grant awarded through the Research Support Fund or Education Fund was £1,000 (2008: £1,000.00). The Society through its educational enrichment fund is one of several institutions that are a sponsor of prizes for Advanced Higher Mathematics school pupils. This year the Society was associated with five prizes, the largest being £140.

#### 6. Reimbursed expenses

Speakers to the Society are reimbursed for travel, subsistence and accommodation upon presentation of receipts for these items. Trustees and members received reimbursement of expenses and accommodation when attending meetings of, or on behalf of, the Society or making purchases on behalf of the Society and the President of the Society received reimbursement of expenses incurred by the President of the Society, entertaining speakers or guests of the Society. Members and individuals who were awarded grants received reimbursement of expenses for attending meetings on behalf of the Society or hire of accommodation upon presentation of receipts for these items. Finally payment was also made to individuals who helped the Society in the setting up or maintenance of its database or website. These were the only payments made to individuals in the current period.

#### 7. Net incoming resources

This is stated after charging:-	2009 £	2008 £
Independent examiners' remuneration – examination of financial statements	1,155.00	1,100.00
	<u>          </u>	<u>          </u>

#### 8. Taxation

The Society is a registered charity and as a consequence no liability to taxation arises.

**EDINBURGH MATHEMATICAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS** (cont'd)

**FOR THE YEAR ENDED 31 JULY 2009**

<b>9. Investments</b>	<b>Holding</b>	<b>Valuation</b>	<b>2009</b>	<b>2008</b>
	£	£	£	£
Government Stock: Conventional				
9% Treasury Stock 2008	-	-		1,487.36
5% Treasury Stock 2012	2,883.97	3,089.02		2,905.31
8% Treasury Stock 2013	1,735.52	2,085.57		1,984.91
			5,174.59	6,377.58
Government Stock: Index-linked				
2½% IL Treasury Stock 2009	2,475.14	-		6,721.00
2½% IL Treasury Stock 2011	2,000.00	5,925.80		5,819.00
2½% IL Treasury Stock 2013	6,122.07	15,278.24		15,021.11
2½% IL Treasury Stock 2020	4,275.70	12,160.95		12,292.64
2½% IL Treasury Stock 2024	2,671.58	6,642.08		-
			40,007.07	39,853.75
Unit Trusts, OEICs and Investment Trusts				
M&G Charifund	4,457.00	42,195.31		52,276.15
M&G Dividend A	21,748.00	9,262.47		11,039.28
New Star Equity Income	11,390.93	9,907.83		12,352.32
Invesco Perpetual High Income (Inc)	4,947.91	12,718.11		14,602.77
Invesco Perpetual High Income (Acc)	6,678.28	24,966.08		27,372.27
Invesco Perpetual UK Growth (Acc)	6,468.93	16,162.62		18,022.44
British Assets Trust	6,469.00	6,436.66		7,051.21
			121,649.08	142,716.44
Standard Life Bonds				
5.35% August 2009	10,000.00	10,000.00		8,000.00
6.25% September 2009	10,000.00	10,000.00		10,000.00
			20,000.00	18,000.00
<b>Total investments</b>			<b>186,830.74</b>	<b>206,947.77</b>
Valuation at 31 July 2008				206,947.77
Addition of Investments				8,771.65
Disposal of investments				(8,340.56)
				207,378.86
Realised gain on investments				132.20
Unrealised loss on revaluation of investments				(20,680.32)
				186,830.74
				186,830.74

The Society's investments are in general long-term investments and during the course of the year one government stock reached maturity.

**EDINBURGH MATHEMATICAL SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS** (cont'd)

**FOR THE YEAR ENDED 31 JULY 2009**

<b>10. Debtors</b>	<b>2009</b>	<b>2008</b>
	£	£
VAT recoverable	2,912.63	2,098.90
	<u>          </u>	<u>          </u>
<b>11. Cash at bank and in hand</b>	<b>2009</b>	<b>2008</b>
	£	£
Royal Bank of Scotland	1,825.78	1,220.55
Bank of Scotland	22,473.23	27,385.28
Standard Life Bank: direct access	20,241.59	21,001.97
Standard Life Bank: 60 day notice	11,386.08	10,895.82
	<u>          </u>	<u>          </u>
	55,926.68	60,503.62
	<u>          </u>	<u>          </u>
<b>12. Creditors: Amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
	£	£
Accruals	1,155.00	1,100.00
	<u>          </u>	<u>          </u>
<b>13. Funds</b>		

The Society has no restricted funds and no permanent endowment funds. The subdivision of the Society's assets reflects the charitable activities it undertakes. Investment income from all the funds is currently used to make grants and awards. The Society's assets are divided into designated funds as follows.-

	<b>Balance 1 August 2008</b>	<b>Net incoming/ (outgoing) resources</b>	<b>Transfers</b>	<b>Investment losses</b>	<b>Balance 31 July 2009</b>
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	61,502.52	15,862.25	(19,680.46)	-	57,684.31
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Designated funds</b>					
Grants and Awards Fund	94,473.88	(20,800.48)	20,016.03	(10,274.06)	83,415.37
Whittaker Prize Fund	8,000.00	-	2,000.00	-	10,000.00
St. Andrews Fund	10,000.00	(2,109.01)	2,109.01	-	10,000.00
Strategic Reserves Fund	94,473.89	3,660.12	(4,444.58)	(10,274.06)	83,415.37
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	206,947.77	(19,249.37)	19,680.46	(20,548.12)	186,830.74
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# EDINBURGH MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS *(cont'd)*

### FOR THE YEAR ENDED 31 JULY 2009

#### 13. Funds *(cont'd)*

**General Fund** - this comprises the assets required for day to day operation of the Society.

**Grants and Awards Fund** - this fund acts as the Society's reserves to provide grants and awards.

**Whittaker Prize Fund** - this fund is reserves held to cover the costs of the Whittaker Prize.

**St. Andrews Fund** - this fund is reserves held to support the postgraduates' meetings at the Burn.

**Strategic Reserves Fund** - this fund acts as the Society's reserve against contingencies (particularly in relation to the publishing of the *Proceedings*) and also as the fund from which exceptional expenditure can be taken.

#### 14. Analysis of net assets between funds

	Investments £	Net current assets £	Total £
General funds	-	57,684.31	57,684.31
Designated funds	186,830.74	-	186,830.74
	<u>186,830.74</u>	<u>57,684.31</u>	<u>244,515.05</u>

Assets are assigned to funds as follows:

The General fund is assigned all the money in the current accounts. The Whittaker Prize fund and the St. Andrews fund are assigned the two Standard Life bonds. The remaining investment assets are equally divided between the Grants and Awards fund and the Strategic Reserves fund.

**EDINBURGH MATHEMATICAL SOCIETY**

**SUPPLEMENTARY INFORMATION – ANALYSIS OF EXPENDITURE**

**FOR THE YEAR ENDED 31 JULY 2009**

	<b>2009</b>		<b>2008</b>	
	£	£	£	£
<b>Proceedings</b>				
Typesetting, printing and binding	19,611.99		14,623.61	
Paper and Board	1,075.37		1,044.17	
Editorial work	11,887.50		11,476.25	
Administrative costs	806.09		505.78	
	<hr/>		<hr/>	
		33,380.95		27,649.81
<b>Meetings and lectures</b>				
Speakers' expenses	1,484.48		634.04	
Accommodation costs	504.00		342.45	
President's expenses	789.94		823.40	
	<hr/>		<hr/>	
		2,778.42		1,799.89
<b>Seminars and conferences</b>				
Postgraduate meeting	2,109.01		2,168.10	
	<hr/>		<hr/>	
		2,109.01		2,168.10
<b>Grants, awards and prizes</b>				
Research Support Fund	10,831.76		11,669.35	
Education Fund	6,813.00		5,105.02	
Special Grants	701.48		9,189.60	
	<hr/>		<hr/>	
		18,346.24		25,963.97
<b>Digitalisation of PEMS</b>				
		6,114.35		-
<b>Subscriptions and donations</b>				
European Mathematical Society	366.87		837.97	
Scottish Mathematical Council	-		50.00	
Joint Mathematical Council	60.00		60.00	
Society of Friends of Oberwolfach	224.98		198.79	
	<hr/>		<hr/>	
		651.85		1,146.76
<b>Management and administration</b>				
Secretarial services	1,880.88		1,180.14	
Work on database/logo/website/posters	765.08		695.20	
Printing, photocopying, postage, etc	362.51		247.53	
Expenses of trustees on Society business	698.90		1,192.35	
Expenses of members on Society business	1,190.70		693.58	
Bank charges	235.91		88.69	
Investment commission	41.85		-	
	<hr/>		<hr/>	
		5,175.83		4,097.49
<b>Governance costs</b>				
Independent examiner's fee	1,155.00		1,100.00	
	<hr/>		<hr/>	
		1,155.00		1,100.00
		<hr/>		<hr/>
		69,711.65		63,926.02
		<hr/> <hr/>		<hr/> <hr/>

**EDINBURGH MATHEMATICAL SOCIETY**

**SUPPLEMENTARY INFORMATION – ANALYSIS OF PROCEEDINGS BY VOLUME**

**FOR THE YEAR ENDED 31 JULY 2009**

	£	Volume 51 2008 £	£	Volume 50 2007 £
<b>INCOME</b>				
<b>Income received by Publisher</b>				
Subscription income	68,112.73		59,848.22	
Single and back issues	362.68		81.17	
Royalties and permissions	476.00		567.64	
		<u>68,951.41</u>		<u>60,497.03</u>
<b>Income received by Society</b>				
Sales to publisher		<u>51,516.02</u>		<u>46,147.41</u>
<b>EXPENDITURE</b>				
<b>Editorial Board</b>				
Administrative costs		806.09		562.88
<b>Production</b>				
Typesetting	12,223.35		11,205.80	
Editorial work	11,550.00		11,255.00	
Paper and Board	1,075.37		1,044.17	
Printing and binding	5,357.37		5,104.01	
		<u>30,206.09</u>		<u>28,608.98</u>
		<u>31,012.18</u>		<u>29,171.86</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>		<u>20,503.84</u>		<u>16,975.55</u>