

Scottish Charity Number SC000241

EDINBURGH MATHEMATICAL SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2010



EDINBURGH MATHEMATICAL SOCIETY

REFERENCE AND ADMINISTRATIVE INFORMATION

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

Trustees

Dr P Davies (President) (appointed 16 October 2009)
Professor R J Archbold (Vice-President) (appointed 16 October 2009)
Professor A M Davie (General Secretary) (appointed 16 October 2009)
Dr L Boulton (resigned 16 October 2009)
Dr J Farkas
Dr E Gasparim (Librarian)
Dr A D Gilbert (resigned 16 October 2009)
Professor I Gordon (Convener of the Editorial Board)
Professor D Higham
Dr G Hornig
Dr J Kedra
Dr A Konechny (appointed 16 October 2009)
Dr T Leinster (resigned 16 October 2009)
Professor T H Lenagan (Meetings Secretary)
Dr J D Mitchell
Dr R Paris
Dr D T Pritchard (appointed 16 October 2009)
Dr R J Steiner (Treasurer) (appointed 16 October 2009)
Dr S J Watson (appointed 16 October 2009)
Dr M A Youngson (resigned 16 October 2009)

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

Standard Life Bank
30 Lothian Road
Edinburgh EH1 2DH

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

Independent Examiners

Chiene + Tait
Chartered Accountants & Independent Examiners
61 Dublin Street
Edinburgh EH3 6NL

VAT registration number

GB 607 3627 45

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT *(cont'd)*

FOR THE YEAR ENDED 31 JULY 2010

The trustees present their report and financial statement for the year ending 31 July 2010.

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, all of whom are elected annually. 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 2009-10 are listed on the previous page. The members of the General Committee are elected annually at the Annual General Meeting of the Society which is held in October, only the Convener of the Editorial Board of the Proceedings of the EMS is appointed by the General Committee. 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 2009-10 the Society held eight regular meetings, each addressed by a prominent mathematician, and another meeting scheduled for April 2010 unfortunately had to be cancelled due to travel disruption. Details of the speakers for the Society meetings and the titles of their talks are given in the table below.

Date	Place	Speaker	Title
16/10/09	Edinburgh	Prof R J Archbold (Aberdeen) (Presidential Address)	Strength of convergence and improper actions of groups
13/11/09	Strathclyde	Prof S J Chapman (Oxford)	Kelly vs Markowitz: a comparison of alternative systems for maximising gain and minimising risk
11/12/09	Heriot-Watt	Prof C J K Batty (Oxford)	Functional calculus of unbounded operators
22/01/10	Edinburgh	Dr N Snaith (Bristol) (Popular Lecture)	Hollywood's Hippest Mathematics: random matrices and Riemann zeros
19/02/10	Edinburgh	Prof B Totaro (Cambridge)	The Hodge Conjecture

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (*cont'd*)

FOR THE YEAR ENDED 31 JULY 2010

Date	Place	Speaker	Title
19/03/10	Stirling	Prof O Diekmann (Utrecht)	On delay equations and population dynamics
21/05/10	St Andrews	Prof M Lackenby (Oxford)	Classifying knots via Reidemeister moves
18/06/10	Edinburgh	Prof H Nakajima (Kyoto) (LMS Hardy Lecturer)	Quiver varieties and cluster algebras

Proceedings of the Edinburgh Mathematical Society

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 a completely digitised archive of the Proceedings collections. A rolling of most recent 10 years is available to subscribers only and all issues before that period right back to 1883 are freely available.

Supporting joint initiatives

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	£230.12
European Mathematical Society	Corporate Membership Fee	£357.28
Scottish Mathematical Council	Donation	£100.00

The Society became a member of the Council for 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 covers the cost of sending a representative to CMS meetings. In this reporting period the Society also hosted the European Mathematical Society's Executive Committee (Edinburgh, 20-21 March 2010).

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.

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2010

Library

Most of the collections belonging to the Society are held in the James Clerk Maxwell 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 a state-of-the-art website. It allows 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.

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

	2008-09	2009-10
Research Support Fund	£16,000.0	£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 2009-10.

EDINBURGH MATHEMATICAL SOCIETY**TRUSTEES' REPORT** *(cont'd)***FOR THE YEAR ENDED 31 JULY 2010****Research Support Fund grants paid in 2009-10:**

Applicant	Purpose	Amount
S White (Glasgow)	Visit of E Christensen	£234.58
A Ranicki (Edinburgh)	Atiyah80 - Geometry and Physics	£1000.00
I Gyongy (Edinburgh)	Visit of N Krylov	£600.00
N Bez (Glasgow)	Visit of S Valdimarsson	£397.78
I Strachan (Glasgow)	Visit of M Blaszak	£850.00
D Alekseevsky (Edinburgh)	Visit of A Arvanitoyeorgos	£390.00
C Campbell (St Andrews)	Groups St Andrews 2009 in Bath	£1000.00
A Duncan (Newcastle)	North British Geometric Group Theory Seminar	£750.00
S Malham (Heriot-Watt)	Visits of K Ebrahimi-Fard, A Lundervold and H Munthe-Kaas	£532.19
E Gasparim (Edinburgh)	Visit of W Lowen	£445.82
X Mao (Strathclyde)	Visit of G Yin	£420.00
A Carbery (Heriot-Watt)	Conference on Operators and Operator Algebras	£1000.00
T Gadir (Glasgow)	CALF meeting	£782.49
M Bees (Glasgow)	Workshop on Individual and Collective Fluid Mechanics of Swimming Organisms	£1000.00
R Simitev (Glasgow)	Visit of N Busse	£447.51
S Dendinos (Glasgow)	Visit of B Stovall	£600.00

Contributions to other bodies paid in 2009-10:

Body	Purpose	Amount
European Mathematical Society	Corporate membership fee	£357.28
Scottish Mathematical Council	Affiliation fee	£100.00
Joint Mathematical Council	Affiliation fee and donation	£60.00
Society of Friends of Oberwolfach	Donation	£230.12

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2010

Education Fund grants paid in 2009-10:

Applicant	Purpose	Amount
Scottish Mathematical Council	Mathematical Challenge (previous year)	£800.00
L O'Carroll (University of Edinburgh)	Advanced Higher and Higher Mathematics Revision Sessions	£500.00
A Davie (University of Edinburgh)	Royal Institution Mathematics Masterclasses	£350.00
J Wilson (Greenfaulds High School)	Higher Mathematics Study Weekend	£500.00
F Withey (Stirling High School)	Mathematics Masterclasses	£450.00
P Batty (Brae High School)	P7 Mathematics Fun Day	£450.00
J Muir (Kirkland High School)	Primary Mathematics Challenge Team Competition	£440.00
T McNutt (Arbroath Academy)	Scale Model of School Project	£450.00
M Lees (Abronhill High School)	Higher Study Weekend	£500.00
M Dorris (Taylor High School)	Mathematics Camp	£500.00
J Noon (Larbert High School)	Advanced Higher Mathematics Revision Masterclass	£300.00
J Campbell (Farr High School)	National Enterprise Mathematics Competition	£250.00
A Macdonald (St Aidan's High School)	Higher and Advanced Higher Study Weekend	£500.00
G McKelvie (St Mungo's Academy)	Lunchtime Thinking Skills Club	£350.00
R Kearsey (Bannockburn High School)	Mathematics Games and Problem Solving Club	£275.00
C Leiper (Lesmahagow High School)	Primary Mathematics Challenge	£150.00
B Richardson (Scottish Mathematical Council)	Advanced Higher Prizes	£400.00
B Richardson (Scottish Mathematical Council)	Mathematical Challenge	£800.00
J Scott (Holy Cross High School)	Primary Mathematics Challenge	£100.00
A Thompson (Dornoch Academy)	Highland Senior Mathematics Weekend	£450.00
J Campbell (Farr High School)	Lagganlia Senior Mathematics Weekend	£100.00
A Inglis (University of Edinburgh)	Mathematics Masterclass June Celebration Day	£205.00

St Andrews Fund grant paid in 2009-10:

A meeting for postgraduate students was held at the Burn, near Edzell, from 1st to 3rd June 2010. From those who applied, 14 students from four Scottish universities were allocated places. The evident continuing success of this event bodes well for the continued health of Scottish mathematics.

The Burn Conference 2010	£1000
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Special grants paid in 2009-10:

ICMS Research in Groups	£783.47
British Mathematical Colloquium	£750.00
British Applied Mathematics Colloquium	£750.00
European Mathematical Society Executive Committee Meeting	£380.00

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT *(cont'd)*

FOR THE YEAR ENDED 31 JULY 2010

Whittaker prize

In this reporting period the Whittaker prize has been awarded to Prof A Smoktunowicz (Edinburgh University).

Whittaker prize	£500
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Grant Rebates

F Withey	Stirling High School	£20.01
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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 employ the services of a part-time Secretary in the School of Mathematics. This year the Society also employed the part-time services of a Secretary in the Department of Mathematics at the University of Glasgow.

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 £107,000 and expenditure was £67,000 and at the end of the year the Society's assets were £304,000.

The Society received a major donation of £31,000 from the International Congress of Mathematicians (Edinburgh) Fund. This fund, formerly held by the Royal Society of Edinburgh, has been closed, and the balance has been transferred to the Society.

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 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 Society's investments showed a slight increase in value. With low interest rates and volatile stock markets, it has been difficult to find suitable investments, but the Society has invested £16,000 in Government stock.

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.

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT *(cont'd)*

FOR THE YEAR ENDED 31 JULY 2010

Plans for future periods

The speakers and dates for the Society's eight meetings in 2010-11 have already been confirmed.

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' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The 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 state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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

Professor A M Davie
General Secretary

_____ 2010



**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 2010 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 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 Charity and the trustees, as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

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

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts.

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 Act and Regulation 4 of the Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 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 accounts to be reached.

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

_____ 2010

EDINBURGH MATHEMATICAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2010

	General Unrestricted Fund	Designated Funds	2010 Total	2009 Total
	£	£	£	£
Incoming resources				
Incoming resources from generated funds:				
Voluntary income	31,231.89	-	31,231.89	322.00
Investment income	568.12	6,849.84	7,417.96	8,760.69
Incoming resources from charitable activities:				
Publisher: proceedings income	63,386.02	-	63,386.02	52,485.84
Members' subscriptions	4,780.00	-	4,780.00	4,756.00
Total incoming resources	99,966.03	6,849.84	106,815.87	66,324.53
Resources expended				
Charitable activities:				
Proceedings	33,471.10	-	33,471.10	33,380.95
Meetings and lectures	2,149.80	-	2,149.80	2,778.42
Seminars and conferences	-	1,000.00	1,000.00	2,109.01
Grants, awards and prizes	-	22,433.84	22,433.84	18,346.24
Digitisation of PEMS	-	-	-	6,114.35
Subscriptions and donations	747.40	-	747.40	651.85
Management and administration	5,971.33	-	5,971.33	5,175.83
	42,339.63	23,433.84	65,773.47	68,556.65
Governance costs	1,210.00	-	1,210.00	1,155.00
Total resources expended	43,549.63	23,433.84	66,983.47	69,711.65
Net incoming/(outgoing) resources before transfers	56,416.40	(16,584.00)	39,832.40	(3,387.12)
Transfers between funds	(11,761.42)	11,761.42	-	-
Net incoming/(outgoing) resources before other recognised gains and losses	44,654.98	(4,822.58)	39,832.40	(3,387.12)
Realised gain on investments	-	-	-	132.20
Unrealised gains/(loss) on revaluation of investments	-	19,669.55	19,669.55	(20,680.32)
Net movement in funds	44,654.98	14,846.97	59,501.95	(23,935.24)
Total funds brought forward	57,684.31	186,830.74	244,515.05	268,450.29
Total funds carried forward	102,339.29	201,677.71	304,017.00	244,515.05

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

EDINBURGH MATHEMATICAL SOCIETY

BALANCE SHEET

FOR THE YEAR ENDED 31 JULY 2010

	Notes	2010	2009
		£	£
Fixed assets			
Investments	9	201,677.71	186,830.74
Current assets			
Debtors	10	2,786.88	2,912.63
Cash at bank and in hand	11	100,762.41	55,926.68
		<u>103,549.29</u>	<u>58,839.31</u>
Creditors: amounts falling due within one year	12	<u>1,210.00</u>	<u>1,155.00</u>
Net current assets		102,339.29	57,684.31
Net assets		<u>304,017.00</u>	<u>244,515.05</u>

The funds of the charity:-

Unrestricted funds

General fund	13	102,339.29	57,684.31
Designated funds	13	201,677.71	186,830.74
		<u>304,017.00</u>	<u>244,515.05</u>

The financial statements were approved by the trustees on _____ 2010 and are signed on their behalf by:-

Dr P Davies
President

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 2010

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 gross of any bank charges, which have been analysed separately.

EDINBURGH MATHEMATICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE YEAR ENDED 31 JULY 2010

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 £1,766.02 (2009: £1,488.84).

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 (2009: £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 of £80 each.

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:-	2010 £	2009 £
Independent examiner's remuneration – examination of financial statements	1210.00	1,155.00
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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 2010

9. Investments	Holding	Valuation	2010	2009
		£	£	£
Government Stock: Conventional				
5% Treasury Stock 2012	2,883.97	3,077.77		3,089.02
8% Treasury Stock 2013	1,735.52	2,090.43		2,085.57
8% Treasury Stock 2021	3582.12	5,079.09		-
		<hr/>	10,247.29	<hr/> 5,174.59
Government Stock: Index-linked				
2½% IL Treasury Stock 2011	2,000.00	6,178.80		5,925.80
2½% IL Treasury Stock 2013	6,122.07	16,914.67		15,278.24
2½% IL Treasury Stock 2020	4,275.70	13,199.09		12,160.95
2½% IL Treasury Stock 2024	4,888.39	13,092.09		6,642.08
1¼% IL Treasury Stock 2027	4,165.25	4,275.63		-
		<hr/>	53,660.28	<hr/> 40,007.07
Unit Trusts, OEICs and Investment Trusts				
M&G Charifund	4,457.00	47,442.98		42,195.31
M&G Dividend A	21,748.00	10,436.87		9,262.47
New Star Equity Income	30,577.56	10,738.84		9,907.83
Invesco Perpetual High Income (Inc)	4,947.91	14,158.94		12,718.11
Invesco Perpetual High Income (Acc)	6,678.28	28,974.39		24,966.08
Invesco Perpetual UK Growth (Acc)	6,468.93	18,384.70		16,162.62
British Assets Trust	6,469.00	7,633.42		6,436.66
		<hr/>	137,770.14	<hr/> 121,649.08
Standard Life Bonds				
5.35% August 2009	10,000.00	-		10,000.00
6.25% September 2009	10,000.00	-		10,000.00
		<hr/>	-	<hr/> 20,000.00
Total investments			<hr/> 201,677.71	<hr/> 186,830.74
Valuation at 31 July 2009				186,830.74
Addition of Investments				15,177.42
Disposal of investments				(20,000.00)
				<hr/> 182,008.16
Realised gain on investments				-
Unrealised gain on revaluation of investments				19,669.55
				<hr/> 201,677.71
Valuation at 31 July 2010				<hr/> 201,677.71

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 2010

10. Debtors	2010	2009
	£	£
VAT recoverable	2,786.88	2,912.63
	<u> </u>	<u> </u>
11. Cash at bank and in hand	2010	2009
	£	£
Royal Bank of Scotland	1,253.90	1,825.78
Bank of Scotland	66,424.29	22,473.23
Standard Life Bank: direct access	21,452.36	20,241.59
Standard Life Bank: 60 day notice	11,631.86	11,386.08
	<u> </u>	<u> </u>
	100,762.41	55,926.68
	<u> </u>	<u> </u>
12. Creditors: Amounts falling due within one year	2010	2009
	£	£
Accruals	1,210.00	1,155.00
	<u> </u>	<u> </u>
13. Funds		

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.-

	Balance	Net		Investment	Balance
	1 August	incoming/		Gains	31 July
	2009	(outgoing)	Transfers		2010
	£	£	£	£	£
Unrestricted funds					
General fund	57,684.31	56,416.40	(11,761.42)	-	102,339.29
	<u> </u>				
Designated funds					
Grants and Awards Fund	83,415.37	(18,508.92)	16,097.63	9,834.78	90,838.86
Whittaker Prize Fund	10,000.00	(500.00)	500.00	-	10,000.00
St. Andrews Fund	10,000.00	(1,000.00)	1,000.00	-	10,000.00
Strategic Reserves Fund	83,415.37	3,424.92	(5,836.21)	9,834.77	90,838.85
	<u> </u>				
	186,830.74	(16,584.00)	11,761.42	19,669.55	201,677.71
	<u> </u>				

EDINBURGH MATHEMATICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

FOR THE YEAR ENDED 31 JULY 2010

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	-	102,339.29	102,339.29
Designated funds	201,677.71	-	201,677.71
	<u>201,677.71</u>	<u>102,339.29</u>	<u>304,017.00</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 £10,000 each. 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 2010

	2010		2009	
	£	£	£	£
Proceedings				
Typesetting, printing and binding	20,216.14		19,611.99	
Paper and Board	-		1,075.37	
Editorial work	12,187.50		11,887.50	
Administrative costs	1,067.46		806.09	
	<hr/>		<hr/>	
		33,471.10		33,380.95
Meetings and lectures				
Speakers' expenses	1,044.68		1,484.48	
Accommodation costs	130.00		504.00	
President's expenses	975.12		789.94	
	<hr/>		<hr/>	
		2,149.80		2,778.42
Seminars and conferences				
Postgraduate meeting	1,000.00		2,109.01	
	<hr/>		<hr/>	
		1,000.00		2,109.01
Grants, awards and prizes				
Research Support Fund	10,450.37		10,831.76	
Education Fund	8,820.00		6,813.00	
Special Grants	2,663.47		701.48	
Whittaker Prize	500.00			
	<hr/>		<hr/>	
		22,433.84		18,346.24
Digitalisation of PEMS				
		-		6,114.35
Subscriptions and donations				
European Mathematical Society	357.28		366.87	
Scottish Mathematical Council	100.00		-	
Joint Mathematical Council	60.00		60.00	
Society of Friends of Oberwolfach	230.12		224.98	
	<hr/>		<hr/>	
		747.40		651.85
Management and administration				
Secretarial services	2,490.74		1,880.88	
Work on database/logo/website/posters	632.93		765.08	
Printing, photocopying, postage, etc	232.63		362.51	
Expenses of trustees on Society business	790.90		698.90	
Expenses of members on Society business	1,121.69		1,190.70	
Bank charges	237.98		235.91	
Investment commission	108.16		41.85	
Professional Fees	356.30		-	
	<hr/>		<hr/>	
		5,971.33		5,175.83
Governance costs				
Independent examiner's fee	1,210.00		1,155.00	
	<hr/>		<hr/>	
		1,210.00		1,155.00
		<hr/>		<hr/>
		66,983.47		69,711.65
		<hr/> <hr/>		<hr/> <hr/>

EDINBURGH MATHEMATICAL SOCIETY

SUPPLEMENTARY INFORMATION – ANALYSIS OF PROCEEDINGS BY VOLUME

FOR THE YEAR ENDED 31 JULY 2010

	£	Volume 52 2009 £	£	Volume 51 2008 £
INCOME				
Income received by Publisher				
Publishers sales				
Subscription income	75,591.03		68,588.73	
Other income	2,303.19		362.68	
		<u>77,894.22</u>		<u>68,951.41</u>
Income received by Society				
Sales to publisher		<u>62,169.54</u>		<u>51,516.02</u>
EXPENDITURE				
Editorial Board				
Administrative costs		1,067.46		806.09
Production				
Typesetting	17,791.65		12,223.35	
Editorial work	12,000.00		11,550.00	
Paper and Board	-		1,075.37	
Printing and binding	5,439.95		5,357.37	
		<u>35,231.60</u>		<u>30,206.09</u>
		<u>36,299.06</u>		<u>31,012.18</u>
SURPLUS OF INCOME OVER EXPENDITURE				
		<u>25,870.48</u>		<u>20,503.84</u>