

**EDINBURGH MATHEMATICAL SOCIETY**  
**REPORT and FINANCIAL STATEMENTS**  
**For the Period Ended 31 July 2005**

# EDINBURGH MATHEMATICAL SOCIETY

## REFERENCE and ADMINISTRATIVE INFORMATION

### Trustees

Dr M A Bees  
Dr C M Campbell (Vice-President)  
Dr A D Gilbert (General Secretary)  
Professor T NT Goodman  
Professor I J Gyongy (Librarian)  
Dr J Illian  
Professor T H Lenagan (Meetings Secretary)  
Dr D R McLean  
Dr A J Mulholland  
Dr J J O'Connor  
Dr K Painter  
Dr D Roberts  
Professor P Rowlinson (President)  
Dr B P Rynne (Convenor of the Editorial Board)  
Professor M Weiss  
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

### Independent examiners

Chiene & Tait, CA  
61 Dublin Street  
Edinburgh  
EH3 6NL

### 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

### Charity registration number

SC000241

### Website

<http://www.maths.ed.ac.uk/~ems>

# EDINBURGH MATHEMATICAL SOCIETY

## TRUSTEES' REPORT

### For the period ended 31 July 2005

The trustees present their report and the financial statements for the period ended 31 July 2005.

#### **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 purpose of charities legislation the trustees of the Society are precisely the members of General Committee. The members for 2004-05 are listed on page one. 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.

#### **Activities**

In 2004-05 the Society held eight regular meetings, each addressed by a prominent mathematician. Details of the speakers and the titles of their talks are set out below:-

Date	Place	Speaker	Title
15/10/04	Edinburgh	Prof. J. Roe, Penn State	Manifolds of bounded geometry
12/11/04	Strathclyde	Prof. I. Graham, Bath	Boundary element methods : analysis of accuracy & complexity
10/12/04	Napier	Prof. P. Graves-Morris, Bradford	The parameterisation of resonances
21/01/05	Edinburgh	Prof. E. Zuazua, Madrid	Control : theory & numerics
18/02/05	Edinburgh	Prof. B. Green, Cambridge	Linear equations in the primes : recent progress and future prospects
18/03/05	Aberdeen	Prof. M. Reid, Warwick	Dyptych varieties and CC* covers of Mori flips of type A
29/04/05	Stirling	Prof. J. Keating, Bristol	Random Matrix Theory and the Riemann Zeta Function
20/05/05	St. Andrews	Prof. M. Pollicott, Manchester	Guessing the size of fractal sets

The *Proceedings of the Edinburgh Mathematical Society* has been published by the Society since 1884. 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. Three new subject editors have recently been appointed and a review of the production process is under way following a survey of the Society's risks undertaken earlier this year.

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, further details of which are given below. It also joins with other societies in supporting various joint initiatives at national and international level through subscriptions, donations and representation on committees.

# EDINBURGH MATHEMATICAL SOCIETY

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

### For the period ended 31 July 2005

A meeting for postgraduate students was held at the Burn, near Edzell, from 10 to 12 May: This was oversubscribed and another similar meeting will be held next year. The success of this event bodes well for the continued health of Scottish mathematics.

The St Andrews Colloquium is a Society tradition. It is a conference held every few years in St Andrews, noted for its relaxed atmosphere, with several series of lectures by distinguished speaker. The 2003 Colloquium was on the theme *Analysis and Probability on Fractals* and was run in parallel with a London Mathematical Society/Engineering and Physical Sciences Research Council Short Instructional Course for postgraduates. The next Colloquium is planned to be in 2007 on an algebra theme.

The Society supports other mathematical organisations through means of subscriptions and donations. Details are set out below:-

Applicant	Purpose	£
Joint Mathematical Council	Affiliation Fee and donation	50
Scottish Mathematical Council	Affiliation Fee	50
Society of Friends of Oberwolfach	Donation	195
European Mathematical Society	Corporate Membership Fee	263.6

### *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 for up to three years 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. During 2004, some older book and journals, which had previously been moved to the Main Library, were transferred to CASS (Collaborative Academic Store for Scotland) which is located in the Causewayside Building of the National Library of Scotland. This was done with the full agreement of the Society. The 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.

### *Grants*

The Society has two schemes for awarding grants: **Research Support Fund** and **Education Fund**.

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.

Education Fund supports educational activities of a mathematical nature at both school and university level. At school level it is advertised as *Schools Enrichment Fund*. Like the Research Support Fund, applications may be made to Education Committee, but additionally Education Committee actively seeks out projects worthy of support and may organise activities itself such as the recent series of postgraduate meetings arranged jointly with the International Centre for Mathematical Sciences in Edinburgh.

**EDINBURGH MATHEMATICAL SOCIETY**

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

**For the period ended 31 July 2005**

In addition to the Research Support Fund and Education Fund schemes, 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 and Education Fund for this year and next year are set out below:-

	<b>2004-05</b> £	<b>2005-06</b> £
Research Support Fund	13,000	13,000
Education Fund	5,000	5,200

The details of grants awarded this year are set out below:

Research Support Fund grants paid in 2004-05.

<b>Applicant</b>	<b>Purpose</b>	<b>£</b>
S. Foss (Heriot-Watt)	Visit of A Borovkov	600
B Schroers (Heriot-Watt)	Visit of J. Barrett	400
A Mason (Glasgow)	Visit of P Zalesski	700
A Sinclair (Edinburgh)	Visit of K Dykema	180
S Pride (Glasgow)	Visit of V Guba	850
S Kristensen (Edinburgh)	Northern Arithmetic Day	150
T Lenagan (Edinburgh)	Visit of A Smoktunowicz	450
I Gordon (Glasgow)	Visit of C Dezelee	300
X Mao (Strathclyde)	Visit of T Caraballo	350
D. Duncan (Heriot-Watt)	Scottish Computational Mathematics Symposium	216.45
C Campbell (St Andrews)	Groups, St Andrews, 2005	500
K Brown (Glasgow)	Visit of K Arkadov	214
J.C. Eilbeck/R. Weston (Heriot-Watt)	Visit of V. Korepin	248.46
G Hall (Aberdeen)	Visit of A Garcia-Parrado	300
M Chaplain (Dundee)	International Meeting on Mathematical Biology and Applied Analysis	500
J. Hubbuck (Aberdeen)	Pure and Applied Algebraic Topology Conference	750
C. Smyth (Edinburgh)	Visit of D. Boyd	1,000

Education Fund Grants paid in 2004-05.

<b>Applicant</b>	<b>Purpose</b>	<b>£</b>
C G Bell Scottish Mathematical Council	Mathematical Challenge schools competition: annual grant each year until further notice	800
W P Richardson Scottish Qualifications Authority	Advanced Higher Mathematics prizes: annual grant each year until further notice	300
V Ellins Setpoint Scotland North	Royal Institution Mathematics Masterclass Series for Young People	360
R Forrester University of Edinburgh	Mathematics Teaching Conference 2004	500
J Urquhart The Waid Academy, Anstruther	Primary Maths Roadshow	440
D Martin Harris Academy, Dundee	Number Partners	500
J Lamont Aberdeen City Council	Primary Enterprising Mathematics Challenge	280
N Armstrong Lesmahagow High School	Primary Maths Challenge	60

In addition the Education Fund provided £494.99 to support four Postgraduate meetings held at ICMS.

# EDINBURGH MATHEMATICAL SOCIETY

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

### For the period ended 31 July 2005

Special Grants paid in 2004-05.

BCME 6	£500
BMC/BAMC 2005	£500

#### ***Whittaker Prize***

The Society's Whittaker Prize was founded with the support of the Whittaker family in memory of Sir Edmund Whittaker, Professor of Mathematics at the University of Edinburgh from 1912 to 1946, who contributed greatly to the development of mathematics in Scotland. The prize is awarded every four years to an outstanding young mathematician who is a graduate of, or has worked in, a Scottish university. In 2005 the prize was awarded to Dr Tom Bridgeland of the University of Sheffield.

#### ***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 other than 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.

Increasing workloads and shortages of resources within universities mean however that members of the Society are less able to give freely of their time, and universities are less able to offer assistance, than used to be the case. It is therefore increasingly necessary for the Society to pay for services that it might previously have been able to obtain free of charge. Last year the Society made a major change by transferring much of the editorial work for the *Proceedings* from a voluntary Managing Editor to a paid contract with the International Centre for Mathematical Sciences in Edinburgh. This year Chiene & Tait were appointed as auditors. Their professional services replace those previously undertaken by members of the Society.

#### **Financial review**

The headlines this year are that in round figures income was £50,500; expenditure £49,500; the surplus before gains on investments was £1,000; and at the end of the year the Society's assets were £248,900.

This follows the trend established last year after a period of unexpectedly large surpluses. It is appropriate that these surpluses should be actively deployed primarily to support the mathematical community but it may also be needed to provide appropriate assistance with the running of the Society. Last year was the first year there was significant expenditure on editing the *Proceedings* as a result of the International Centre for Mathematical Sciences in Edinburgh taking over the work formerly undertaken on a voluntary basis by the Society's Managing Editor. This expenditure is expected to continue annually. This year a new item on the expenditure side is the professional fees arising from the need for the Society to keep on top of its responsibilities to comply with the laws on charities and VAT. Controlled deficits may therefore become a feature of the next few years.

The Society's investments increased in value during the course of the year as did the stock market in general. In line with a policy of an expected controlled deficit, the Investment Committee deliberately made no new investments and redeemed one Government Stock valued at just under £2,000. A range of 12 and 18 month bonds available from Standard Life Bank was used as a home for cash not immediately required. One bond of £5,000 was not reinvested on maturity in the year.

The number of grant applications received this year was encouraging and resulted in the large number of grant awards listed above. However the budgets for Research Support Fund and Education Fund were still underspent and therefore more high quality grant applications would definitely be welcome.

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

The lectures for the year 2005/06 have already been planned.

# **EDINBURGH MATHEMATICAL SOCIETY**

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

### **For the period ended 31 July 2005**

#### **Risk management**

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

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

The Society's Constitution and Rules 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 at the end of the financial year and of its surplus or deficit for the year. In preparing those financial statements, the trustees are required to:-

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society. They 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 A D Gilbert**  
General Secretary

\_\_\_\_\_ 2005

**INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES  
ON THE UNAUDITED FINANCIAL STATEMENTS OF EDINBURGH MATHEMATICAL SOCIETY**

We report on the financial statements for the period ended 31 July 2005 set out on pages 8 to 14.

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

**Respective responsibilities of trustees and independent examiners**

As described on page 6 the trustees are responsible for the preparation of the financial statements and they consider that the Charity is exempt from an audit.

In accordance with their instructions and in order to assist them to fulfil their responsibilities, we have prepared the financial statements on pages 8 to 14 from the accounting records and from the information and explanations supplied to us.

We have carried out this engagement in accordance with best practice guidance issued by the Institute of Chartered Accountants of Scotland and have complied with the ethical guidance laid down by the Institute relating to members undertaking the preparation of accounts.

In addition to the above it is our responsibility to examine the financial statements, and based on our examination, report our opinion as set out below.

**Basis of opinion**

We have carried out such investigations as were necessary to enable us to form an opinion as to whether proper accounting records adequate for the purposes of the Charity have been kept and the financial statements of the Charity were in accordance with the accounting records.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the financial statements.

**Opinion**

In our opinion, according to the best of our knowledge and belief and in accordance with the information and explanations given to us:

- (a) the financial statements have been properly prepared and are in agreement with the accounting records kept by the Charity under section 4 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990.
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - i. the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 5 of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990, the Charities Accounts (Scotland) Regulations 1992 and the Charity's Constitution and Rules.
  - ii. The Charity satisfied the conditions for exemption from an audit of the financial statements as specified in section 8 of the Charities Accounts (Scotland) Regulations 1992.

**CHIENE & TAIT, CA  
61 Dublin Street  
Edinburgh  
EH3 6NL**

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2005

EDINBURGH MATHEMATICAL SOCIETY

STATEMENT of FINANCIAL ACTIVITIES  
(Incorporating Income and Expenditure Account)

For the period ended 31 July 2005

	General Unrestricted Fund	Designated Funds	Period Ended 31.7.2005 Total	Year Ended 31.8.2004 Total (Restated)
	£	£	£	£
<b>Incoming resources</b>				
Incoming resources from generated funds:				
Voluntary income	1,122.00	-	1,122.00	1,194.85
Investment income	1,053.04	5,612.42	6,665.46	7,488.87
Incoming resources from charitable activities:				
Publisher: proceedings income	38,207.46	-	38,207.46	30,912.62
Members' subscriptions	4,537.00	-	4,537.00	3,707.00
<b>Total incoming resources</b>	<u>44,919.50</u>	<u>5,612.42</u>	<u>50,531.92</u>	<u>43,303.34</u>
<b>Resources expended</b>				
Charitable activities:				
Proceedings	28,016.55	-	28,016.55	27,135.56
Meetings and lectures	2,328.03	-	2,328.03	2,343.64
Seminars and conferences	-	2,361.70	2,361.70	-
Grants, awards and prizes	-	12,443.90	12,443.90	12,112.95
Subscriptions and donations	955.68	-	955.68	904.33
Management and administration	648.77	-	648.77	2,014.25
	<u>31,949.03</u>	<u>14,805.60</u>	<u>46,754.63</u>	<u>44,510.73</u>
Governance costs	2,785.00	-	2,785.00	-
<b>Total resources expended</b>	<u>34,734.03</u>	<u>14,805.60</u>	<u>49,539.63</u>	<u>44,510.73</u>
<b>Net incoming/(outgoing) resources before transfers</b>	10,185.47	(9,193.18)	992.29	(1,207.39)
Transfers between funds	6,291.80	(6,291.80)	-	-
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>	16,477.27	(15,484.98)	992.29	(1,027.39)
Realised loss on investments	-	(55.08)	(55.08)	-
Unrealised gains on revaluation of investments	-	25,434.55	25,434.55	10,595.95
<b>Net movement in funds</b>	16,477.27	9,894.49	26,371.76	9,388.56
Total funds brought forward	24,766.00	197,770.32	222,536.32	213,147.76
<b>Total funds carried forward</b>	<u><u>41,243.27</u></u>	<u><u>207,664.81</u></u>	<u><u>248,908.08</u></u>	<u><u>222,536.32</u></u>

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

All incoming resources and resources expended derive from continuing activities.

**EDINBURGH MATHEMATICAL SOCIETY****BALANCE SHEET****As at 31 July 2005**

	Notes	31 July 2005 £	31 August 2004 (Restated) £
<b>Fixed assets</b>			
Investments	8	207,664.81	189,127.35
<b>Current assets</b>			
Debtors	9	1,279.29	-
Cash at bank and in hand	10	48,386.87	33,408.97
		<u>49,666.16</u>	<u>33,408.97</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>8,422.89</u>	-
<b>Net current assets</b>		41,243.27	33,408.97
<b>Net assets</b>		<u>248,908.08</u>	<u>222,536.32</u>
<b>The funds of the charity:</b>			
<b>Unrestricted funds</b>			
General fund	12	41,243.27	24,766.00
Designated funds	12	207,664.81	197,770.32
		<u>248,908.08</u>	<u>222,536.32</u>

The financial statements were approved by the Trustees on their behalf by:-

2005 and are signed on

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**Professor P Rowlinson**  
President

For the period ended 31 July 2005

**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) and the Society's Constitution and Rules.

**Change in presentation of financial information**

As a consequence of the adoption of the revised SORP 2005, the comparative figures for the prior period have been restated in accordance with the revised structure and format for the Statement of Financial Activities and the Balance Sheet.

**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 credited to the Income and Expenditure Account in the period in which they are 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. Expenditure on the governance of the Society, including independent examination and professional advice, is analysed to the governance costs category.

**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 shown as income in the Income and Expenditure Account.

**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 Income and Expenditure Account 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 after deduction of any bank charges.

**For the period ended 31 July 2005**

**2. Proceedings**

The Income and Expenditure Account 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 16. 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 and other trustees entertaining speakers or guests of the Society. The total reimbursement of expenses paid to trustees was £1,298.87.

**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 was £1,000. 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 a total value of £300 ranging from £25 to £120. These were the only awards made to individuals in the current period.

**6. Net incoming resources**

This is stated after charging:

	2005	2004
	£	£
Independent examiners' remuneration - examination of financial statements	1,300.00	-
- other services	1,805.00	-
	<u>          </u>	<u>          </u>

**7. 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 period ended 31 July 2005**

<b>8. Investments</b>	<b>Holding</b>	<b>Valuation</b>	<b>2005</b>	<b>2004</b>
	£	£	£	£
Government Stock: Conventional				
9½% Conversion Stock 2005	-	-		1,897.09
5% Treasury Stock 2008	1,909.11	1,948.25		1,918.27
9% Treasury Stock 2008	1,476.87	1,684.07		1,697.51
5% Treasury Stock 2012	2,883.97	3,005.96		2,897.52
		<hr/>	6,638.28	<hr/> 8,410.39
Government Stock: Index-linked				
2% IL Treasury Stock 2006	5,757.37	15,724.53		15,360.09
2½% IL Treasury Stock 2009	2,475.14	6,135.87		5,940.83
2½% IL Treasury Stock 2011	2,000.00	5,310.60		5,105.00
2½% IL Treasury Stock 2020	4,275.70	10,845.74		10,257.83
		<hr/>	38,016.74	<hr/> 36,663.75
Unit Trusts, OEICs and Investment Trusts				
M&G Charifund	4,457.00	58,399.18		49,311.36
M&G Dividend A	21,748.00	11,983.15		10,256.36
New Star Equity Income	11,390.93	15,665.95		13,252.21
Invesco Perpetual High Income (Inc)	4,947.91	12,269.83		10,141.24
Invesco Perpetual High Income (Acc)	6,678.28	20,826.22		16,684.35
Invesco Perpetual UK Growth (Acc)	6,468.93	17,973.28		15,181.28
British Assets Trust	6,469.00	7,892.18		6,226.41
		<hr/>	145,009.79	<hr/> 121,053.21
Standard Life Bonds				
4.8% June 2006	8,000.00	8,000.00		-
5% February 2006	10,000.00	10,000.00		-
4.75% July 2005	-	-		8,000.00
4.05% March 2005	-	-		10,000.00
4% November 2004	-	-		5,000.00
		<hr/>	18,000.00	<hr/> 23,000.00
<b>Total Investments</b>			<hr/> <hr/> 207,664.81	<hr/> <hr/> 189,127.35
Valuation at 31 August 2004				
Valuation at 31 August 2004				189,127.35
Additions				-
Proceeds on redemption				(6,842.01)
				<hr/> 182,285.34
Realised loss on sale of investments				(55.08)
Unrealised gain on revaluation of investments				25,434.55
				<hr/> 207,664.81
<b>Valuation at 31 July 2005</b>				<hr/> <hr/> 207,664.81

The Society's investments are in general long term investments and during the course of the year only one Standard Life bond and one government stock were redeemed. Two Standard Life Bonds were reinvested but no other investments were made.

EDINBURGH MATHEMATICAL SOCIETY

NOTES to the FINANCIAL STATEMENTS (cont'd)

For the period ended 31 July 2005

<b>9. Debtors</b>	<b>2005</b>	<b>2004</b>
	£	£
VAT recoverable	1,279.29	-
	<u>          </u>	<u>          </u>

<b>10. Cash at bank and in hand</b>	<b>2005</b>	<b>2004</b>
	£	£
Royal Bank of Scotland	1,144.12	1,195.78
Bank of Scotland	21,305.19	6,072.03
Standard Life Bank: direct access	16,322.06	16,860.82
Standard Life Bank: 60 day notice	9,615.50	9,280.34
	<u>          </u>	<u>          </u>
	<u>48,386.87</u>	<u>33,408.97</u>

<b>11. Creditors: Amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	£	£
Accruals	8,422.89	-
	<u>          </u>	<u>          </u>

**12. 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 1 September 2004 £	Net Incoming/ (Outgoing) Resources £	Transfers £	Revaluation Gains £	Balance 31 July 2005 £
<b>Unrestricted funds</b>					
General fund	24,766.00	10,185.47	6,291.80	-	41,243.27
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Designated funds</b>					
Grants and Awards Fund	94,517.00	(9,193.18)	(7,388.80)	16,897.38	94,832.40
Whittaker Prize Fund	8,250.00	-	(250.00)	-	8,000.00
St Andrews Colloquium Fund	8,653.00	-	1,347.00	-	10,000.00
Strategic Reserves Fund	86,350.32	-	-	8,482.09	94,832.41
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>197,770.32</u>	<u>(9,193.18)</u>	<u>(6,291.80)</u>	<u>25,379.47</u>	<u>207,664.81</u>

**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 Colloquium Fund** - this fund is reserves held to cover the potential liabilities that arise each time the Society organises a St Andrews Colloquium.

**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.

**EDINBURGH MATHEMATICAL SOCIETY**

**NOTES to the FINANCIAL STATEMENTS** (*cont'd*)

**For the period ended 31 July 2005**

**13. Analysis of net assets between funds**

	<b>Investments</b>	<b>Net Current Assets</b>	<b>Total</b>
	£	£	£
General funds	-	41,243.27	41,243.27
Designated funds	207,664.81	-	207,664.81
	<u>207,664.81</u>	<u>41,243.27</u>	<u>248,908.08</u>
	<u><u>207,664.81</u></u>	<u><u>41,243.27</u></u>	<u><u>248,908.08</u></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 Colloquium fund are assigned the two Standard Life bonds. The remaining investment assets are equally divided (to the nearest penny) between the Grants and Awards fund and the Strategic Reserves fund. The excess of income over expenditure and the redemption of the bond and government stock led to an increase in the value of the general fund. However, good performance of the investments led to a general increase in fund values.

## ANALYSIS OF EXPENDITURE

	Period Ended 31 July 2005		Year Ended 31 August 2004 (Restated)	
	£	£	£	£
<b>Proceedings</b>				
Typesetting, printing and binding	21,484.36		18,869.43	
Editorial work	6,000.00		7,750.00	
Administrative costs	532.19		516.13	
		28,016.55		27,135.56
<b>Meetings and lectures</b>				
Speakers' expenses	1,110.01		2,084.15	
Accommodation costs	291.65		-	
President's expenses	926.37		-	
Administrative costs	-		259.49	
		2,328.03		2,343.64
<b>Seminars and conferences</b>				
Postgraduate - meeting costs	2,361.70		-	
		2,361.70		-
<b>Grants, awards and prizes</b>				
Research Support Fund	7,708.91		7,607.95	
Education Fund	3,734.99		3,755.00	
Special Grants	1,000.00		750.00	
		12,443.90		12,112.95
<b>Subscriptions and donations</b>				
European Mathematical Society	660.68		616.58	
Scottish Mathematical Council	50.00		50.00	
Joint Mathematical Council	50.00		50.00	
Society of Friends of Oberwolfach	195.00		187.75	
		955.68		904.33
<b>Management and administration</b>				
Secretarial services	1,241.79		1,204.29	
Accountancy software and training	512.00		-	
Work on database	-		440.00	
Printing, photocopying, postage, etc	364.36		126.82	
Expenses of members on Society business	417.20		424.65	
Bank charges	83.43		65.33	
Sundry	33.15		-	
VAT recovery - b/fwd timing adjustment	(2,003.16)		2,003.16	
Decrease in liabilities during year	-		(2,250.00)	
		648.77		2,014.25
<b>Governance costs</b>				
Independent examiner's fee	1,300.00		-	
Professional fees - VAT advice	1,485.00		-	
		2,785.00		-
		<u>49,539.63</u>		<u>44,510.73</u>

## ANALYSIS OF PROCEEDINGS BY VOLUME

	Volume 47 2004 £	Volume 46 2003 £
<b>INCOME</b>		
<b>Income received by Publisher</b>		
Subscription income	53,756.71	53,560.30
Single and back issues	(83.63)	502.34
Advertisements	-	65.00
Royalties and permissions	31.39	23.74
	<hr/>	<hr/>
	53,704.47	54,151.38
<b>Income received by Society</b>		
Subscriptions from members	790.00	1,020.00
	<hr/>	<hr/>
<b>Total income</b>	54,494.47	55,171.38
	<hr/>	<hr/>
<b>EXPENDITURE</b>		
<b>Editorial Board</b>		
Administrative costs	491.86	792.86
<b>Production</b>		
Typesetting	10,027.85	9,926.15
Files for online version	921.00	1,061.60
Editorial work	9,750.00	-
Paper and Board	1,260.00	1,725.12
Printing and binding	6,559.44	6,784.09
	<hr/>	<hr/>
	28,518.29	19,496.96
<b>Publishing</b>		
Subscription handling	1,184.56	1,355.82
Distribution	2,580.55	2,892.70
Online version	1,050.00	1,050.00
Marketing	1,032.24	1,111.25
Publisher's "share of profit"	6,989.56	6,902.47
	<hr/>	<hr/>
	12,836.91	13,312.24
	<hr/>	<hr/>
	41,847.06	33,602.06
	<hr/>	<hr/>
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>	12,647.41	21,569.32
	<hr/> <hr/>	<hr/> <hr/>