

**EDINBURGH MATHEMATICAL SOCIETY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2007**

EDINBURGH MATHEMATICAL SOCIETY

REFERENCE AND ADMINISTRATIVE INFORMATION

TRUSTEES

Professor R J Arc hbold (Vice -President)	(Appointed 13 October 2006)
Dr T N Bailey (Librarian)	(Resigned 13 October 2006)
Dr M A Bees	(Resigned 13 October 2006)
Dr F K Bell	(Deceased 19 December 2006)
Dr L Boulton	(Appointed 13 October 2006)
Dr C M Campbell (President)	
Dr M H Eggar (Librarian)	(Appointed 13 October 2006)
Dr A D Gilbert (General Secretary)	
Professor T N T Goodman	
Professor D Higham	(Appointed 13 October 2006)
Dr T Leinster	(Appointed 13 October 2006)
Professor T H L enagan (Meetings Secretary)	
Professor R Levi (Convener of the Editorial Board)	(Appointed 9 November 2006)
Dr A Libman	
Dr A J Mulholland	(Resigned 13 October 2006)
Dr R Norman	(Appointed 16 February 2007)
Dr K Painter	(Resigned 13 October 2006)
Dr R Paris	
Dr C M Roney -Dougal	
Professor P Rowlinson (Vice -President)	(Resigned 13 October 2006)
Dr C J Smyth (Convener of the Editorial Board)	(Resigned 9 November 2006)
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
Chartered Accountants
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 YEAR ENDED 31 JULY 2007

The trustees present their report and financial statement for the year ending 31 July 2007.

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 2006-07 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. 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 2006-07 the Society held eight regular meetings, each addressed by a prominent mathematician. Details of the speakers and the titles of their talks are given in the table below.

Date	Place	Speaker	Title
13/10/06	Edinburgh	Prof. A. Carbery, Edinburgh	How much mass can you put into space without there being too much in any tube, and why do we care?
10/11/06	Strathclyde	Dr. A. Wathen, Oxford	Matrix iterations and saddle-point systems: from optimisation to Navier-Stokes and back
8/12/06	Heriot-Watt	Prof. C. Grebogi, Aberdeen	Chaotic dynamics and modelling
12/01/07	Edinburgh	Dr. T. Bridgeland, Sheffield	Quivers and surface singularities
16/02/07	Edinburgh	Prof. K. M. Ball, University College London	From monotone transportation to geometry and probability
16/03/07	Dundee	Prof. B. Sandstede, Surrey	Dynamic of spiral waves
27/04/07	Stirling	Prof. M. R. E. Proctor, Cambridge	Instabilities of patterns induced by strong spatial resonances
25/05/07	Aberdeen	Dr. J. Chuang, Bristol	Rhombustilings and tilings

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2007

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; two new subject editors have recently been appointed. The Society agreed in October 2006 a revised contract with Cambridge University Press for the publication and distribution of hard-copy and electronic versions. Also agreed was a new contract with the International Centre for Mathematical Sciences in Edinburgh for the management of pre-production editorial work. Due to the large number of high quality submissions, each issue of the *Proceedings* will be increased in length by 16 pages, starting in 2008.

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
Scottish Mathematical Council	Affiliation Fee	50.00
Society of Friends of Oberwolfach	Donation	177.38
European Mathematical Society	Corporate Membership Fee	277.35

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. 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.

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.

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2007

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 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 remit of the two schemes.

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

	2006-07 £	2007-08 £
Research Support Fund	13,500	15,000
Education Fund	4,500	5,000
St. Andrews Fund	-	2,000

The following tables show details of the grants awarded in 2006-07.

Research Support Fund grants paid in 2006-07:

The amount spent is lower than usual due to a change in the method of payment, see the Financial Review. A grant of £1,000 was awarded to S. Kolb (Edinburgh) for a visit by L. Vaksman but unfortunately Dr Vaksman died before he could undertake the visit and so the grant was cancelled.

Applicant	Purpose	£
I. Gordon (Edinburgh)	Joint meeting of regional groups ARTI Non Classical and Quantum Integrability	750.00
M. Lawson (Heriot -Watt)	Meeting on Semigroups, Categories and Automata	664.60
P. Turner (Heriot -Watt)	Visit of A. Shumakovich	260.00
H. Braden (Edinburgh)	Visit of V. Enolskii	700.00
M. Grinfeld (Strathclyde)	Visit of H. Lamba	291.60
A. Duncan (Newcastle)	North British Geometric Group Theory Seminar	750.00
D. Dritschel (St. Andrews)	Scottish Fluid Mechanics Meeting	162.00
F. Brunk (St. Andrews)	Postgraduate Combinatorial Conference	750.00
X. Mao (Strathclyde)	Visit of A. Rodkina	450.00
P. Turner (Heriot -Watt)	Visit of B. Everitt	614.00
S. Foss (Heriot -Watt)	Visit of A. Rybko	319.89
J. McCabe (St. Andrews)	Visit of A. Sri Ranga	441.00
C. Smyth (Edinburgh)	Journées Arithmétique	750.00
C. Korff (Glasgow)	Visit of R. Kedem	633.00

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2007

Education Fund grants paid in 2006 -07:

Applicant	Purpose	£
M. Ashcroft Scottish Mathematical Council	Mathematical Challenges schools competition: annual grant each year until further notice	800.00
W.P. Richardson Scottish Qualifications Authority	Advanced Higher Mathematics prizes: annual grant each year until further notice	300.00
V. Ellins Setpoint Scotland North	Mathematics Masterclass groups –Scotland day	420.00
P.M. Lyden Rosshall Academy	Maths roadshow	430.00
L. Hamilton Greenfaulds High School	S1 problem -solving day	500.00
A. Tomison Community School of Auchterarder	Primary enterprising maths competition	50.00
G. Harkins St Saviour's RC High School, Dundee	PriSec Maths Competition	200.00
S. Ferguson Mintlaw Academy	Puzzle challenge day for S1 pupils	500.00
D. Stobie Gracemount High School	Jaguar Cars maths in motion challenge	254.50
E.G. Hepburn Whitburn Academy	Creative, fun and inspiring maths workshops	292.50
A. Young Aberdeen City Council	Enterprising Maths Challenge	466.50
N. Armstrong Lesmahagow High School	Primary Maths Challenge	60.00

St Andrews Fund grant paid in 2006 -07:

A meeting for postgraduate students was held at the Burn, near Edzell, from 22 to 24 May. From those who applied, 29 students from six Scottish universities were allocated places, all but three of whom were new to the Burn. The evident continuing success of this event bodes well for the continued health of Scottish mathematics.

The Burn Conference 2007	£1,302.20
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Special grants paid in 2006/7:

BMC 2007	£750.00
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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.

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*.

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2007

Financial review

The headlines this year are that in round figures income was £60,000, expenditure £50,000, the surplus was £10,000 and at the end of the year the Society's assets were £307,000.

This follows the trend of the past three years. As in the last two years there has been significant expenditure on professional fees arising from the need of the Society to keep on top of its responsibilities to comply with the law on charities and VAT. This expenditure is expected to continue annually.

After providing for appropriate assistance in the running of the Society, it has been the policy of the Society to actively deploy the surpluses for the support of the mathematical community. The number of grant applications received this year was encouragingly high. The rules for the award of grants by the Research Support Fund this year were changed to the effect that payments of grants were made retrospectively. This has resulted in a one off dip in the number of payments being made from this fund during the course of this year compared to previous years. However the backlog of awards authorised but not yet paid is much higher than in previous years and the budget for the Research Support Fund has been increased for 2007-08 in anticipation of increased spending from this fund.

A revised contract with Cambridge University Press was signed last year for the sale of the Proceedings of the Edinburgh Mathematical Society. One difference in this new contract compared to the old one is that the Society no longer sells the Proceedings directly to members. While in the course of a calendar year the overall income from the sale of the Proceedings of the Edinburgh Mathematical Society is not expected to change significantly, this difference has caused a change in both the timing of income and the ratio of income coming directly to the Society to that coming from Cambridge University Press compared to previous years.

During the year the value of our investments rose from £214,000 to £246,000 but this includes the purchase of £16,000 of Government Stock. The downturn in the market towards the end of July reduced paper gains that had been accrued earlier. Overall the performance of our investments has been satisfactory but we will continue to monitor them on a regular basis. Some of our investments may have to be realised to meet proposed increases in expenditure on the activities of the Society over the next few years.

The Trustees approved the following distribution of assets among the Society's Designated Funds: Whittaker Prize Fund, £8,000; St Andrews Fund, £10,000; the remaining assets divided equally between the Grants & Awards Fund and the Strategic Reserves Fund.

Plans for future periods

The speakers and dates for the Society's eight meetings in 2007-08 have already been confirmed. To mark the 125th anniversary of the Society, the meeting on 15 February 2008 has been expanded to include two speakers, a reception and dinner, and an archive display. It is proposed to electronically archive the *Proceedings of the Edinburgh Mathematical Society* in the near future.

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.

EDINBURGH MATHEMATICAL SOCIETY

TRUSTEES' REPORT (cont'd)

FOR THE YEAR ENDED 31 JULY 2007

Statement of trustees' responsibilities

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 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 should follow best practice and:

- 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any position the financial position of the Society and enable them to ensure that the financial statements, which they are responsible for preparing, comply with the Charities and Trustee Investment (Scotland) Act 2005 and 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.

Trustees are also responsible for safeguarding the assets of the Society and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the trustees

Dr A D Gilbert
General Secretary

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

I report on the financial statements of the charity for the year ended 31 July 2007 which are set out on pages 9 to 15.

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 accounts on behalf of the trustees and report my opinion as to whether the accounts are true and fair. 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 trustee and examiner

The charity'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 accounts 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 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 2005 Act and Regulation 4 of the 2006 Regulations, and
 - to prepare accounts 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 accounts to be reached.

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

2007

EDINBURGH MATHEMATICAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2007

	General Unrestricted Fund	Designated Funds	2007 Total	2006 Total
	£	£	£	£
Incoming resources				
Incoming resources from generated funds:				
Voluntary income	753.79	-	753.79	629.00
Investment income	1,769.71	6,876.64	8,646.35	7,882.42
Incoming resources from charitable activities:				
Publisher: proceedings income	46,896.22	-	46,896.22	45,295.59
Members' subscriptions	4,024.00	-	4,024.00	5,162.00
Total incoming resources	53,443.72	6,876.64	60,320.36	58,969.01
Resources expended				
Charitable activities:				
Proceedings	29,215.63	-	29,215.63	27,720.52
Meetings and lectures	2,202.95	-	2,202.95	1,813.21
Seminars and conferences	-	1,302.20	1,302.20	1,473.50
Grants, awards and prizes	-	12,559.59	12,559.59	13,512.80
Subscriptions and donations	989.85	-	989.85	942.92
Management and administration	2,463.06	-	2,463.06	2,188.22
	34,871.49	13,861.79	48,733.28	47,651.17
Governance costs	1,270.00	-	1,270.00	2,800.00
Total resources expended	36,141.49	13,861.79	50,003.28	50,451.17
Net incoming/(outgoing) resources before transfers	17,302.23	(6,985.15)	10,317.08	8,517.84
Transfers between funds	(22,841.98)	22,841.98	-	-
Net incoming/(outgoing) resources before other recognised gains and losses	(5,539.75)	15,856.83	10,317.08	8,517.84
Realised gain on investments	-	-	-	317.23
Unrealised gain on revaluation of investments	-	16,430.36	16,430.36	22,564.49
Net movement in funds	(5,539.75)	32,287.19	26,747.44	31,399.56
Total funds brought forward	65,802.87	214,504.77	280,307.64	248,908.08
Total funds carried forward	60,263.12	246,791.96	307,055.08	280,307.64

The notes on pages 1 to 15 form part of these financial statements.

EDINBURGH MATHEMATICAL SOCIETY

BALANCE SHEET

AS AT 31 JULY 2007

	Notes	2007	2006
		£	£
Fixed assets			
Investments	8	246,791.96	214,504.77
Current assets			
Debtors	9	561.73	1,480.48
Cash at bank and in hand	10	60,751.39	67,622.39
		<u>61,313.12</u>	<u>69,102.87</u>
Creditors: amounts falling due within one year	11	1,050.00	3,300.00
		<u>60,263.12</u>	<u>65,802.87</u>
Net current assets		<u>60,263.12</u>	<u>65,802.87</u>
Net assets		<u>307,055.08</u>	<u>280,307.64</u>
The funds of the charity: -			
Unrestricted funds			
General fund	12	60,263.12	65,802.87
Designated funds	12	246,791.96	214,504.77
		<u>307,055.08</u>	<u>280,307.64</u>

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

2007 and resigned on their behalf

Dr CM Campbell
President

Dr MA Youngson
Treasurer

The notes on pages 1 to 5 form part of these financial statements.

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.

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

Foreign 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 after deduction of any bank charges.

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 £1,372.30 (2006: £1,309.04).

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 £800.00 (2006: £800.00). 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 two prizes of £150 each. In addition the part of the grant to H Braden that covered the reimbursement of his visitor's travel was paid directly to his visitor upon presentation of the receipts for the travel to the Society. Similarly speakers to the Society are reimbursed for travel, subsistence and accommodation upon presentation of receipts for these items. These were the only payments made to individuals in the current period.

6. Net incoming resources

This is stated after charging: -		2007	2006
		£	£
Independent examiners' remuneration - examination of financial statements		1,050.00	1,000.00
- other services		220.00	1,800.00
		<u>1,270.00</u>	<u>2,800.00</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 YEAR ENDED 31 JULY 2007

8. Investments	Holding £	Valuation £	2007 £	2006 £
Government Stock: Conventional				
5% Treasury Stock 2008	1,909.11	1,900.90		1,917.51
9% Treasury Stock 2008	1,476.87	1,531.81		1,605.06
5% Treasury Stock 2012	2,883.97	2,841.58		2,930.98
8% Treasury Stock 2013	1,735.52	1,970.34		-
		<hr/>	8,244.63	<hr/> 6,453.55
Government Stock: Index -linked				
2½% IL Treasury Stock 2009	2,475.14	6,416.06		6,246.26
2½% IL Treasury Stock 2011	2,000.00	5,463.60		5,406.60
2½% IL Treasury Stock 2013	6,122.07	14,059.33		-
2½% IL Treasury Stock 2020	4,275.70	11,204.47		11,344.71
		<hr/>	37,143.46	<hr/> 22,997.57
Unit Trusts, OEICs and Investment Trusts				
M&G Charifund	4,457.00	70,709.41		65,548.65
M&G Dividend A	21,748.00	14,392.83		13,520.73
New Star Equity Income	11,390.93	17,564.81		16,627.34
Invesco Perpetual High Income (Inc)	4,947.91	16,860.50		15,224.72
Invesco Perpetual High Income (Acc)	6,678.28	30,460.97		26,659.03
Invesco Perpetual UK Growth (Acc)	6,468.93	24,552.82		21,063.48
British Assets Trust	6,469.00	8,862.53		8,409.70
		<hr/>	183,403.87	<hr/> 167,053.65
Standard Life Bonds				
4.80% July 2007	-	-		8,000.00
4.85% June 2007	-	-		10,000.00
6.10% December 2008	8,000.00	8,000.00		-
5.85% November 2008	10,000.00	10,000.00		-
		<hr/>	18,000.00	<hr/> 18,000.00
Total Investments			<hr/> <hr/> 246,791.96	<hr/> <hr/> 214,504.77
Valuation at 31 July 2006				
Purchase of investments				214,504.77
				<hr/> 15,856.83
				<hr/> <hr/> 230,361.60
Unrealised gain on revaluation of investments				
				<hr/> 16,430.36
Valuation at 31 July 2007				
				<hr/> <hr/> 246,791.96

The Society's investments are in general long term investments and during the course of the year government stock was repurchased. Two Standard Life bonds were also reinvested on maturity. two

EDINBURGH MATHEMATICAL SOCIETY
 NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 FOR THE YEAR ENDED 31 JULY 2007

9. Debtors	2007	2006
	£	£
VAT recoverable	561.73	1,480.48
	<u> </u>	<u> </u>
10. Cash at bank and in hand	2007	2006
	£	£
Royal Bank of Scotland	1,384.49	1,369.54
Bank of Scotland	29,739.40	38,682.09
Standard Life Bank: direct access	19,200.33	17,545.75
Standard Life Bank: 60 day notice	10,427.17	10,025.01
	<u> </u>	<u> </u>
	<u>60,751.39</u>	<u>67,622.39</u>
	=====	=====
11. Creditors: Amounts falling due within one year	2007	2006
	£	£
Grants, awards and prizes	-	500.00
Accruals	1,050.00	2,800.00
	<u> </u>	<u> </u>
	<u>1,050.00</u>	<u>3,300.00</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 August 2006 £	Net Incoming/ (Outgoing) Resources £	Transfers £	Investment Gains £	Balance 31 July 2007 £
Unrestricted funds					
General fund	65,802.87	17,302.23	(22,841.98)	-	60,263.12
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Designated funds					
Grants and Awards Fund	98,252.38	(9,121.27)	17,049.69	8,215.18	114,395.98
Whittaker Prize Fund	8,000.00	-	-	-	8,000.00
St Andrew's Fund	10,000.00	(1,302.20)	1,302.20	-	10,000.00
Strategic Reserve Fund	98,252.39	3,438.32	4,490.09	8,215.18	114,395.98
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>214,504.77</u>	<u>(6,985.15)</u>	<u>22,841.98</u>	<u>16,430.36</u>	<u>246,791.96</u>
	=====	=====	=====	=====	=====

EDINBURGH MATHEMATICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (cont'd)
FOR THE YEAR ENDED 31 JULY 2007

12. 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 reserve to provide grants and awards.

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

St Andrews Fund - this fund is reserve held to support the post graduates' 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.

13. Analysis of net assets between funds

	Investments	Net Current Assets	Total
	£	£	£
General funds	-	60,263.12	60,263.12
Designated funds	246,791.96	-	246,791.96
	<u>246,791.96</u>	<u>60,263.12</u>	<u>307,055.08</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. The excess of income over expenditure 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

	£	2007 £	£	2006 £
Proceedings				
Typesetting, printing and binding	18,170.36		17,157.64	
Editorial work	10,441.25		10,000.00	
Administrative costs	604.02		562.88	
		29,215.63		27,720.52
Meetings and lectures				
Speakers' expenses	1,001.55		723.91	
Accommodation costs	311.50		158.50	
President's expenses	889.90		930.80	
		2,202.95		1,813.21
Seminars and conferences				
Postgraduate - meeting costs	1,302.20		1,473.50	
		1,302.20		1,473.50
Grants, awards and prizes				
Research Support Fund	7,536.09		8,103.20	
Education Fund	4,273.50		4,159.60	
Special Grants	750.00		750.00	
Whittaker Prize	-		500.00	
		12,559.59		13,512.80
Subscriptions and donations				
European Mathematical Society	702.47		640.38	
Scottish Mathematical Council	50.00		50.00	
Joint Mathematical Council	60.00		60.00	
Society of Friends of Oberwolfach	177.38		192.54	
		989.85		942.92
Management and administration				
Secretarial services	1,409.39		1,313.37	
Work on database / logo	211.50		45.00	
Printing, photocopying, postage, etc	181.19		288.46	
Expenses of members on Society business	571.60		454.29	
Bank charges	89.38		87.10	
		2,463.06		2,188.22
Governance costs				
Independent examiner's fee	1,050.00		1,000.00	
Professional fees - VAT advice	220.00		1,800.00	
		1,270.00		2,800.00
		50,003.28		50,451.17

ANALYSIS OF PROCEEDINGS BY VOLUME

	Volume 49 2006 £	Volume 48 2005 £
INCOME		
IncomereceivedbyPublisher		
Subscriptionincome	60,818.99	56,689.99
Singleandbackissues	307.67	276.05
Royaltiesandpermissions	-	39.85
	<hr/> 61,126.66	<hr/> 57,005.89
IncomereceivedbySociety		
Subscriptionsfrommembers	1,118.00	1,112.00
	<hr/> 62,244.66	<hr/> 58,117.89
EXPENDITURE		
EditorialBoard		
Administrativecosts	532.19	516.13
Production		
Typesetting	10,947.75	10,626.80
Filesforonlineversion	914.40	914.40
Editorialwork	8,000.00	8,000.00
PaperandBo ard	1,888.08	1,335.32
Printingandbinding	7,012.99	6,673.87
	<hr/> 28,763.22	<hr/> 27,550.39
Publishing		
Subscriptionhandling	1,491.01	1,388.83
Distribution	2,921.37	2,492.56
Onlineversion	1,062.63	1,069.72
Marketing	1,582.94	2,046.53
Publisher's'shareofprofit'	7,827.09	7,300.06
	<hr/> 14,885.04	<hr/> 14,297.70
	<hr/> 44,180.45	<hr/> 42,364.22
SURPLUSOFINCOMEOVEREXPENDITURE	<hr/> <hr/> 18,064.21	<hr/> <hr/> 15,753.67