

Scottish Charity Number SC000241

**EDINBURGH MATHEMATICAL SOCIETY**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2016**



**EDINBURGH MATHEMATICAL SOCIETY**

**TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2016**

**Legal and Administrative Information**

**Trustees**

I Strachan (*President, from 16 October 2015*)  
A Carbery (*Vice President, from 16 October 2015*)  
A Karakhanyan (*Librarian, from 16 October 2015*)  
J Farkas (*General Secretary*)  
S Theriault (*Convener of the Editorial Board, from 16 October 2015*)  
R J Steiner (*Treasurer*)  
J Pridham (*Meetings Secretary*)  
H Gimperlein  
L Olsen  
D Trucu  
J Enright (*from 16 October 2015*)  
E Henke (*from 16 October 2015*)  
M Whittaker (*from 16 October 2015*)  
W Yang (*from 16 October 2015*)  
M Grinfeld (*Convener of the Editorial Board, to 16 October 2015*)  
T Antal (*Librarian, to 16 October 2015*)  
G Barrenechea (*to 16 October 2015*)  
J-B Gramain (*to 16 October 2015*)  
U Kraehmer (*to 16 October 2015*)  
J Swan (*to 16 October 2015*)

**Principal address**

Computing Science and Mathematics  
University of Stirling  
Stirling  
FK9 4LA

**Charity Number**

SC000241

**Website**

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

**Email address**

[edmathsoc@ed.ac.uk](mailto:edmathsoc@ed.ac.uk)

**Bankers**

Bank of Scotland  
Edinburgh Royal Mile Branch  
PO Box 1000  
BX2 1LB

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

**Independent Examiners**

Jeremy Chittleburgh CA  
Chiene + Tait LLP  
Chartered Accountants & Independent Examiners  
61 Dublin Street  
Edinburgh EH3 6NL

**Stockbrokers**

Redmayne – Bentley LLP  
25 Blythwood Square  
Glasgow G2 4BL

**VAT registration number**

GB 607 3627 45

## **EDINBURGH MATHEMATICAL SOCIETY**

### **TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 JULY 2016**

The Trustees submit their report and the financial statements for the year ended 5 April 2016. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

#### ***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, as 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 the website.

#### ***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.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 JULY 2016

##### *Meetings of the Society*

In 2015-16 the Society held eight regular meetings, each addressed by a prominent mathematician. Details of the speakers for the Society meetings and the titles of their talks are given in the table below.

Date	Place	Speaker	Title
16th October 2015	ICMS/Edinburgh	A.Carbery (Edinburgh) (Presidential address)	Analysis, topology and beyond: a reflective perspective on the teaching-research continuum from Bolzano to Guth and Katz
13th November 2015	Strathclyde	J-P.Gerbeau (Inria and Sorbonne UPMC)	Approximated Lax pairs for nonlinear evolution equations
2nd January 2016	ICMS/Heriot-Watt	L.Saint-Raymond (ENS Paris / Harvard)	Linear fluid models as scaling limits of interacting systems of particles
19th February 2016	Edinburgh	R.Twarock (York) (Popular lecture)	Geometry: a secret weapon in the fight against viruses
18th March 2016	Dundee	C. Le Bris (Ecole des Ponts and Inria, Paris)	Modern materials science: mathematical theory and computational approaches
22nd April 2016	Aberdeen	S. Eilers (Copenhagen)	The complete classification of Cuntz-Krieger algebras
20th May 2016	St Andrews	M. Zähle (Jena)	Geometry past and present - a stroll through curved spaces

This year also saw a **joint EMS/LMS meeting** celebrating the 150th anniversary of the latter society, held at ICMS, Edinburgh on 10th - 11th December 2015. It focused on the Mathematical Aspects of the Analysis of Big Data, cutting across pure mathematics, applied mathematics, and statistics, a broad range reflected by the international experts invited to speak at the meeting. It covered current trends and developments and enabled participants to discover new connections between their own research and this rapidly growing subject. The speakers and titles were:

Tardos, E. (Cornell) *Learning, inference, and efficiency in games*

Brodzki, J. (Southampton) *Joining the dots: mathematics of data*

Diakonikolas, I. (Edinburgh) *Algorithmic aspects of inference*

Scott, M. (Glasgow) *"Size is not all that matters" - scale, variety and complexity of BIG data*

Rivin, I. (St Andrews) *Zeolites, experimental mathematics, and other potential applications of data science*

Coifman, R. (Yale) *Harmonic analysis and geometry of databases, concept and context dualities*

McDiarmid, C. (Oxford) *Random graphs from structured classes*

Cartis, C. (Oxford) *The power of optimization algorithms - tractability and scalability for large problems*

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 JULY 2016

##### ***Proceedings of the Edinburgh Mathematical Society***

The Proceedings of the Edinburgh Mathematical Society has been published by the Society since 1883. As of the start of 2016, four issues are currently 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. Current subscribers have access to the archive for the past ten years. Issues before that, right back to 1883 are freely available to everyone.

##### ***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.

<b>Applicant</b>	<b>Purpose</b>	<b>Amount</b>
European Mathematical Society	Corporate Membership Fee	£350.56 (€450)
Joint Mathematical Council	Affiliation Fee	£160
Society of Friends of Oberwolfach	Donation	£188.02 (€250)
Council for the Mathematical Sciences (CMS)	Support for parliamentary and policy work	£1000
I Strachan	Gift to present to the London Mathematical Society at joint meeting	£279
Royal Society of Edinburgh	Learned Societies Group Fee	£500
Scottish Mathematical Council	Donation	£1,800

##### ***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 the website.

##### ***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

#### FOR THE YEAR ENDED 31 JULY 2016

##### *Library*

Most of the collections belonging to the Society are held in the Library of 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 website (<http://www.ems.ac.uk>) allows 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 and conferences. Any person may apply for a grant from this fund. Applications are considered by the Research Support Fund Committee. The committee works to a set of rules, copies of which are available on the website. 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, the General Committee from time to time makes special grants. Sometimes these are major grants for the support of large international conferences but equally they may be small grants for worthy mathematical purposes that do not fall within the remits of the two schemes.

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 JULY 2016

The budgets for the Research Support Fund, the Education Fund, the St Andrews Fund and the ICMS Research in Groups fund, as well as those for Student Societies and Special Grants, for this year and last year are given below:

<b>Fund</b>	<b>2014-15</b>	<b>2015-16</b>
Research Support	£18,000	£18,000
Education	£11,500	£11,500
St Andrews	£4,000	£4,000
ICMS Research in Groups	£2,000	£2,000
Student Societies	-	£1,400
Special Grants	-	£4,000 - £4,500

The special grant in 2015-16 was for the Unconscious Bias Workshop (£1,173.40 was awarded). The LMS-EMS joint meeting was funded as an ordinary EMS meeting.

The following tables show details of the grants paid.

#### Research Support Fund grants paid in 2015-16:

<b>Applicant</b>	<b>Purpose</b>	<b>Amount</b>
Atiyah (Edinburgh)	The Science of Beauty -- meeting	£1,000.00
Gimperlein/Ottobre (Heriot-Watt)	2nd Maxwell Institute Graduate School on Evolution Equations	£1,090.00
Bayer (Edinburgh)	British Algebraic Geometry meeting (BrAG) 2016	£1,200.00
Grant (Aberdeen)	Applied Algebraic Topology meeting	£788.97
Scardia (Bath)	3rd Scottish PDE Colloquium	£987.92
Figuroa-O'Farrill (Edinburgh)	Arkady Vaintrob -- visitor	£1,000.00
Mottram (Strathclyde)	British sign language glossary for mathematics	£1,200.00
Ottobre (Heriot-Watt)	Quantifying the efficiency of MCMC methods	£560.61
Trucu/Eftimie (Dundee)	Porous media modelling in biological processes	£886.49
Bourne (Durham)	Young Applied Analysts in the UK meeting	£521.66
Candelaresi (Dundee)	Christopher Smiet -- visitor	£616.65
Howie (Heriot-Watt)	Dr Gerald Williams -- visitor	£883.00
Kyza/Ptashnyk (Dundee)	Fourth Scottish Partial Differential Equations Colloquium	£1,011.50
Lin (Dundee)	Dr Hao Wang -- visitor	£1,120.00
Tikuisis/White (Aberdeen)	Scottish Operator Algebras Research Meeting	£660.00
Gyongy (Edinburgh)	Prof. Nicolai Krylov -- visitor	£1,200.00
Kosta (Edinburgh)	Prof. Marta Casanellas -- visitor	£155.70
Smyth (Edinburgh)	Marcus Appelby and Steve Donnelly -- visitors	£632.99
Grinfeld (Glasgow)	Dr. Rafael Sasportes -- visitor	£350.00
Kyza (Dundee)	Dr. Konstantina-Stavroula Giannopoulou -- visitor	£600.00
Nimmo (Glasgow)	Prof. Ralph Willox -- visitor	£801.57
Cheltsov and Guletskii (Edinburgh)	Edge Days 2016 -- meeting	£1,200.00

**EDINBURGH MATHEMATICAL SOCIETY****TRUSTEES' REPORT****FOR THE YEAR ENDED 31 JULY 2016****Education Fund Grants paid in 2015-16:**

<b>Applicant</b>	<b>Purpose</b>	<b>Amount</b>
Batty (Brae High School)	Maths Fun Session/Numeracy Buddies (event for cluster primary schools)	£450.00
McKenna (Kyle Academy)	P6 transition programme/trip to Forth Crossing	£500.00
Jagger (Keith Grammar)	S2 Enrichment Day Expedition	£200.00
Scott (Holy Cross High School)	Primary Maths Challenge	£100.00
McCall (Carnoustie High School)	Probability and gambling (purchase of equipment for extracurricular project)	£200.00
Macdonald (St Aidan's High School)	Higher/Advanced Higher Study Weekend	£500.00
Deely (Balerno High School)	P7 Maths Challenge	£130.00
Dorris (Taylor High School)	Higher/Advanced Higher Study Weekend	£500.00
O'Tierney (Linwood High School)	Trips to Titan Crane (S2) and Forth Crossing (S3)	£390.00
Campbell (Farr High School)	Transport to "Enterprising Mathematics" (inter-school competition)	£108.00
Taylor (Grange Academy)	Higher/Advanced Higher Study Weekend + P7 transition event	£500.00
Gallagher (Greenfaulds High School)	Higher Study Weekend	£500.00
Robertson (Bishopbriggs Academy)	Purchase of S1 Puzzle Club prizes	£50.00
Lunn (St David's High School)	Higher/Advanced Higher Study Weekend and P7 Maths Challenge	£500.00
Hall (Banchory Academy)	Outdoor learning with mathematics (purchasing equipment for outdoor maths project)	£217.54
Campbell (Farr High School)	Travel to Highland Senior Maths Weekend	£117.00
Macdonald (Mackie Academy)	Higher Study Weekends	£500.00
Mordente (Harris Academy)	Primary 7 maths challenge where different schools compete against each other	£200.00
Peat (Graeme High School)	Higher Maths Study Weekend	£500.00
Martin (University of Aberdeen)	Enterprising Mathematics Challenge (event for primary school pupils organised in University of Aberdeen)	£500.00
Nicoll (Dalkeith High School)	S4 study weekend	£500.00
Munro (Alford Academy)	Phi day (themed maths fun day)	£400.00
McGrane (Hillhead High School)	Higher Maths Study Weekend	£500.00
Rae (Lesmahagow High School)	Equity and Aspiration Project (purchasing extra-curricular maths equipment)	£495.00
Birnie (Aboyne Academy)	Forest-to-Fire trigonometry project (purchasing trig equipment)	£189.48
Stark (St. Stephen's High School)	Primary 7 Maths Challenge	£500.00

## EDINBURGH MATHEMATICAL SOCIETY

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 JULY 2016

##### **St Andrews Fund**

The 2016 EMS postgraduate meeting took place between 30 May – 1 June 2016, and was attended by 21 students. Of these 21 students (from all 8 Scottish Universities), 20 students expressed their interest in giving 15-minute talks. Moreover, some students also wished to chair the presentations. The talks were well received by the audience, and in the last day of the meeting, the students voted anonymously on the EMS Prize for the Best Student Talk. This prize was awarded to Miss Iona Paterson (University of Stirling), for her talk on “Optimising antibiotic usage to treat bacterial infections”.

In regard to the budget, the total expenditure for the 2016 EMS meeting was £3,767.40 (the EMS transferred to ICMS £2,402.40 – the rest of the money being covered by the Universities).

One issue that we had to deal with this year was the failure of 2 registered students to attend the meeting, without any prior cancellation. This led The Burn to charge EMS for their attendance. We suggest that for the 2017 meeting, the students (and the Heads of Schools/Departments) should be told beforehand that in case a student does not show up (and does not cancel his/her participation at least 1 day in advance) the University could/would be charged for the full amount. The Universities can then charge the students at their own discretion (i.e. if the policies of the universities allow for this).

The 2017 EMS postgraduate meeting will take place between 7 - 9 June, 2017.

##### **Payments from the St Andrews fund for The Burn PG conferences in 2015-16:**

Total for June 2016 (including £100 Prize Money)	£2,502.40
Late payment for 2015 conference	£1,822.50

##### ***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 has contracts with the International Centre for Mathematical Sciences in Edinburgh for the management of pre-production editorial work on the Proceedings, for the organisation of the post-graduate meeting, and for administrative support of committee meetings. The University of Edinburgh is paid for some secretarial services.

## **EDINBURGH MATHEMATICAL SOCIETY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2016**

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

In round figures income was £85,000 and expenditure was £94,000 and at the end of the year the Society's net assets were £474,000.

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. This year's postgraduate meeting at The Burn was a great success and had a full house of student participants from eight Scottish universities. The budgets for the Education Fund and Research Support Fund have been increased due to high continuing demand, 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 past year our investments performed well despite the market conditions. Our portfolio is showing modest but satisfactory capital growth.

##### ***Future plans***

The speakers and dates for the Society's meetings in the following year have already been confirmed.

##### ***Reserves policy***

###### **General Fund**

General Reserves held at 31 July 2016 amounted to £338,362. This is used for the day to day operation of the Society, for grants and awards, and for subscriptions and donations to other bodies and other charitable activities not funded from designated funds. The uncertain financial climate, with low investment returns, and the future risks to academic publishing (a key part of the Society's income) have led the General Committee to conclude that it is prudent to hold a General Fund from which income can be drawn to maintain and extend its charitable activities. The General Fund is deemed an expendable reserve to be used in pursuit of the Society's objectives, and it is managed to provide income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years. In order for the Society's activities to continue indefinitely at present levels, the General Committee has concluded that the Society should aim for an annual income from investments of about £11,500.

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

The Whittaker Prize Fund held at 31 July 2016 amounted to £10,000 and this fund is a reserve held towards the cost of the Whittaker Prize, currently £1,000 (occasionally two awards are made). The prize was awarded at four-yearly intervals until 2013, but the intervals are now subject to a periodic review and the prize may be awarded more frequently. The fund is intended to meet the designated object indefinitely, assuming an annual return of 3.5%.

###### **St Andrews Fund**

The St Andrews Fund held at 31 July 2016 amounted to £25,000 and this fund is a reserve held towards the cost of the annual postgraduates' meeting at the Burn House, whose current budget is £4,000 a year. The fund is intended to meet the designated object for 5 years, allowing for inflation.

###### **Publication Reserves Fund**

The Publication fund held at 31 July 2016 amounted to £100,000 and this fund acts as the Society's reserves against contingencies, particularly in relation to the publishing of the Proceedings. It is designed to cover contingencies including the expense of producing and distributing the Proceedings for one year.

## **EDINBURGH MATHEMATICAL SOCIETY**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 JULY 2016**

##### ***Investment policy***

Decisions about investments are made by the Investment Committee and reported to the General Committee. They are made in order to maximise the benefit to the Society.

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

The General Committee and Investment Committee annually review the Society's risk register identifying and quantifying potential risks to the Society and its plans and objectives, and laying out systems and strategies for mitigating those risks. These are addressed under the following headings: Governance, Operational, Financial, External, and Compliance. In certain cases the General Committee has established Designated Funds to set against potential risks; the risks or commitments that are covered by each fund are reviewed and revised annually.

##### ***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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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;
- 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 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

**Dr J Farkas** (General Secretary)

**Date:**



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

I report on the financial statements of the Edinburgh Mathematical Society for the year ended 31 July 2016 which are set out on pages 12 to 20.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the financial statements on behalf of the Trustees and 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 financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (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 financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

**Independent examiner's statement**

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1)(a) of the Act and Regulation 4 of the Regulations, and
  - to prepare financial statements 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 financial statements to be reached.

**Jeremy Chittleburgh CA  
CHIENE + TAIT LLP  
Chartered Accountants and Independent Examiners  
61 Dublin Street  
Edinburgh  
EH3 6NL**

.....

**EDINBURGH MATHEMATICAL SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2016**

	Notes	General Unrestricted Fund £	Designated Funds £	2016 Total £	2015 Total £
<b>Income and endowments from:</b>					
Donations and legacies		443.30	-	443.30	719.99
Investment income	7	10,677.69	-	10,677.69	10,033.24
Income from charitable activities:					
<i>Publisher proceedings income</i>		68,865.82	-	68,865.82	71,620.20
<i>Members' subscriptions</i>		4,768.50	-	4,768.50	4,170.50
<b>Total income</b>		<u>84,755.31</u>	<u>-</u>	<u>84,755.31</u>	<u>86,543.93</u>
<b>Expenditure on:</b>					
Charitable activities:					
<i>Proceedings</i>		44,513.68	-	44,513.68	36,882.69
<i>Meetings and lectures</i>		5,488.00	-	5,488.00	3,271.86
<i>Seminars and conferences</i>		-	2,502.40	2,502.40	4,290.50
<i>Grants, awards and prizes</i>		28,300.78	-	28,300.78	26,250.00
<i>Subscriptions and donations</i>		4,277.58	-	4,277.58	2,223.57
<i>Management and administration</i>		7,464.80	-	7,464.80	8,314.08
<i>Governance costs</i>		1,450.00	-	1,450.00	1,445.00
<b>Total expenditure</b>		<u>91,494.84</u>	<u>2,502.40</u>	<u>93,997.24</u>	<u>82,677.70</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(6,739.53)	(2,502.40)	(9,241.93)	3,866.23
<b>Transfers between funds</b>		(2,502.40)	2,502.40	-	-
<b>Other recognised gains/(losses)</b>					
Gain on revaluation of investments		8,918.86	-	8,918.86	17,601.03
<b>Net movement in funds</b>		(323.07)	-	(323.07)	21,467.26
<b>Reconciliation of funds:</b>					
Total funds brought forward		338,684.85	135,000.00	473,684.85	452,217.59
<b>Total funds carried forward</b>		<u><u>338,361.78</u></u>	<u><u>135,000.00</u></u>	<u><u>473,361.78</u></u>	<u><u>473,684.85</u></u>

All activities relate to continuing activities.

The notes on pages 14 to 20 form part of these financial statements.

**EDINBURGH MATHEMATICAL SOCIETY**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 JULY 2016**

	<b>Notes</b>	<b>2016</b>	<b>2015</b>
		£	£
<b>Fixed Assets</b>			
Investments	10	388,344.26	379,425.40
<b>Current Assets</b>			
Debtors	11	3,472.16	914.11
Cash at bank and in hand	12	102,199.11	107,855.12
		<u>105,671.27</u>	<u>108,769.23</u>
<b>Liabilities</b>			
Creditors falling due within one year	13	20,653.75	14,509.78
<b>Net Current Assets</b>		85,017.52	94,259.45
<b>Net Assets</b>		<u>473,361.78</u>	<u>473,684.85</u>
<b>Represented by:</b>			
Unrestricted General Fund	14	338,361.78	338,684.85
Unrestricted Designated Fund	14	135,000.00	135,000.00
		<u>473,361.78</u>	<u>473,684.85</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Approved by the Trustees on ..... and signed on their behalf by:-

**I Strachan**  
President

The notes on pages 14 to 20 form part of these financial statements.

## **EDINBURGH MATHEMATICAL SOCIETY**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 JULY 2016**

##### **1. Accounting Policies**

###### **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (SORP FRSSE 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements have been prepared under the historical cost convention with the exception of investments which are shown at market value.

###### **Going Concern**

The financial statements have been prepared on a going concern basis. The trustees have assessed the Society's ability to continue as a going concern and have reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

###### **Incoming resources**

Income is recognised once the Trust has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations, are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Trust and it is probable that those conditions will be fulfilled in the reporting period.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Members' subscriptions are recognised on a cash received basis.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank.

###### **Resources expended**

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to that expenditure. All expenditure is accounted for on an accruals basis and all expenses are allocated to the applicable expenditure headings. Irrecoverable VAT is charged to the Statement of Financial Activities as incurred.

Grants, awards and prizes are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

## EDINBURGH MATHEMATICAL SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 JULY 2016

Governance costs include the costs of general governance of the charity as opposed to direct management inherent in meeting charitable objectives and are those costs associated with strategic, constitutional and statutory requirements.

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 governance costs.

#### **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.

#### **Charitable activities**

Costs of charitable activities include grants made, typesetting along with editorial work and governance costs. These are all detailed on the face of the Statement of Financial Activities.

#### **Heritage Assets**

The Trustees are mindful of the disclosure requirements under SORP FRSSE 2015 for Heritage Assets. The Trustees have identified several items as Heritage Assets as detailed in note 16. The Trustees consider that whilst these are Heritage Assets, they are of little commercial value. As a consequence no value can be placed on these items for accounting purposes.

#### **Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently at their mid-market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The trust does not acquire or use put options, derivatives or other complex financial instruments.

#### **Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

#### **VAT**

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

#### **2. Proceedings**

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.

## EDINBURGH MATHEMATICAL SOCIETY

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

#### FOR THE YEAR ENDED 31 JULY 2016

#### 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 or a deputy entertaining speakers or guests of the Society. The total reimbursement of expenses paid to trustees was £3,461 for four trustees (2015: £4,425 for five trustees).

#### 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 £1,200 (2015: £1,200).

#### 6. Reimbursed expenses

Speakers to the Society are reimbursed for travel, subsistence and accommodation upon presentation of receipts for these items. Trustees, members and other individuals receive reimbursement of expenses and accommodation when attending meetings of, or on behalf of, the Society or making purchases on behalf of the Society. The President of the Society or a deputy receives reimbursement of expenses incurred when entertaining speakers and guests of the Society. Apart from the prize for the best presentation at the Burn, these were the only payments made to individuals in the current period.

#### 7. Investment Income

	2016 £	2015 £
Dividends received	9,921.53	8,896.36
Interest received	756.16	1,136.88
	<u>10,677.69</u>	<u>10,033.24</u>

#### 8. Net incoming resources

This is stated after charging: -	2016 £	2015 £
Independent examiner's remuneration	750.00	750.00
Preparation of financial statements	700.00	695.00
	<u>1,450.00</u>	<u>1,445.00</u>

#### 9. 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 2016**

<b>10. Investments</b>	<b>Holding</b>	<b>Valuation</b>	<b>2016</b>	<b>2015</b>
		£	£	£
Government Stock: Conventional				
8% Treasury Stock 2021	3,582.12	4,930.42		4,884.22
3¾% Treasury Stock 2052	2,640.00	4,346.76		3,439.39
		<u>          </u>	9,277.18	<u>          </u> 8,323.61
Government Stock: Index-linked				
2½% IL Treasury Stock 2020	4,275.70	15,805.98		15,416.04
2½% IL Treasury Stock 2024	4,888.39	17,686.20		16,675.28
1¼% IL Treasury Stock 2027	11,604.99	15,712.00		14,694.24
4¼% IL Treasury Stock 2030	6,450.00	23,298.04		21,627.50
1½% IL Treasury Stock 2037	4,350.00	7,164.02		6,457.56
		<u>          </u>	79,666.24	<u>          </u> 74,870.62
Unit Trusts, OEICs and Investment Trusts				
Alliance Trust Ordinary 25p	7,000.00	39,550.00		34,671.00
M&G Charifund (Income)	5,332.14	79,802.94		79,044.71
M&G Dividend A	21,748.00	12,959.62		13,512.03
Temple Bar Investment Trust Ordinary 25p	1,900.00	20,957.00		22,173.00
Invesco Perpetual High Income (Inc)	7,907.87	35,514.24		36,008.49
Invesco Perpetual High Income (Acc)	6,678.28	56,111.58		55,126.53
Invesco Perpetual UK Growth (Acc)	6,468.93	34,996.90		36,890.37
Murray International Trust Ordinary 25p	980.00	10,348.80		9,025.80
European Assets Trust	885.00	9,159.76		9,779.24
		<u>          </u>	299,400.84	<u>          </u> 296,231.17
Total investments			<u>          </u> 388,344.26	<u>          </u> 379,425.40
Valuation at 31 July 2015				379,425.40
Additions of Investments				-
				<u>          </u> 379,425.40
Unrealised gain on revaluation of investments				8,918.86
Valuation at 31 July 2016				<u>          </u> 388,344.26

The Society's investments are in general long-term investments.

**EDINBURGH MATHEMATICAL SOCIETY****NOTES TO THE FINANCIAL STATEMENTS** *(cont'd)***FOR THE YEAR ENDED 31 JULY 2016**

<b>11. Debtors</b>	<b>2016</b>	<b>2015</b>
	£	£
VAT recoverable	3,028.86	-
Other Debtors	443.30	80.78
Prepayments	-	833.33
	<u>3,472.16</u>	<u>914.11</u>
	<u><u>3,472.16</u></u>	<u><u>914.11</u></u>

  

<b>12. Cash at bank and in hand</b>	<b>2016</b>	<b>2015</b>
	£	£
Royal Bank of Scotland	4,371.63	4,200.68
Bank of Scotland	47,827.48	53,654.44
Bank of Scotland fixed term deposit	50,000.00	50,000.00
	<u>102,199.11</u>	<u>107,855.12</u>
	<u><u>102,199.11</u></u>	<u><u>107,855.12</u></u>

  

<b>13. Creditors: Amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	£	£
Accruals	20,653.75	14,102.49
VAT repayable	-	407.29
	<u>20,653.75</u>	<u>14,509.78</u>
	<u><u>20,653.75</u></u>	<u><u>14,509.78</u></u>

Accruals include accurate figures except where an estimate has been made and not yet finalised at the year end. Corrections are included in the subsequent year.

**14. Funds**

The General Committee reviews its reserves policy annually. There are no restricted funds and no permanent endowment funds, and the Society's assets are divided into a General Fund and certain other designated funds. The Society has a broad-ranging programme of activities in support of its strategic objectives as described in the Trustees' Report, and they all need continuity of funding. The Society's assets are divided into designated funds as follows:-

**EDINBURGH MATHEMATICAL SOCIETY**

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

**FOR THE YEAR ENDED 31 JULY 2016**

**14. Funds** (cont'd)

	Balance 1 August 2015 £	Net incoming/ (outgoing) resources £	Transfers £	Investment Gains £	Balance 31 July 2016 £
<b>Unrestricted funds</b>					
General fund	338,684.85	(6,739.53)	(2,502.40)	8,918.86	338,361.78
<b>Designated funds</b>					
Whittaker Prize Fund	10,000.00	-	-	-	10,000.00
St. Andrews Fund	25,000.00	(2,502.40)	2,502.40	-	25,000.00
The Publication Reserves Fund	100,000.00	-	-	-	100,000.00
	135,000.00	(2,502.40)	2,502.40	-	135,000.00

**General Fund** – this is used for the day to day operation of the Society, for grants and awards, and for subscriptions and donations to other bodies and other charitable activities not funded from designated funds. The uncertain financial climate, with low investment returns, and the future risks to academic publishing (a key part of the Society's income) have led the General Committee to conclude that it is prudent to hold a General Fund from which income can be drawn to maintain and extend its charitable activities. The General Fund is deemed an expendable reserve to be used in pursuit of the Society's objectives, and it is managed to provide income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years.

**Whittaker Prize Fund** - this fund is a reserve held towards the cost of the Whittaker Prize, currently £1,000 awarded once every four years (occasionally two awards are made). The fund is intended to meet the designated object indefinitely, assuming an annual return of 3.5%.

**St. Andrews Fund** - this fund is a reserve held towards the cost of the annual postgraduates' meeting at the Burn House, whose current budget is £4,000 a year. The fund is intended to meet the designated object for 5 years, allowing for inflation.

**The Publication Reserves Fund** - this fund acts as the Society's reserve against contingencies, particularly in relation to the publishing of the *Proceedings*. It is designed to cover contingencies including the expense of producing and distributing the Proceedings for one year.

**EDINBURGH MATHEMATICAL SOCIETY**

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

**FOR THE YEAR ENDED 31 JULY 2016**

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

	<b>Investments</b>	<b>Net current assets</b>	<b>Total</b>
	£	£	£
General funds	253,344.26	85,017.52	338,361.78
Designated funds	135,000.00	-	135,000.00
	<u>388,344.26</u>	<u>85,017.52</u>	<u>473,361.78</u>

Assets are assigned to funds as follows:

The Whittaker Prize fund is allocated £10,000, the St. Andrews fund is allocated £25,000, the Publications Reserves Fund is allocated £100,000, and the General Fund is allocated the balance of the Society's assets.

**16. Heritage assets**

The Trustees have considered the requirement to report the nature of Heritage Assets under the control of the Society.

The Trustees have identified the following as Heritage Assets:-

- Most of the collections belonging to the Society are held in the Library of 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.

The Trustees are of the view that these heritage assets are of little commercial value and as such no value can be placed on these items for accounting purposes.

**EDINBURGH MATHEMATICAL SOCIETY**

**SUPPLEMENTARY INFORMATION – ANALYSIS OF EXPENDITURE**

**FOR THE YEAR ENDED 31 JULY 2016**

	2016		2015	
	£	£	£	£
<b>Proceedings</b>				
Typesetting, printing and binding	28,492.24		21,149.07	
Editorial work	14,500.00		14,500.00	
Administrative costs	1,521.44		1,233.62	
		44,513.68		36,882.69
<b>Meetings and lectures</b>				
Speakers' expenses	2,020.27		1,802.78	
Accommodation costs	323.75		65.00	
President's expenses	1,143.98		1,404.08	
Other	2,000.00		-	
		5,488.00		3,271.86
<b>Seminars and conferences</b>				
Postgraduate meeting	2,502.40		4,290.50	
		2,502.40		4,290.50
<b>Grants, awards and prizes</b>				
Research Support Fund	18,467.06		10,210.52	
Education Fund	9,247.02		10,769.93	
Special Grants	586.70		5,269.55	
		28,300.78		26,250.00
<b>Subscriptions and donations</b>				
European Mathematical Society	350.56		344.34	
Scottish Mathematical Council	1,800.00		-	
Joint Mathematical Council	160.00		155.00	
Society of Friends of Oberwolfach	188.02		200.20	
Council of Mathematical Sciences	1,000.00		1,000.00	
Royal Society of Edinburgh	500.00		500.00	
Other Donations	279.00		24.03	
		4,277.58		2,223.57
<b>Management and administration</b>				
Secretarial services	3,550.01		2,878.44	
Work on database/logo/website/posters	-		684.00	
Printing, photocopying, postage, etc	228.95		211.90	
Expenses of trustees on Society business	2,317.27		3,021.13	
Expenses of members on Society business	1,067.53		916.14	
Bank charges	301.04		260.41	
Investment commission	-		342.06	
		7,464.80		8,314.08
<b>Governance costs</b>				
Independent examiner's fee	750.00		750.00	
Preparation of financial statements	700.00		695.00	
		1,450.00		1,445.00
		93,997.24		82,677.70