

**ANNUAL REPORT
AND ACCOUNTS**

**FOR THE YEAR ENDED
31 MARCH 2009**



'The Academy of Europe'

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THE TRUSTEES, OFFICERS AND COUNCIL OF THE ACADEMIA EUROPAEA

TRUSTEES

Chairman of Trustees:	Sir Brian Heap	Cambridge
Trustees:	Sir Arnold Burgen	Cambridge
	Professor Stig Strömholm	Uppsala
	Professor Peter Day	Oxford
	Sir Peter Lachmann	Cambridge
	Professor Volker ter Meulen	Würzburg
(from September 2008)	Professor Jürgen Mittelstrass	Konstanz

OFFICERS AND COUNCIL

President: (retired September 2008) (from September 2008)	Professor Jürgen Mittelstrass Professor Lars Walløe	Konstanz Oslo
Vice Presidents: (Retired September 2008) (Retired September 2008) (From September 2008)	Professor Jean-Paul Poirier Professor Denis Weaire Professor Michael Marmot Professor Sierd Cloetingh	Paris Dublin London Amsterdam
Hon. Treasurer:	Professor Peter Day	Oxford
Council Members (individual): (Retired September 2008)	Professor Manuel Velarde Professor Susan Bassnett Professor Cinzia Ferrini Professor Josef Gruska Professor Margit Sutrop	Madrid Warwick Trieste Brno Tartu
(co-opted)	Professor Ole Petersen	Liverpool

The AGM of September 2006, approved a change to the regulations, to make all of the chairs of Sections formal members of the Council. At that time also the number of individually elected members to Council was set at a maximum of 5. These changes consolidated earlier proposals so as to ensure a better involvement of Sections in the governance of the Academia Europaea. The list of Section chairs, as at 31 March 2009, is at annex 1 of this report. Prof. Petersen was co-opted, as chair of the Nominations subcommittee.

London Secretariat

Executive Secretary:	Dr David Coates
Senior Administrator:	Ms Teresa McGovern
Finance Manager:	Mr Choong-kar Chan (left June 2008) and has not been replaced
Membership Secretary:	Ms Betty Lim

Auditors	Principal Bankers	Solicitors
Keith-Vaudrey & Co Chartered Accountants First Floor, 15 Young St. London W8 5EH	NatWest Bank Plc PO Box 2AG 63, Piccadilly London W1A 2AG	Hewitson Becke+Shaw Shakespeare House 42, Newmarket Road Cambridge. CB5 8EP

ACADEMIA EUROPAEA

The structure of the Academia Europaea

A Deed of Trust, dated 29 January 1990 governs the Academia Europaea. Trustees are appointed under the terms of the Deed in line with a supplemental Deed approved and adopted on 4 April 2003. Under the authority of the Trustees, the regular business of the Academia is conducted by a Council which consists of the Board of management, representatives of Sections and not less than 5 members who are elected by the Annual Meeting of all the members of the Academia present and eligible to vote. The Council appoints a President, Vice-Presidents and a Treasurer who together form a Board of Management to supervise the work of the Academia between meetings of the Council. Sir Brian Heap assumed the chair of the Trustees on 2 April 2004. During the period of this report the Trustees approved the appointment of one new Trustee: Professor Jürgen Mittelstrass, the retiring President.

The mission of the Academia Europaea

The Academia Europaea is an international, non-governmental association of individual scientists and scholars, who are experts and leaders in their own subject areas as recognised by their peers.

The Academia will:

- Promote a wider appreciation of the value of European scholarship and research.
- Make recommendations to national governments and international agencies concerning matters affecting science, scholarship and academic life in Europe.
- Encourage interdisciplinary and international research in all areas of learning, particularly in relation to European issues.
- Identify topics of trans-European importance to science and scholarship, and propose appropriate action to ensure that these issues are adequately studied.

The Academia will endeavour to:

- Encourage the highest possible standards in scholarship, research and education.
- Promote a better understanding among the public at large of the benefits of knowledge and learning, and of scientific and scholarly issues, which affect society, its quality of life and its standards of living.

Statement of Financial Activities for the year ended 31st March 2009

INCOME AND EXPENDITURE	Notes	Unrestricted	Designated	Restricted	Total Funds	
		Funds	Funds	Funds	2009	2008
		£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
-Voluntary income						
Donations for general purposes	2	101,840	-	-	101,840	94,456
Contributions for special purposes				-	0	34,500
Contribution towards premises costs	2	52,000	-	-	52,000	52,000
Members' contributions		49,864	-	-	49,864	49,649
Members Lump Sum Contribution		-	-	-	-	-
-Activities for generating funds						
Interest receivable		3,059	-	-	3,059	4,433
Appeal		-	575	-	575	-
Publications grant and royalties	3	9,918	-	-	9,918	7,066
-Incoming resources from charitable activities						
Direct income for project management		-	-	-	-	-
Grants and receipts for plenary meetings	4	-	-	23,022	23,022	8,894
Grants for projects	4	-	-	51,510	51,510	7,960
Grants for prizes	4	-	-	14,000	14,000	11,270
-Other incoming resources		-	-	-	-	150
TOTAL INCOMING RESOURCES		216,681	575	88,532	305,788	270,378
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising and publicity	5	11,206	-	-	11,206	13,599
Charitable activities	6	239,262	-	83,406	322,668	287,473
Governance costs	7	3,000	-	-	3,000	3,202
TOTAL RESOURCES EXPENDED	8	253,468	-	83,406	336,874	304,274
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR		(36,787)	575	5,126	(31,086)	(33,896)
FUNDS BROUGHT FORWARD AT 1 APRIL 2008						
		(21,068)	195,167	-	174,099	207,995
FUNDS CARRIED FORWARD AT 31 MARCH 2009						
		(57,855)	195,742	5,126	143,013	174,099

None of the charity's activities were acquired or permanently discontinued during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance Sheet as at 31st March 2009

		2009		2008	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		9,662		12,341
Intangible assets	11		<u>5,394</u>		<u>10,790</u>
			15,056		23,131
CURRENT ASSETS					
Stocks of ties and pins		4,272		5,682	
Debtors	12	21,838		14,234	
Cash at bank		<u>195,588</u>		<u>224,057</u>	
		221,698		243,973	
<u>Deduct: CREDITORS</u> - falling due within one year	13	<u>93,741</u>		<u>93,005</u>	
NET CURRENT ASSETS			<u>127,957</u>		<u>150,968</u>
NET ASSETS			<u>143,013</u>		<u>174,099</u>
UNRESTRICTED FUNDS					
Accumulated General Fund			(57,855)		(21,068)
Designated Funds:	14		195,742		195,167
Restricted Funds			<u>5,126</u>		<u>-</u>
TOTAL FUNDS			<u>143,013</u>		<u>174,099</u>

Approved by the Trustees and Council of Academia Europaea

and signed on their behalf on 2009 by:

..... Sir Brian Heap, Chair of Trustees

..... Professor Lars Walløe, President

..... Professor Peter Day, Treasurer

1. ACCOUNTING POLICIES

Basis of preparation of accounts

The accounts have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the statement of recommended practice, *Accounting by Charities*.

Income

Income from donations is accounted for on an accruals basis where, in the opinion of the President, receipt of such income is reasonably certain. Otherwise such income is accounted for on a cash basis.

Gift aid contributions have been grossed up to include tax recoverable in the year in which they are receivable.

Interest receivable is accounted for on an accruals basis.

Income for plenary meetings, specific projects and prizes is accounted for as restricted funds against which expenditure for these activities is charged.

Cost allocation

Direct charitable expenditure includes all expenditure incurred on activities conducted in pursuance of Academia Europaea's objectives.

Staff costs, premises overheads and other costs are apportioned on the basis of percentage time spent on charitable activities, fundraising and publicity, and management and administration.

Operating leases

Rentals and service charges paid under operating leases for office premises and equipment are charged to Resources Expended in the Statement of Financial Activities as incurred.

Contributions from third parties

Several of Academia Europaea's activities are supported or partially supported by contributions from third parties paid directly to local organisers. These funds have not passed through the Academia's books. It is the Academia's intention to recognise and include these contributions in the Statement of Financial Activities where the amounts are known or can be determined.

However, while the substance of these activities remains under the Academia's direct control, the local organisers and sponsors have autonomous responsibility for making contributions which may be in cash or in kind and cannot be reasonably included in the Statement of Financial Activities.

This policy was implemented with effect from 1 April 1996.

Fixed assets and depreciation

Office furniture and equipment are depreciated on the straight line basis at the rate of 10% per annum and computer equipment at the rate of 25% per annum to write off the cost over their estimated useful lives. Expenditure on the creation of the members database is written off over three years.

Notes to the accounts, contd....

1. ACCOUNTING POLICIES (continued)

London Secretariat charges

Much of the London Secretariat's time is spent organising and assisting plenary meetings, projects and study groups. It is the policy of Academia Europaea that, where possible, these administration costs be recovered from these activities.

Foreign currency transactions

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currency are translated into sterling at the rate of exchange ruling on the balance sheet date.

Charitable status and taxation

The Academia Europaea is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. Value added tax is not recoverable by the charity, and as such, is included in the relevant costs in the Statement of Financial Activities.

Funds

Restricted funds are set up from grants and contributions given to Academia Europaea, the use of which is restricted as to purpose and conditions imposed by the donors. None of these funds has any permanent endowed capital.

Unrestricted funds represent accumulated surpluses and deficits in the statement of financial activities which are available for use at the discretion of Academia Europaea's operations and activities. The Council may set aside amounts to be designated for specific uses or purposes.

The unrestricted funds comprise the Accumulated General Fund, Capital Fund and Academia Europaea Trustees Fund as described in notes 5, 6 and 7 respectively.

2. DONATIONS FOR GENERAL PURPOSES

	2009	2008
	£	£
The Royal Society, UK *	22,500	22,500
DFG, Germany	23,300	20,658
MPG, Germany	23,300	19,568
CSIC, Spain	14,000	12,146
French Ministry of Research	-	7,434
Portugal - FTC Portugal	2,732	2,347
Austrian Government	16,008	9,803
	<u>101,840</u>	<u>94,456</u>

* The Royal Society also made a contribution of £52,000 towards premises costs (2008 - £52,000).

Notes to the accounts contd...

3. PUBLICATIONS AND ROYALTIES

In 2007-08 Academia Europaea received an annual grant from Cambridge University Press of £7,325 to cover, in part, editorial and office expenses of the *European Review*.

Royalties income of £1,841 were also received.

4. GRANTS AND RECEIPTS FOR PLENARY MEETINGS, PROJECTS AND PRIZES

Grants and Receipts for Plenary Meetings

Grants and receipts for the Liverpool Annual General Meeting totalled £23,022.

	2009	2008
	£	£
Grants for Projects		
Compaigna di San Paulo for Hercules	27,525	-
Tschira Foundation	23,985	-
Singer Polignac Colloquim, December 2007	-	4,245
	<u>51,510</u>	<u>4,245</u>
Grants for Prizes		
MAIK Interperiodika	7,913	5,784
Rosbusinessbank	6,087	5,250
	<u>14,000</u>	<u>11,034</u>

5. FUNDRAISING AND PUBLICITY

	2009	2008
	£	£
Premises overheads	2,567	3,139
Staff costs	8,631	10,460
	<u>11,198</u>	<u>13,599</u>

Notes to the accounts contd...

6. CHARITABLE ACTIVITIES

	Unrestricted General Fund	Designated Heinz- Nixdorf	Restricted Projects Fund	2009 Total Costs	2008 Total Costs
	£	£	£	£	£
Membership and information services	18,268	-	-	18,268	21,040
Council, board, trustees and subcommittees	24,300	-	-	24,300	18,163
Relations with other bodies	9,119	-	-	9,119	10,015
Publications (<i>European Review</i>)	40,554	-	-	40,554	38,563
Plenary meetings	-	-	26,915	26,915	22,818
Hercules Series conference, March 2006	-	-	0	0	(2,222)
Humanities, Berlin 2007	-	-	-	0	4,187
Singer Polignac Colloquim, December 2007	3,847	-	0	3,847	4,245
Hercules Series conference, March 2008	-	-	27,445	27,445	-
Heidelberg	-	-	7,492	7,492	-
New Initiatives Development Workshops	-	-	7,554	7,554	10,110
Russian Prizes	-	-	14,000	14,000	11,270
Total Direct Costs	96,088	-	83,406	179,494	138,189
Support Costs					
Premises overheads	23,106	-	-	23,106	28,247
Staff costs	89,448	-	-	89,448	108,407
Books and stationery	2,992	-	-	2,992	835
Postage and telecommunications	6,039	-	-	6,039	4,764
Miscellaneous	1,702	-	-	1,702	1,744
Office equipment maintenance and support	7,081	-	-	7,081	5,649
Accountancy services	5,454	-	-	5,454	-
Depreciation on tangible fixed assets	11,391	-	-	11,391	4,068
Difference on exchange rates	(9,382)	-	-	(9,382)	(6,577)
Bank charges and commissions	3,820	-	-	3,820	2,147
Office relocation	1,523	-	-	1,523	-
	239,262	-	83,406	322,668	287,473

7. GOVERNANCE COSTS

Professional fees (audit fees - £1,750 (2008 - £1,745))	3,000	-	-	3,000	3,202
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8. TOTAL RESOURCES EXPENDED

	Direct Costs	Staff Costs (note 9)	Other Costs	Total Costs	
	£	£	£	£	£
Charitable activities	173,080	89,448	60,140	322,668	287,473
Fundraising and publicity	2,567	8,639	-	11,206	13,599
Governance costs	-	-	3,000	3,000	3,202
	175,647	98,087	63,140	336,874	304,274

Notes to the accounts contd...

9. STAFF COSTS

	2008	2007
	£	£
Salaries	82,996	99,239
Social security costs	8,292	10,450
Pensions costs	6,750	9,178
Total Staff Costs	<u>98,038</u>	<u>118,867</u>

The average number of persons, analysed by function, employed by Academia Europaea during the year was:

Charitable activities	2	2
Management and administration	1	1
	<u>3</u>	<u>3</u>

No trustee received any remuneration in respect of their services in the year (2008 - £Nil)

No employee received earnings in excess of £50,000 in 2008-2009 or 2007-2008.

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable by the charity and amounted to £6,750 (2007 - £9,178). £17,678 (2008 - £15,603) was outstanding at 31 March 2009.

10. TANGIBLE FIXED ASSETS

	Computer Equipment	Office Furniture and Equipment	Total
	£	£	£
COST			
At 1 April 2008	16,831	14,419	31,250
Additions	<u>99</u>	<u>3,219</u>	<u>3,318</u>
At 31 March 2009	<u>16,930</u>	<u>17,638</u>	<u>34,568</u>
ACCUMULATED DEPRECIATION			
At 1 April 2008	11,574	7,335	18,909
Charge for the year	<u>4,233</u>	<u>1,764</u>	<u>5,997</u>
At 31 March 2009	<u>15,807</u>	<u>9,099</u>	<u>24,906</u>
NET BOOK VALUE			
At 31 March 2009	<u>1,123</u>	<u>8,539</u>	<u>9,662</u>
At 31 March 2008	<u>5,257</u>	<u>7,084</u>	<u>12,341</u>

Notes to the accounts contd...

11. INTANGIBLE FIXED ASSETS

	Members Database
	£
COST	
Cost at 31 March 2008 and 2009	<u>16,186</u>
ACCUMULATED DEPRECIATION	
At 1 April 2008	5,396
Charge for the year	<u>5,396</u>
At 31 March 2009	<u><u>10,792</u></u>
NET BOOK VALUE	
At 31 March 2009	<u><u>5,394</u></u>
At 31 March 2008	<u><u>10,790</u></u>

12. DEBTORS

	2009	2008
	£	£
Prepayments and accrued income	3,176	10,387
Other debtors	<u>18,662</u>	<u>3,847</u>
	<u><u>21,838</u></u>	<u><u>14,234</u></u>

13. CREDITORS - falling due within one year

	2009	2008
	£	£
Sundry creditors	54,256	35,654
Receipts in advance	<u>39,485</u>	<u>57,351</u>
	<u><u>93,741</u></u>	<u><u>93,005</u></u>

14. DESIGNATED FUNDS

	At 1 APRIL 2008	NEW DESIGNATIONS	EXPENDED in YEAR	At 31 MARCH 2009
	£	£	£	£
Capital fund	110,000	-	-	110,000
Academia Europaea Trustees Fund	5,000	-	-	5,000
Heinz-Nixdorf Fund	80,167	-	-	80,167
20th Anniversary Appeal	-	575	-	575
	<u>195,167</u>	<u>575</u>	<u>-</u>	<u><u>195,742</u></u>

The Capital Fund represents amounts set aside from annual surpluses as a designated fund for the purposes of Academia Europaea's future development plans or other contingencies.

This fund is set aside as a designated fund to fulfil an obligation of the Trustees under the terms of the Trust Deed.

The Heinz-Nixdorf Fund represents monies received from the Heinz-Nixdorf Foundation which the Trustees Have designated to be used for specific purposes.

15. OTHER FINANCIAL COMMITMENTS

The charity is committed to paying rent and service charges of £34,322 in the year 2008-2009 (2007-2008 - £30,374) in respect of the charity's office premises.

