

Treasurer's statement to the examined accounts of the Academia Europaea to the end of the financial year 2024 (January – December)

The financial year 2024 saw our finances under continued pressure whilst we continued the set-up and development of the new headquarters office in Munich. This necessarily entailed a further release of funds from our reserves as the new office and staff became operational. In addition to our normal budgeted expenditures we transferred some £58,000 to Munich for operational support.

To offset some of this, we reduced expenditures on the London office through a reduction on staff costs and office costs. Further changes to London I.T during the year will result in further savings in 2024/25 and beyond. We have been pleased to continue to fund some new initiatives (small grants to member-initiated activity) and further supported new corporate initiatives through the HERCuLES group, and the A.I Task Force

The examined accounts tabled for you to look at and the accompanying notes within the report provide details for all of these expenditures and related administrative costs of running the Academia Europaea. It is important to note that these accounts are expressed in pounds sterling (a regulatory requirement for a UK registered entity) as these accounts will be lodged with the UK regulatory authorities that govern our registrations (Companies House and the Charity Commission for England and Wales). From 2025 we hope to express the accounts in Euros.

Furthermore, Readers should note that the accounts regularly mention '*restricted or designated funds*' – these are funds received or held that have been donated or grants won for specific purposes (for example EU projects, Prize funds). These funds cannot be utilised for other purposes. It is only the '*unrestricted funds*' that form those financial resources that can be applied in support of the operations of the academy and dispersed by the Board of trustees in delivery of our strategic plan and our charitable objectives.

I would like to report that despite the additional expenditures, 2024 saw a continuing, relatively stable financial situation in terms of cash held. We are a not-for-profit organisation and we plan our activities on the basis of what available resources we have. However, we are obliged to maintain cash reserves to cover six months of operations.

The 2024 members' contributions showed a small decline over 2023. This was a result of a move of a substantial number of members into one of the higher age-related categories for contributions. Unfortunately as always, I have to report that, a significant number of members still fail to make an annual payment. The Finance Sub-committee (FinComm) will investigate this and consider how to address the situation. The numbers of members opting to make a single one-time life payment in 2024 was. This is especially financially beneficial to younger members. The Academy is wholly dependent upon membership income for its unrestricted expenditures. This is a situation that presents a risk and that the Board of trustees are seeking to address through a new finance and sponsorship development strategy currently under development.

We were pleased to elect in 2024 as a new Patron member the Hungarian Research Network of institutes (HUN-REN). We encourage other like minded organisations to apply for associate or Patron membership.

In terms of numbers: 2024 saw expenditure for unrestricted charitable activities fall from £116,943 in 2023 to £98,399. Governance costs in 2024 were £ 10,925, compared to £27,319 in 2023 (see graph 3). Income from our journal The European Review held up and showed a slight increase to £13,000. The journal is now a net cash generator.

The costs of our administration in London fell in 2024, as the executive secretary reduced his working days and changes to the London office costs kicked in.

Some key observations included:

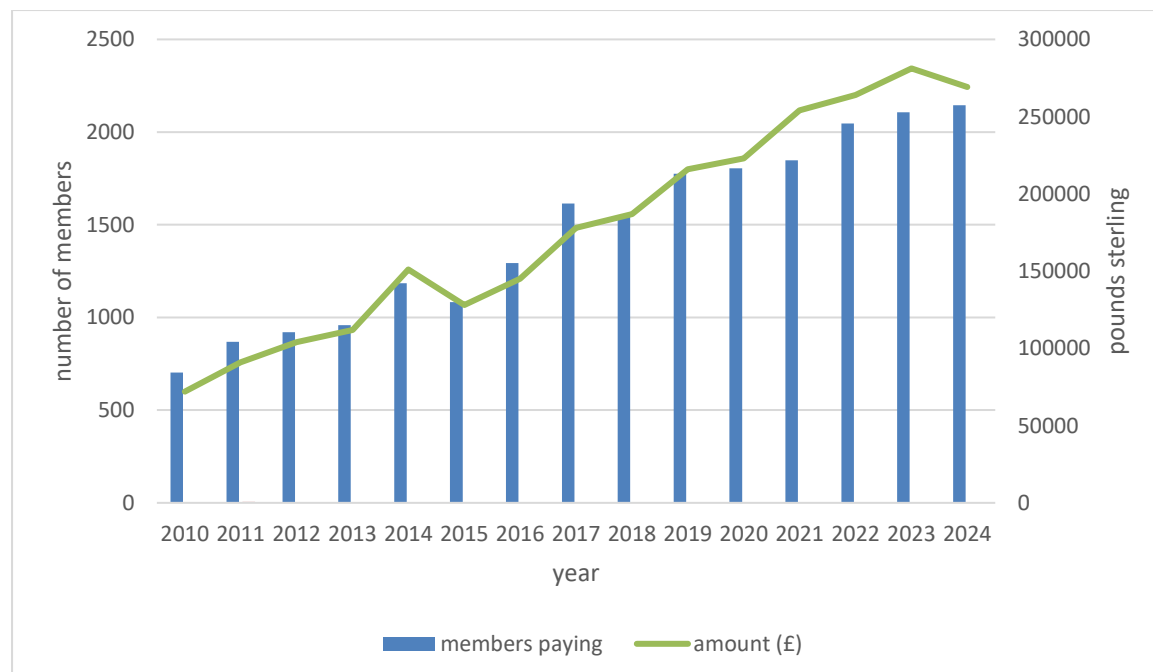
Our only Patron member – (the Leopoldina) ceased its association with us after a long membership period. This entailed a loss in income of £22,123. However, with election of our new Patron, we recovered some 5,000 Euros as a first donation. (see graph 2 for all income categories)

Membership income fell from £281,211 in 2023 to £269,194 (see graph 1) in 2024

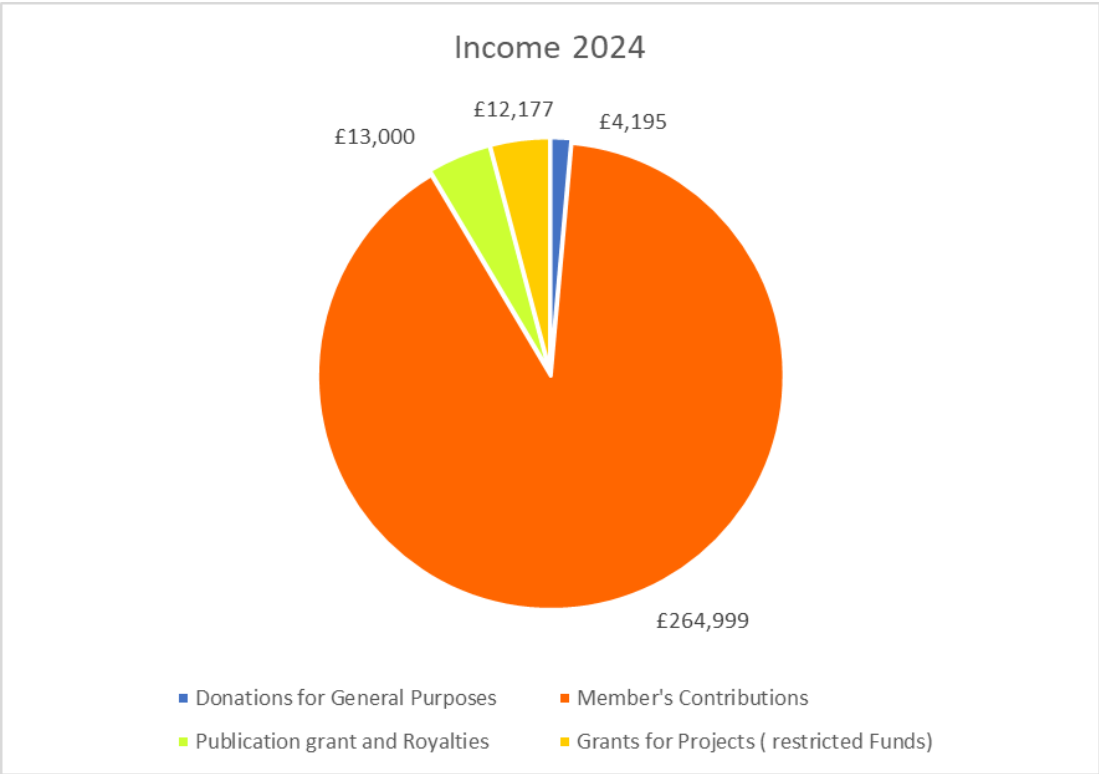
The accounts however showed a funds carried forward total for 2024 of £-33,600. This was due to the accumulated life members contributions fund (standing at £177,513) which was offset against the much reduced unrestricted funds available that had been carried over from 2023. This is an accounting technicality and did not reflect actual cash at the bank which was always positive throughout 2024.

The Board of trustees invite you to adopt the 2024 examined accounts via the E-ballot that you have received.

Graph 1. Pattern of member payments



Graph 2 Income 2024



Graph 3 Expenditures 2024

