

*The London  
Mathematical  
Society*



**Report of the Trustees for the period  
1 August 2007 – 31 July 2008**

London Mathematical Society  
De Morgan House  
57–58 Russell Square  
London  
WC1B 4HS

Charity registration number: 252660  
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**Members of Council during the period 1 August 2007 to 31 July 2008**

<b>President:</b>	J.F. Toland ( <i>to 23 November 2007</i> ) E.B. Davies ( <i>from 23 November 2007</i> )
<b>Vice-Presidents:</b>	D.G. Larman F.A. Rogers
<b>Treasurer:</b>	N.M.J. Woodhouse
<b>General Secretary:</b>	C.M. Goldie
<b>Programme Secretary:</b>	S.A. Huggett
<b>Publications Secretary:</b>	K.J. Falconer
<b>Education Secretary:</b>	C.J. Budd
<b>Members-at-Large:</b>	J.E. Barrow-Green ( <i>from 23 November 2007</i> ) A. Borovik D.E. Buck S. Chandler-Wilde R.T. Curtis ( <i>to 23 November 2007</i> ) H.G. Dales P.J. Davies A.M. Etheridge ( <i>to 23 November 2007</i> ) I.G. Gordon J.F.C. Kingman ( <i>to 23 November 2007</i> ) A. Laptev ( <i>from 23 November 2007</i> ) R.M. Thomas B. Totaro ( <i>from 23 November 2007</i> ) A. Wilkie E. Winstanley

**Senior staff**

<b>Executive Secretary:</b>	P.R. Cooper
<b>Administrator:</b>	S.M. Oakes
<b>Publisher:</b>	S.P. Hezlet

<b>Auditors:</b>	Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD
<b>Investment Advisers:</b>	Morgan Stanley, 20 Cabot Square, Canary Wharf, London E14 4QW
<b>Bankers:</b>	National Westminster Bank plc, 208 Piccadilly, London W1A 2DG

## **The Society's aims and objectives**

The Society is governed by a Royal Charter. It is a Registered Charity for the purposes of "promoting and extending mathematical knowledge". Copies of the Society's Charter and Statutes, and its current By-Laws, can be obtained on request from the Administrator at the Registered Office of the Society.

The Council has agreed a set of strategic objectives for the Society to fulfil its role as a membership society for the advancement, dissemination and promotion of mathematical knowledge:

Objective 1: To work through its members and with the mathematical and broader scientific community worldwide to advance the interests of mathematics.

Objective 2: To advance mathematical knowledge by enabling mathematicians to undertake research and collaboration, and by supporting them in their efforts.

Objective 3: To disseminate mathematical knowledge and make it available worldwide, where appropriate seeking to create an income stream to support the Society's activities.

Objective 4: (i) To promote mathematical research and its benefits to decision-makers, policy advisers, funders and the users of mathematics. (ii) To support mathematical education in schools, colleges and universities, and encourage the public and young people to appreciate and engage with mathematics.

Objective 5: To manage the Society's affairs and resources effectively and efficiently, operating where appropriate to make a financial return on activities to support the Society's work.

## **The Council and the Society's business**

The Society's governing body is its Council, and its Trustees are the members of the Council. The Council consists of 20 Members of the Society of whom eight are Officers (including the President) and twelve are Members-at-Large. The Officers of the Society together with the Executive Secretary comprise the Finance & General Purposes Committee (F&GPC) which is responsible for implementing Council's decisions, for financial management and for advising Council on policy and strategic matters.

Officers are elected annually and Members-at-Large of Council for a period of two years, at the Annual General Meeting, by single transferable vote. A Nominating Committee, elected by the membership, makes at least one nomination of an eligible candidate for each vacancy at the Annual General Meeting (AGM). Members of the Society may also nominate eligible Members of the Society for election. The terms of reference for the Nominating Committee were reviewed and revised during the period.

Council approved new procedures for the identification of future Presidents, involving a small search group comprising the current President, a nominee of the Nominating Committee and a nominee of the F&GPC, which sought and reviewed potential candidates. Professor Angus Macintyre, FRS, was identified to be nominated to the AGM in 2009 to succeed the current President.

All candidates for election to Council are provided with information on the roles and responsibilities of Trustees. Those elected are invited to a briefing session in advance of their first Council meeting (January) at which the work of Council, its strategies and plans, the operation of the financial systems and the administration of the Society are covered. All Council members, at their first Council meeting each year, are required to return a Declaration of Interests form.

Council and F&GPC both met five times in the period, Council in October and November 2007, January, March and July 2008, and F&GPC in September 2007, January, March, May and June 2008. The Council held a Retreat in June 2008 to explore in detail proposals to create, with the Institute for Mathematics and its Applications (IMA), a new society that would replace both the LMS and the IMA (see later in this report).

The By-laws were amended at the AGM in November 2007. The primary reason was to allow the Council to meet in July, rather than June, when appropriate, but the opportunity was taken to remove age-specific

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language, to enable (but not necessarily introduce) online voting, to regularise certain administrative practices, and to clarify the rules for eligibility for election and re-election to Council and Nominating Committee, where the existing By-Laws were opaquely phrased.

Council has been concerned about the loss to mathematics resulting from low numbers of women, especially at higher levels, and has considered possible reasons for this. In March it approved a policy on women in mathematics as a step towards addressing the difficulties in this area. The policy has implications for the Society's own procedures and practices, including selection of members of committees, speakers at meetings, regulations governing awards and grants, etc. Committees were asked to consider the implications of the statement on their activities, and this process was in progress at the year end.

The Council has established several Standing Committees, which advise the Council, and to which the Council has delegated some decision making. A list of all committees and their membership is given in Appendix A. A review of the remits and terms of reference of the various committees was initiated during the period, to ensure that the Society has the spread of committees appropriate to its strategies and activities; that review will report in 2008.

Council approved, in line with Charity Commission guidelines, two Trustees receiving payments in respect of their services as Popular and Holgate Lecturers, noting that such payments were made to all such Lecturers and were not connected with or influenced by their membership of Council. Otherwise, Council members, as Trustees, receive reimbursement only for expenses actually incurred in attending meetings or representing the Society. A grant was agreed to the International Centre for Mathematical Sciences (ICMS), the Director of which (J.F. Toland) was a member of Council.

The Society depends heavily on the unpaid voluntary work of very many of its members, such as those who referee papers submitted to the Society's publications, those who edit those publications or serve on the Society's Editorial Advisory Boards, those who serve on the Society's Committees and those who represent the Society on other bodies, together with the members of the Council themselves, many of whom undertake heavy burdens for the Society. The Society appoints representatives on external bodies and committees; these are listed in Appendix B.

### The Society's finances

The Society's finances are healthy. In the period 2007/08 income (excluding gains on investment assets) exceeded expenditure by £370.4K, against an expected surplus of £87.5K. Although a substantial part of the difference was due to increased income, this is the second year in which budgeted expenditure has not been realised. Council is concerned to find more effective ways of ensuring that its spending plans are met, and this will be considered and implemented early in the 2008/09 financial year.

The main sources of income were: publication income (63.8%), investment income (20.6%), Conference facilities (6%), Grants and Contracts (4.4%) and members' subscriptions (3.6%). Expenditure (including support costs) broken down by objective was:

Advancing mathematics (membership, links with the mathematics community, library, prizes)	11.1%
Enabling mathematics (grants, appointments and courses)	24.0%
Disseminating mathematics (publishing)	32.8%
Disseminating mathematics (meetings and lectures)	3.6%
Promoting mathematics (decision and policy makers, education, public, media)	7.4%

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Society and its financial activities for the period. In preparing those financial statements, the trustees have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;

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- stated whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis unless it is inappropriate to do so.

The full audited accounts of the Society, including the accounting policies, are annexed to this Report.

The trustees have overall responsibility for ensuring that the Society has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Society is operating efficiently and effectively;
- its assets are safeguarded against unauthorised use or disposition;
- proper records are maintained and financial information used within the Society or for publication is reliable;
- the Society complies with relevant laws and regulations.

Budgets are set by Council on the recommendation of the F&GPC, based on bids from budget holders, in line with the strategic objectives of the Society. Expenditure is monitored quarterly by F&GPC, which is responsible for recommending any variation in the budgets set by Council. The underspend in several budget areas continued to concern F&GPC, despite moves taken last year to counter the trend; further actions will be taken in the 2008/9 financial year, including increasing the level of allowable overcommitment by activity committees and sections.

The Council and F&GPC 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 and Management, Law & Regulation, Reputation, External & Environment, Financial, and Operational. In certain cases Council has established Designated Funds to set against potential risks; the risks or commitments that are covered by each fund are reviewed and revised annually.

### **Reserves**

Council reviewed its policy on reserves. The unrestricted reserves comprise a General Fund and other Designated Funds. The Society has a broad-ranging programme of activities in support of its strategic objectives as described in this report. While some activities are supported from Restricted Funds, all need continuity of funding. The scale and future risks to academic publishing have led Council 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, therefore, acts both to provide income for activities not funded from Designated or Restricted Funds (particularly the grant schemes) and also to act as a 'free reserve' to provide adequate working capital for the Society to operate effectively and efficiently and to be used in pursuit of the Society's objectives as Council may from time to time determine.

Council has determined several Designated Funds to meet potential costs of activities, to set against risks relating to the building and publishing (see above) and to meet the costs of grant awards made but not yet paid – these are given at Annex E

The Society holds several Restricted Funds, as described in the audited accounts. These originate from various donations and bequests, and some no longer adequately cover the costs of the activities for which they are used. In order to manage these Special Funds more effectively an approach is being made to the Charity Commission to invest and account for the funds on an aggregated 'total return' basis. As reported last year, an approach is also being made to the Charity Commission to seek a change in the regulations governing the use of the Berwick Fund, removing the criterion that recipients must be members of the Society in order to open up the pool of worthy candidates.

## **Investments**

The value of the Society's assets dropped from £13.06M to £12.95M. The decline was primarily due to the loss of investment assets.

Council has agreed to draw 3.5% of the invested value of the General Funds on an annual basis, in line with the 'Yale' model. The scale of the Society's activities is constrained by this figure through the annual budgeting process.

The majority of the Society's reserves – both Restricted and Unrestricted – are invested and managed by the Society's investment managers, Morgan Stanley. Council has appointed an investment subcommittee to help it evaluate professional advice on its investments. Council has confirmed an investment mandate with discretionary powers with Morgan Stanley, based on a 'total return' basis, designed to maximize investment income while maintaining the real value of the investments.

The investment managers have discretion in both the mix and selection of investments in order to meet the growth targets for the portfolio, subject to bounds set in the mandate and without exposing the Society's reserves, on which its future capacity to maintain its activities depends, to undue risk. The primary target is that the Society's portfolio produces a real return of at least 4% pa. The portfolio is invested in a range of equity, cash and fixed-interest investments in both UK and overseas markets. A summary of the main categories of investments and the geographical split is provided in the notes to the financial statements in accordance with the Charities SORP. Morgan Stanley's management of the Society's portfolio is driven by two central strategies: investment in the world economy and hedging back into sterling to eliminate risk from exchange rate movements. This approach is considered by the Trustees to give optimum total return without exposing the Society's investments to undue risk; it is consistent with the principles set out in the Charity Commission guidelines *Investment of Charitable Funds, Basic Principles* (CC14) and conforms with the Trustee Act.

## **External relations: Collaboration with other mathematical and scientific organisations**

The Society is a founder member, with the Institute for Mathematics and its Applications and the Royal Statistical Society, of the Council for the Mathematical Sciences (CMS), chaired by Sir David Wallace, CBE, FRS, Director of the Isaac Newton Institute. The Edinburgh Mathematical Society and the OR Society joined CMS during the year. The CMS provides a forum for the consideration of matters of joint interest, and responds and makes representations to Government and others on appropriate issues. The CMS has an annual meeting with senior members of EPSRC and officers of its Mathematical Sciences Programme.

The Society is a member of the Science Council, the UK Parliamentary and Scientific Committee and the Foundation for Science and Technology. It is active through those bodies in ensuring that mathematics is reflected in public debates and in informing Council of external policy issues.

## **Relations with the Institute of Mathematics and its Applications**

The year has seen significant developments in the discussions on the possibility of a single unified society to replace both the London Mathematical Society and the Institute of Mathematics and its Applications (IMA). The Joint Planning Group looking at what such a society would be, how it might operate, and what it could achieve, produced a draft report which was seen by the Councils of the Society and the IMA in March. The LMS Council also held a Retreat in June to examine the proposals and implications for the LMS's aims and objectives. The result was a final report to the July Council (of the LMS; the June meeting of the IMA Council).

The Councils at their meeting adopted the report and agreed to commend it to the memberships. At the year end, plans were being put in place for a comprehensive consultation with members over the proposals,

including visits by the two Presidents to various regional venues. A decision as to whether to go to a formal vote by the members will be taken in November 2008.

The Society and the IMA have continued their close collaborations throughout the year in other areas as well, as reported elsewhere in this report. These include the first award of the Christopher Zeeman Medal. The two societies have also worked collaboratively on external bodies and initiatives, including the Council for the Mathematical Sciences (see above), the Science Council and the **more maths grads** project.

## **Staff management**

The Society's Personnel Committee deals with staffing-related issues. A list of staff in post during the period is at Appendix C.

The review of the publications staffing and administration undertaken in 2006/07 was implemented on 1 October 2007, involving a number of changes in jobs and, regrettably, the loss of two members of staff. In April 2008 a small review was undertaken to ascertain whether the rearrangements had achieved what was intended and the gains expected achieved.

Arrangements were made for the provision of independent pension advice to staff members.

Council has approved an Employment Policy Statement, which is issued to all employees. It has also approved an Equal Opportunities Policy Statement, and a Harassment and Discrimination Policy, and has established a Discipline and Grievance Procedure.

The offices were established in De Morgan House 10 years ago and it was apparent that the way that the offices were being used, for people and for files and storage, was no longer optimal. At the year end plans were being developed to reassess the needs of posts and people and to use the rooms in a way that will better meet the needs of the Society and its staff members.

## **De Morgan House**

The Society holds a long lease (to 2118) from Bedford Estates on De Morgan House, 57/58 Russell Square, London, WC1. It uses these premises (a) to house its administrative headquarters, (b) to hold its meetings and conferences in the promotion of Mathematics, (c) to let out offices on the upper floors to other organisations on a commercial basis, and (d) for function rooms which it lets to other organisations for their own purposes. The last category includes other mathematical organisations, where there is both a mathematical and financial benefit.

The use of the Conference Facilities for mathematical meetings and as a source of revenue developed well over the period, with usage rates continuing to grow. The facilities bring a return to the Society but the long-term profitability will need to be kept under review.

## **Review of activities over the period and plans for the future**

A more detailed report on the Society's activities in 2007/08 and its plans for the future is available in the *Annual Report of Activities*, which can be obtained from the Society's offices or from the Society's web site [www.lms.ac.uk](http://www.lms.ac.uk).

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Objective 1: To work through its members and with the mathematical and broader scientific community worldwide to advance the interests of mathematics

	<b>Aug 2002</b>	<b>Aug 2003</b>	<b>Aug 2004</b>	<b>Aug 2005</b>	<b>Aug 2006</b>	<b>July 2007</b>	<b>July 2008</b>
Ordinary Members	2364	2369	2344	2339	2343	2333	2320
Associate Members	43	138	153	157	127	134	145
Institutional Members	53	52	51	47	44	17	14
Honorary Members	28	28	29	29	28	28	28

### *Key objectives and achievements over the period*

- the Society's medals for excellence in mathematics were awarded
- the President participated in a meeting of Presidents of mathematical societies across Europe, looking at how the situation for mathematics might be enhanced
- first meetings of a group were held looking at a redesign of the Society's website to improve information provision, including the increased use of electronic services
- policies approved and publicised for receipt of archives and for books of mathematicians offered to the Society
- the Philippa Fawcett collection, a substantial set of books and materials on women in mathematics in the early 20th century received

### *Targets and objectives for the future*

- review of processes for attracting and electing members, and the benefits provided to them
- redesign of the Society's website to meet the needs of the wide community of mathematicians and those seeking information on the Society, on its activities and on mathematics generally
- consider the possibility of the Society offering to house the secretariat for the International Mathematical Union

Objective 2: To advance mathematical knowledge by enabling mathematicians to undertake research and collaboration, and by supporting them in their efforts

<b>Value of grants awarded 2001/02 – 2007/08</b>							
	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>
Scheme 1	£106,232	£130,742	£67,289	£97,450	£104,012	£134,629	£159,972
Scheme 2	£6,429	£42,810	£40,431	£44,872	£30,911	£34,752	£23,100
Scheme 3	£20,810	£23,350	£23,700	£25,600	£22,650	£29,797	£24,466
Scheme 4	£16,057	£15,155	£12,925	£15,407	£20,999	£14,417	£18,655
Scheme 5	£63,481	£18,110	£11,075	£14,175	£8,805	£5,100	£3,777
Scheme 6	£500	£50	£500	£405	£630	n/a	n/a
Scheme 7	N/A	£500	£1,445	£1,000	£2,500	£2,490	£0
Education Grants	£3,150	£1,700	£1,700	£1,962.50	£2,400	£1,239	£3,570
Women in Mathematics	N/A	N/A	£750	£300	£2,385	£1,800	£714
<b>Total</b>	<b>£216,659</b>	<b>£232,867</b>	<b>£159,815</b>	<b>£201,172</b>	<b>£195,292</b>	<b>£224,224</b>	<b>£234,254</b>

The Society's grant-giving policies and summaries of its grant schemes are given in Appendix D.

### *Key objectives and achievements over the period*

- a total of £234k disbursed from the Society's own resources in grants to support mathematical activities
- established new guidelines for small educational grants, and increased the value and number awarded
- reallocation of the funds formerly to support a Daphne Jackson Trust Fellow to other mechanisms to support and encourage return to and retention in mathematics
- appointment of a part-time facilitator for the Mentoring African Research in Mathematics scheme; second round advertised and partners identified

### *Targets and objectives for the future*

- launch new grant scheme for postgraduate research conferences

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- improve publicity and take-up of grants for international short visits to/from developing countries
- develop guidelines for intervention (or non-intervention) in cases of possible threats to mathematics in the UK and overseas
- work with Durham University and EPSRC to establish new funding mechanism for Durham Symposia

Objective 3: To disseminate mathematical knowledge and make it available worldwide, where appropriate seeking to create an income stream to support the Society's activities

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
LMS periodicals income	£876,808	£880,181	£886,217	£931,205	£975,890	£689,727	£818,681
Income from joint ventures and royalties	£155,092	£106,724	£220,155	£451,522	£448,952	£441,495	£490,544
Society meetings held (inc. joint)	8	13	11	12	11	9	8
Lectures given	11	2	10	0	5	1	38

### *Key objectives and achievements over the period*

- successful launch of the *Journal of Topology* and associated papers processing system
- Journals Editors Group established to replace the Editorial Committee and improve communication between Editors, Advisers and the Publications Committee
- Meeting for graduate students arranged to precede and provide introduction to the London Society Meeting in July 2008
- arrangements for Forder Lecture reviewed; further discussions with New Zealand mathematical Society planned
- guidelines established for the objectives, costs and benefits of joint meetings with overseas mathematics societies

### *Targets and objectives for the future*

- continue to seek new opportunities for publishing high quality mathematical research; ongoing discussions over new Russian translation journals
- launch an 'Open Access' for authors wishing to publish by this route
- strategic planning weekend in October looking at the future of mathematical publishing and the Society's plans to address it
- develop graduate meetings with the November and summer Society Meetings

Objective 4: (i) To promote mathematical research and its benefits to decision-makers, policy advisers, funders and the users of mathematics.

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Press releases issued	2	6	13	5	6	9	6
Policy statements issued (inc. joint)	n/a	6	14	18	11	11	11

### *Key objectives and achievements over the period*

- contracted to oversee preparation of an 'interactive' mathematics exhibit for the Royal Society
- populated web site with publicly-accessible statistics on mathematics in schools, colleges and universities, including results of the second year of CMS-HoDoMS survey looking at the health of mathematics departments in UK universities
- participated in and moved forward discussions of the Bologna agreement and GCSE mathematics proposals with Government
- published the first Knowledge Transfer Report (with the Knowledge Transfer Network) on applications of Bayesian networks
- invited to join the Athena Forum addressing issues of women in STEM

### *Targets and objectives for the future*

- extend 'The Maths Inside...' series at the Royal Society Summer Exhibition and to other exhibitions
- further reports in the Knowledge Transfer series

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Objective 4: (ii) To support mathematical education in schools, colleges and universities, and encourage the public and young people to appreciate and engage with mathematics.

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Popular lectures attendance	n/a	n/a	n/a	400	400	440	440
Education Grants	£3,150	£1700	£1,700	£1,962.50	£2,400	£1,239	£3,570

*Key objectives and achievements over the period*

- first LMS–IMA Christopher Zeeman Award made in recognition of contributions to the promotion of mathematics to the public
- continuing action to contribute to policy discussions and implementation of enrichment and enhancement activities supporting mathematics teaching in schools
- significant involvement in the management and activities of the MoreMathsGrads project, particularly in publicity, PR and web presence
- Renewal of agreement with Gresham College for joint lectures to the public

*Targets and objectives for the future*

- publicise and introduce the Juno Code of Practice for mathematics departments to encourage and support women at student, researcher and academic levels
- provide support for the BA Mathematical Science Section programme at the annual BA Festivals of Science in Liverpool and Surrey

E. Brian Davies  
President  
10 October 2008

**Membership of committees at 31 July 2008**

**Finance & General Purposes Committee:** President (*Chair*), Vice-Presidents, General Secretary, Treasurer, Programme Secretary, Publications Secretary, Education Secretary, Executive Secretary.

**Investment Subcommittee:** Treasurer (*Chair*), Members of Finance & General Purposes Committee, M. Davis, L. Hughston, M. Penington, 2 vacancies.

**Personnel Committee:** F.A. Rogers (*Chair*), Publications Secretary, P.J. Davies, J.F.C. Kingman, A. Truman, Executive Secretary.

**Nominating Committee:** P.J. Giblin (*Chair*), M.R. Bridson, A.G. Chetwynd, C.A. Hobbs, M.A.H. MacCallum, M. Reid, C.M. Series, B.J. Totaro (Council).

**Computer Science Committee:** R.M. Thomas (*Chair*), N.L. Biggs, J. Cooke (BCS–FACS), L. Goldberg, C. Greenough (IMA), C. Hinchliffe (EPSRC observer), R. Leese, T. Melham, K. Paterson, V. Sassone, K. van Rijsbergen (IMA).

**Education Committee:** Education Secretary (*Chair*), Vice-President (F.A. Rogers), S. Humble, N. MacKay, P.J. Rippon, J.C. Robson, C. Sangwin, M. Savage, E. Winstanley, J. Winter.

**International Affairs Committee:** Programme Secretary (*Chair*), Publications Secretary, J.M. Ball (IMU), A. Laptev, N. Peake (IMA), M. Prest, S.E. Sanders (ICMI), S.T. Tsou, President of the Edinburgh Mathematical Society, (vacancy, RSS).

**Library Committee:** Librarian (J.E. Barrow-Green) (*Chair*), R.W. Kaye, N.H. Bingham, R. Chapman.

**2008 Prizes Committee:** President (*Chair*), A. Carbery, J.D. Gibbon, W.T. Gowers, J.R. King, T. Stafford, P.M. Sutcliffe, U. Tillmann, T. Wooley.

**Programme Committee:** Programme Secretary (*Chair*), A.V. Borovik, P.J. Davies, I.G. Gordon, A. Laptev, B.J. Totaro, A.J. Wilkie.

**Meetings Committee:** Members of Programme Committee, Regional Organisers: N. Jacob (South West & South Wales), C. Parker (Midlands), M. Edjvet (Midlands), M. Prest (Northern), T. Voronov (Northern).

**Publications Committee:** Publications Secretary (*Chair*), Vice-President (D.G. Larman), J. Anderson, F.E. Burstall, I.G. Gordon, J. Greenlees, T.J. Lyons, U. Tillmann, Publisher.

**Journals Editors Group:** Publications Secretary (*Convenor*), Editors of the *Bulletin*, *Journal and Proceedings*, 3 members of the *BJP* Advisory Board, Book Reviews and Obituaries Editors of the *Bulletin*, Managing Editor for the *Journal of Topology*, member of the *Journal of Topology* Editorial Board, Editors of *Journal of Computation and Mathematics*, member of the *JCM* Advisory Board, Publisher, Managing Editor.

**Research Meetings Committee:** N. Manton (*Chair*), Vice-President (D.G. Larman), M. Ainsworth, M. Bambury (EPSRC observer), J. Bolton (Durham representative), A.V. Borovik, D. Buck, A.M. Etheridge, I. Smith, P. Sutcliffe.

**Research Policy Committee:** Vice-President (D.G. Larman, *Chair*), Vice-President (F.A. Rogers), D.E. Buck, E.B. Davies, P.J. Davies, M.E. Dyer, F.P. Kelly, M. Lackenby, D.S. Riley, J.F. Toland.

**Women in Mathematics Committee:** G.M. Stallard (*Chair*), D.E. Buck, H. Byrne (IMA), P. Clarkson, F.C. Kirwan, M. Luczak, A.H. Marshall, S. Pitts, S. Pott, J. Scott (EWM).

**Ad hoc committees and appointments**

**LMS–IMA Joint Working Group** (LMS members): President (*Chair*), General Secretary, Executive Secretary, *ad hoc* member.

**LMS–IMA Next Steps Initiative Joint Planning Group** (LMS members): President, General Secretary, Treasurer, Vice-President (D.G. Larman), Vice-President (F.A. Rogers), D.E. Buck, Executive Secretary.

**LMS–IMA David Crighton Medal Committee (2006)** (LMS members): President (*Chair*), M. du Sautoy, K.J. Falconer.

**LMS–IMA Christopher Zeeman Medal Committee (2008)** (LMS members): President (*Chair*), C.J. Budd, A.G. Chetwynd.

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**Mathematics Promotion Unit (MPU) Steering Group:** F.A. Rogers (Vice-President, Chair), General Secretary, Education Secretary, M. du Sautoy, N. Steele (IMA), A. Stevens (IMA), Executive Secretary, Mathematics Policy & Promotion Officer.

**Newsletter Editorial Board:** D.R.J. Chillingworth (General Editor), A. Mann (Reviews Editor), S.A. Huggett (Reports Editor), S.M Oakes (Administrative Editor).

**Diarist:** S.N. Chandler-Wilde.

**Representatives on external committees and boards**

- British Association for the Advancement of Science (Corporate membership):** Education Secretary, Executive Secretary, Policy & Promotion Officer, I. Robinson, N. MacKay.
- British Association for the Advancement of Science (Mathematics Section):** N. MacKay.
- British Mathematical Colloquium (BMC) Scientific Committee:** C.M. Goldie, H.G. Dales, C.A. Hobbs.
- International Council for Industrial and Applied Mathematics (ICIAM):** Programme Secretary.
- Collingwood Prize Committee:** R.S. Ward.
- Council for the Mathematical Sciences:** President, General Secretary, Executive Secretary.
- Council for the Mathematical Sciences (Bologna Group):** F.A. Rogers.
- Council for the Mathematical Sciences (Careers Initiative):** C.J. Budd.
- Council for the Mathematical Sciences (EPSRC Liaison Group):** Vice-President (D.G. Larman), General Secretary, P.J. Davies, Executive Secretary.
- European Mathematical Society (Council):** President, Chair of the International Affairs Committee, S.T. Tsou.
- Heads of Departments of Mathematical Sciences (Committee):** E. Winstanley.
- International Centre for Mathematical Sciences (Board):** K.J. Falconer.
- International Centre for Mathematical Sciences (Programme Committee):** N. Manton, A.M. Stuart.
- International Mathematical Union (IMU) – UK representative:** J.M. Ball
- International Commission on Mathematical Instruction (ICMI) – UK representative:** S.E. Sanders.
- Isaac Newton Institute (Advisory Board):** F.A. Rogers.
- Isaac Newton Institute (Management Committee):** J.W. Bruce.
- Isaac Newton Institute (Scientific Committee):** C.M. Series, J.M. Ball.
- Joint Mathematical Council:** E. Winstanley.
- Moremathsgrads project (Advisory Group):** C.J. Budd.
- Moremathsgrads project (Executive Committee):** Executive Secretary.
- Parliamentary and Scientific Committee:** President, Vice-President (D.G. Larman), P.T. Saunders.
- QAA Benchmark Review Group:** C.J. Budd.
- Royal Society Scientific Unions Committee:** J.M. Ball.
- Science Council (Council):** President, Executive Secretary.
- Science Council (Education Reference Group):** F.A. Rogers.
- Science Council (Science in Health Group):** Vacancy.
- Undergraduate Mathematics Teaching Conference:** N. MacKay.

**Staff in post in the period 1 August 2007 to 31 July 2008**

Executive Secretary	P.R. Cooper
Administrator († <i>from 1 May 2007</i> )	S.M. Oakes
Accounts Officer	E. Belay
Administrative Officer	I. Robinson
Administrative Officer (Council)/CMS Secretariat	M. Smith
Conferences and Buildings Officer	D. Clark
MARM Facilitator†	Dr D. Johnson*
Mathematics Policy and Promotion Officer†	C. Davis
MPU Data Analyst ( <i>vacation appointment</i> )	A. Othman ( <i>to 28 September 2007</i> )
	J. Merrett ( <i>from 18 March to 3 April 2008</i> )
Receptionist	L.-A. Parker
Secretarial Assistant†	S. Daly
Secretary to the Executive Secretary†	A. Waidson
Secretary†	L. Rowley ( <i>from 6 September 2007</i> )
Short-course Facilitator†	Professor A. Camina*
<b>Publications Staff</b>	
Publisher	Dr S. Hezlet
Assistant Editor	B. Holmes
Executive Editor, <i>Proceedings</i> †	A. Sharp* ( <i>to 30 September 2007</i> )
Executive Editor, <i>Bulletin</i> and the <i>JCM</i> †	S. Rodd* ( <i>to 30 September 2007</i> )
Production Assistant†	J. Peake ( <i>to 27 September 2007</i> )
	J. Horobin ( <i>from 27 November 2007 to 15 May 2008</i> )
	P. Acheampong ( <i>from 22 July 2008</i> )
Publishing Editor	Dr O. Törnkvist

† Part-time posts

\* staff not based at De Morgan House

### **The Society's grant schemes to support mathematics**

#### **General policy on grant-making**

The grant schemes are funded from the Society's resources received from its endowments, investments and publishing activities and are one of the primary mechanisms through which the Society achieves its central purpose, namely to 'promote and extend mathematical knowledge'. The principles for its grant-giving are:

- As a charity the Society is able, and wishes, to take advantage of different opportunities and to work within a different regulatory framework from other funding bodies, such as the EPSRC. Its grant schemes are focused accordingly.
- The Society's funds are under pressure, and it is not able to make awards as often or as fully as it would like.
- The Society does not normally meet the full cost of an activity. Rather it aims to give added value to an event largely funded by other means, or to bridge the gap between cost and the resources that might reasonably be made available by a university department.
- It does not pay Full Economic Costs.
- It does not make grants to cover departmental overheads, secretarial costs, etc., which could be seen as part of normal departmental provision.
- The Society does not normally make grants to cover room hire.
- Applicants are expected to make economical travel arrangements where possible.
- The Society expects that organisers of conferences and activities who are seeking grants from the Society will invite both male and female speakers (or explain why this is not appropriate or possible) and give consideration to the provision of mechanisms to enable participation by people with children or family responsibilities, in line with the Society's policy on Women in Mathematics
- The Society will not allow its limits for individual grant schemes to be exceeded by artificially subdividing an application into a number of separate requests under different headings.
- The Society considers it to be the responsibility of the institution to which the grant is paid to check receipts in accordance with its normal financial procedures.

The Society's committees assessing applications for grants are made up of mathematicians with a wide spread of research interests. Under most schemes, proposals are judged by the committees themselves, although they may seek advice. The committees judge each application on its merits.

For schemes 1–7, any mathematician working in the UK is eligible to apply for a grant but for some schemes if they are not a member of the Society, then the application must be countersigned by a member who is prepared to support the application.

#### **Summary of grant schemes**

##### *Conference Grants (Scheme 1)*

Grants are made to the organisers of conferences to be held in the United Kingdom. Priority is given to the support of meetings where an LMS grant can be expected to make a significant contribution to the viability and success of the meeting. Support of larger meetings of high quality is not ruled out, but for such meetings an LMS grant will normally cover only a modest part of the total cost.

##### *Visitors (Scheme 2)*

To provide a grant to a mathematician based within the UK to support partially a visitor to the UK; the visitor should give lectures in at least three separate institutions.

##### *Support of joint research groups (Scheme 3)*

The scheme is to provide support for groups of mathematicians, working in at least three different locations in the United Kingdom, who have a common research interest and who wish to engage in collaborative activities.

*Collaborative small grants (Scheme 4)*

To provide a small grant to a mathematician within the UK to help support a visit for collaborative research.

*International Short Visits (Scheme 5)*

To provide a grant to a mathematician within the UK to support a visit for collaborative research either to or from a country in Africa, or countries in which mathematics is in a similar position.

*Computer Science Small Grants (Scheme 7)*

The aim of the scheme is to provide small grants within the United Kingdom to help support a visit for collaborative research at the interface of Mathematics and Computer Science.

*Young British and Russian Mathematicians*

Each year, the scheme will allow up to three young Russian mathematicians to spend a few weeks in Britain giving a series of survey lectures on the work of their Russian seminar, and up to three young British mathematicians to spend a few weeks in Russia giving a series of survey lectures on the work of their school.

*LMS Workshop-Symposia*

The Society supports research workshops, which may be held anywhere in the UK and are an opportunity for a small group of active researchers to work together for a concentrated period on a specialised topic. Applications to support development of research in an area not ready for a larger-scale application are welcomed; applications for partial support for larger events will only exceptionally be supported.

*LMS Grace Chisholm Young Fellowship*

These fellowships, named after Grace Chisholm Young, aim to provide some support when a mathematical career is interrupted by family responsibilities, relocation of partner, or other similar circumstance, making possible some continuous mathematical activity and so enabling the fellow to be in a position to apply for posts when circumstances allow. Each holder will be based in a specific Mathematics Department in a University or Research Institute in the UK; the host is expected to provide an email address, use of library and IT facilities and access to research literature. The normal duration of a fellowship will be one year.

*LMS Childcare Grants*

The Society recognises that parents are sometimes prevented from attending conferences and meetings and making research visits because there is no provision for the extra costs incurred in looking after children either at home or (when necessary) at the place visited. It is the LMS view that institutions should make provision for childcare costs but, while this is not largely the case, the Society is willing to make a supplementary grant as a contribution to the costs.

*Small Educational Grants*

These support such activities as popular lectures, exhibitions, masterclasses, mathematical competitions, etc., that help to encourage joint mathematical ventures between higher education institutions and schools, or the development of projects that would improve the 'Public Image of Mathematics'.

Further information on all the Society's grant schemes, including detailed criteria and application forms to download, is on the LMS website [www.lms.ac.uk/grants/](http://www.lms.ac.uk/grants/).

**Reserve Funds*****General Fund***

The General Fund is to provide for the general operation of the Society including its charitable activities not funded from Designated or Restricted Funds. Within the Society's reserves the General Fund is deemed an expendable reserve to be used in pursuit of the Society's objectives as Council may from time to time determine. At present it is managed to provide the income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years.

General Fund	<b>£9,225,337</b>
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***Building & Development Reserve Fund***

This reserve, originally built up for the Society to purchase or rent its own property was utilised in part in the purchase of a leasehold property. The agreed purposes and recommended levels as from the next financial year would be:

Rehousing and re-establishing the administration for one year were DMH to be lost through fire etc.	£74,239
Costs of venue hire for all LMS meetings held in DMH	£13,171
Costs of re-establishing our work	£10,189
Dilapidations, were the Society to leave DMH	£22,973
External redecoration	£33,444
Internal redecoration	£43,238
Major modifications and developments, unexpected repairs/replacement	£273,491
	<b>£470,746</b>

***Printing & Publication Reserve Fund***

This fund was originally established to cover forward publication commitments against the possibility of no matching income for the continuing costs of the Society's LMS periodicals. More recently it was agreed that it would also hold excess of income over expected surpluses (and conversely meet the shortfalls when the surplus does not match the anticipated level). The agreed purposes and recommended levels are:

Repaying subscriptions income if we ceased to trade, and other commitments	£1,708,979
Buffer against over/under shooting the budget	£164,094
New ventures. Based on the costs of launching and producing a new journal, but its failing to gain subscriptions	£820,472
Insurance against breach of copyright and libel (including legal fees)	£273,491
	<b>£2,967,036</b>

***Grants Payable Reserve Fund***

This fund was initially established to simplify the work of the Programme Committee, but the principles have now been extended to all grant schemes. It ensures that any approval by Council to make a grant in a subsequent financial year, through the various grant-making committees, can be met. Grants subsequently not used, and refunds of partially used grants, are removed from the Fund on an annual basis.

Grants awarded and approved by Council to be paid in future accounting periods	<b>£183,610</b>
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***Special Activities Reserve Fund***

Gifts and bequests received by the Society to be used for diverse activities in support of the Society's objectives	<b>£28,060</b>
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# Independent Auditors' Report to the Trustees of The London Mathematical Society

We have audited the financial statements of The London Mathematical Society for the year ended 31 July 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

## Respective Responsibilities of Trustees and Auditors

The trustees' responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit, or if information specified by law in respect of trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 July 2008 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

Devonshire House  
60 Goswell Road  
London EC1M 7AD

**Kingston Smith LLP**  
Chartered Accountants  
and Registered Auditors

Date:

THE LONDON MATHEMATICAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31<sup>st</sup> July 2008

	Notes	Unrestricted General Funds	Designated Funds	Restricted Funds	2008 Total Funds (12 months)	2007 Total Funds (11 months)
		£	£	£	£	£
<b>Incoming resources</b>						
<b>Incoming resources from generated funds:</b>						
Voluntary income						
Gifts, Donations, Legacies		11,982	-	-	11,982	4,020
Activities for Generating funds						
Conference facilities		123,198	-	-	123,198	102,120
Advertising in Newsletter		15,081	-	-	15,081	11,402
Investment income	3	410,828	1,431	10,058	422,317	369,590
<b>Incoming resources from Charitable activities</b>						
Membership subscriptions		74,159	-	-	74,159	68,947
Publications – LMS Periodicals	7a	818,681	-	-	818,681	768,240
Publications – Ventures and Royalties	7c,d	161,849	328,695	-	490,544	441,495
Grants and contracts	20	17,823	-	71,598	89,421	77,164
<b>Other incoming resources</b>						
Sundry income		5,146	-	-	5,146	1,063
<b>Total Incoming Resources</b>		<b>1,638,747</b>	<b>330,126</b>	<b>81,656</b>	<b>2,050,529</b>	<b>1,844,041</b>
<b>Resources expended</b>						
<b>Cost of generating funds:</b>						
Costs of DMH Conference facilities	4	141,807	-	-	141,807	115,174
Services for tenants		54,327	-	-	54,327	42,284
Investment Management fees		34,495	-	-	34,495	38,764
<b>Charitable activities</b>						
Advancing the interests of Mathematics	5	180,867	-	6,000	186,867	176,176
Enabling Mathematicians to undertake research & collaboration	6	80,776	243,209	78,987	402,972	396,263
Disseminating Mathematical knowledge						
Costs of publications	7b,c,d	324,693	226,689	-	551,382	517,032
Conference and meeting programmes	8	59,755	-	-	59,755	54,714
Promoting Mathematical research and its benefits	9	124,013	-	-	124,013	102,682
<b>Governance</b>	10	124,545	-	-	124,545	97,765
<b>Total resources expended</b>		<b>1,125,278</b>	<b>469,898</b>	<b>84,987</b>	<b>1,680,163</b>	<b>1,540,854</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>513,469</b>	<b>(139,772)</b>	<b>(3,331)</b>	<b>370,366</b>	<b>303,187</b>
Transfers between funds	18,19	(335,502)	328,113	7,389	-	-
<b>Net incoming resources after transfers</b>		<b>177,967</b>	<b>188,341</b>	<b>4,058</b>	<b>370,366</b>	<b>303,187</b>
(Losses)/Gains on investment assets	22	(470,741)	-	(5,300)	(476,041)	500,389
<b>Net movement in funds</b>		<b>(292,774)</b>	<b>188,341</b>	<b>(1,242)</b>	<b>(105,675)</b>	<b>803,576</b>
Fund balances at 1 <sup>st</sup> August 2007		9,518,111	3,341,111	201,239	13,060,461	12,256,885
<b>Fund balances at 31<sup>st</sup> July 2008</b>		<b>9,225,337</b>	<b>3,529,452</b>	<b>199,997</b>	<b>12,954,786</b>	<b>£13,060,461</b>

# THE LONDON MATHEMATICAL SOCIETY

## BALANCE SHEET as at 31<sup>st</sup> July 2008

		2008		2007	
	Note	£	£	£	£
<b>Fixed Assets</b>					
<b>Fixed Asset Investments</b>					
Quoted Investments	14	10,475,823		11,496,508	
			10,475,823		11,496,508
<b>Tangible Fixed Assets</b>					
Leasehold Property	15	1,747,878		1,792,695	
Fixtures, Fittings and Equipment	15	22,023		31,768	
			1,769,901		1,824,463
			12,245,724		13,320,971
<b>Current Assets</b>					
Medals in stock		4,082		-	
Debtors	16	285,535		130,094	
Cash at bank and in hand		193,175		113,258	
Bank Deposits		560,569		67,609	
			1,043,361		310,961
<b>Liabilities:</b>					
<b>Creditors: Amounts falling due within one year</b>					
Creditors	17	225,247		220,249	
Deferred Income	17	109,052		351,222	
			334,299		571,471
<b>Net current assets/(liabilities)</b>			709,062		(260,510)
<b>Net Assets</b>			<b>£12,954,786</b>		<b>£13,060,461</b>
Represented by :					
General Funds	19	9,225,337		9,518,111	
Designated Funds	19	3,529,452		3,341,111	
Restricted Funds	18	199,997		201,239	
			<b>£12,954,786</b>		<b>£13,060,461</b>

Approved on behalf of Council and authorised for issue on:

Treasurer.....Date

*The notes on pages 19 to 33 form part of these financial statements*

# THE LONDON MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

### 1. Change of financial year end

In 2006, the Council of the Society agreed to change its financial year to start from 1 August. That was implemented in the 2006/07 financial year which therefore covers an eleven (11) month period from 1 September 2006 to 31 July 2007. The figures for 2007/08 cover a full twelve (12) month period from 1 August to 31 July 2008.

### 2. Accounting Policies

The accounting policies adopted by the Society are as detailed below:

#### a) Accounting Convention

The financial statements comply with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005 and the Charities Act 1993 and are prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

#### b) Subsidiary Undertaking and Consolidation

These accounts present information about The London Mathematical Society only. The Society's wholly owned subsidiary company, LMS Publishing Limited, has been dormant throughout the financial year. Consolidated financial statements have not been prepared on the grounds that the assets of the subsidiary are immaterial.

#### c) Investments

All investments are valued at their market value at the balance sheet date, giving rise to unrealised gains and losses which are included in the Statement of Financial Activities. The market value is determined as follows:

- i) Listed securities are valued at mid-market value ruling at the balance sheet date;
- ii) Unit trust and managed fund investments are stated at the mid-point of the latest prices quoted by the investment managers immediately prior to the balance sheet date;
- iii) Investments held in foreign currencies have been valued on the relevant basis and translated into sterling at the rate ruling at the balance sheet date.

The portfolio is invested in a range of equity, cash and fixed-interest investments in both UK and overseas markets. The key objective of the Society's portfolio is to produce a real return (capital growth) of at least 4% pa, and to provide an investment income determined by 'total return policy' of 3.5% pa (based on Yale model).

The Society in its total return policy treats all returns on investments as investment income which is analysed in the notes to the financial statements according to the various categories of investment from information provided by the investment managers. Unrealised gains and losses on revaluation of investments, and realised gains and losses arising on disposal of investments are separately identified in the notes to the Financial Statements. .

#### d) Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off, on a straight-line basis, the cost less estimated residual value over their expected useful lives as follows:

Leasehold Property	Over 50 years
Fixtures, Fittings and Office Equipment	20%
Computer equipment	33.33%

The Society operates a policy of capitalising assets whose unit cost exceeds £1,000, with expenditure below this level written off as incurred.

#### e) Publications

- i) No valuation for accounting purposes is taken of any stocks of publications unsold at the Balance Sheet date.
- ii) The cost of publishing rights and subscribers' lists are written off in the year of acquisition.

# THE LONDON MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

### 2. Accounting Policies (continued)

iii) Income from the Society's contracts with printers for the production, distribution and sales of its journals is determined as that proportion of the income (i.e. subscriptions less costs of printing, distribution, sales and commission) relating to the number of issues published before the Balance Sheet date. (*Proceedings* 4 issues out of 6, *Journal* and *Bulletin* 3 issues out of 6, *Compositio* 3 issues out of 6.) A proportionate adjustment has been made for unexpired subscriptions received direct by the Society relevant to subsequent publications. No account has been taken of costs incurred or sales proceeds received in respect of publication after the Balance Sheet date.

#### f) **General Fund**

The Unrestricted reserves are analysed between the General Fund and other Designated Funds. The General Fund, detailed in note 19 to the financial statements, is to provide for the general operation of the Society including its charitable activities not funded from Designated or Restricted Funds. Within the Society's reserves the General Fund is deemed an expendable reserve to be used in pursuit of the Society's objectives as Council may from time to time determine. At present it is managed to provide the income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years.

#### g) **Designated Funds**

The Unrestricted reserves are analysed between general and designated funds. The Trustees have created the following designated funds:

##### (i) Building & Development Reserve Fund

This reserve is to meet the costs of (a) consequences of the temporary loss of De Morgan House, (b) periodic internal and external decoration and maintenance, (c) major modifications, developments or repairs. The value of these reserves is recalculated annually to allow for increase in the costs of covering the relevant risks.

##### (ii) Printing & Publication Reserve Fund

This reserve is to meet the costs of (a) consequential costs were the Society to cease publishing, (b) unpredictable annual fluctuations in the surplus, (c) costs of breaches of copyright or libel actions against the Society, (d) exploration and start-up costs of new ventures. The value of these reserves is recalculated annually to allow for increase in the costs of covering the relevant risks.

##### (iii) Grants Payable Reserve Fund

This fund has been established to cover grants awarded and approved by Council to be paid in future accounting periods, subject to available finance and satisfactory report.

##### (iv) Special Activities Reserve Fund

This fund contains gifts and bequests received by the Society to be used for diverse activities in support of the Society's objectives.

##### (v) Compositio Fund

This fund holds the transaction relating to, and any year-end excess of income over expenditure, relating to the Society's joint venture with the Foundation Compositio to produce the journal Compositio

#### h) **Restricted Funds**

The income of these restricted funds is to be used for the following purposes:

##### (i) A. J. Cunningham Research Fund

To support the cost of publication of work on the factorisation of large numbers.

##### (ii) The J. H. C. Whitehead Prize Fund

To support the cost of the Annual prizes awarded for lecturing and mathematical work.

# THE LONDON MATHEMATICAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

### 2. Accounting Policies (continued)

- (iii) Lord Rayleigh's Fund  
To support the general activities of the Society.
- (iv) The Berwick Prize Fund  
To support the Annual prize for mathematical work published by the Society.
- (v) De Morgan Medal Fund augmented by the Sir Joseph Larmor Prize Fund  
To support the award of the De Morgan Medal and the Larmor Prize, awarded every three years.
- (vi) Fröhlich  
To support the cost of the Annual prizes awarded for lecturing and mathematical work. Grants and contracts
- (vii) Grants and Contracts  
The Society has been awarded contracts and grants for some of its activities. These comprise: a contract with the EPSRC for running short instructional courses; grants from the Nuffield Foundation and Leverhulme Trust to support mentoring activities with mathematicians in Africa; and a grant (fully used in 2007/08) from the Royal Society for the creation of interactive mathematical exhibits. It also shares the costs of some activities with sister societies. The income and expenditure relating these are handled through this Fund.

#### i) **Joint Ventures**

The results of joint ventures are included in the accounts up to the year end indicated.

#### j) **Members' Subscriptions**

Subscription income from members is recognised in the year to which it relates. No account is taken of members' subscriptions in arrears at the balance sheet date. No time apportionment of subscriptions is calculated as members who join or leave during the year are not entitled to partial payments or refunds.

#### k) **Royalties**

Royalties are taken into the Statement of Financial Activities as declared due by the relevant printers and publishers.

#### l) **Donations**

Cash donations are credited to the General Fund in the year of receipt but donations in kind are not recognised in these financial statements.

#### m) **Grants payable**

Grants payable out of existing revenues are provided for in full in the accounts. Those payable out of future resources are held in the Grant payable Reserve Fund (see also note 2(g) (iii)).

#### n) **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

#### o) **Support costs**

Expenses not separately shown under direct charitable expenditure in the Statement of Financial Activities represent costs associated with the promotion of the main objects of the Society including collection of subscriptions, the making of grants and maintenance of the library. These have been apportioned to the various charitable activities on the basis set out in note 11. They include irrecoverable VAT which has been apportioned to activities on the basis set out in note 12.

THE LONDON MATHEMATICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

2. Accounting Policies (continued)

p) **Pension costs**

The pension costs charged in the financial statements represent the contributions payable by the Society for the defined contribution personal pension plan during the year in accordance with FRS17.

The USS is a multi-employer scheme where the share of assets and liabilities applicable to each employer is not identified. The Society therefore accounts for the costs on a defined contribution basis as permitted by FRS17.

q) **Taxation**

The Society is a registered charity and no liability to taxation arises on the results of its business activities in support of its charitable purposes.

The Society has partial exempt status in respect of VAT, based on the split of its business and non-business activities. The proportion of VAT that cannot be recovered because of partial or fully exempt status of the activity is redistributed to the activities on the same basis as support costs.

3. Investment Income

	Unrestricted	Designated	Restricted	2008 (12 months)	2007 (11 months)
	£	£	£	£	£
a) Investment income receivable:					
Fixed interest	104,445	-	-	104,445	91,551
Equities dividends	52,468	-	-	52,468	36,681
Other investments income	132,905	-	5,381	138,286	100,805
<b>Net investment income receivable</b>	<b>289,818</b>	<b>-</b>	<b>5,381</b>	<b>295,199</b>	<b>229,037</b>
b) Interest receivable:					
Investment portfolio	23,289	-	-	23,289	49,657
Treasury Reserve deposits	1,852	1,431	4,677	7,960	27,006
Other deposits	9,845	-	-	9,845	3,723
<b>Total interest receivable</b>	<b>34,986</b>	<b>1,431</b>	<b>4,677</b>	<b>41,094</b>	<b>80,386</b>
c) Rental income (including service charges)	86,024	-	-	86,024	60,167
<b>Total investment income</b>	<b>£410,828</b>	<b>£1,431</b>	<b>£10,058</b>	<b>£422,317</b>	<b>£369,590</b>

4. Costs of DMH conference facilities

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
Costs of goods/refreshments	42,213		34,832	
Other expenditure	9,460		6,895	
		51,673		41,727
Apportioned support costs & irrecoverable VAT		90,134		73,447
<b>Total</b>		<b>£141,807</b>		<b>£115,174</b>

THE LONDON MATHEMATICAL SOCIETY

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For the year ended 31<sup>st</sup> July 2008

5. Charitable activities:

Advancing the interests of Mathematics

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
Members' services:				
<i>Newsletter</i>	38,761		53,204	
Other costs	6,389		9,206	
Unrecoverable subscriptions	657		809	
		45,807		63,219
Women in Mathematics Day		1,153		800
Computer Science Day (Maths-CSc interface course)		696		-
Computer Science: BCS-FACS Meeting		(433)		500
Library binding and archives		6,712		462
EMS, IMU, ICIAM subscriptions & ICM costs		17,649		6,481
Prizes		7,060		8,800
Apportioned support costs & irrecoverable VAT		108,223		95,914
<b>Total</b>		<b>£186,867</b>		<b>£176,176</b>

6. Charitable activities: Enabling Mathematicians to undertake research and collaboration

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
<b>Grants</b>				
Scheme 1 - 6	165,565		180,623	
Young British and Russian Mathematicians	2,362		1,500	
Support for Mathematics in Africa	1,646		17,000	
Mentoring African Research in Mathematics	9,793		10,067	
Computer Science grants	1,762		4,683	
LMS Workshops	7,155		14,290	
Small Educational grants	3,520		1,826	
Child care grants and related grants	1,613		500	
Other grants (UK & International)	60,052		36,904	
		253,468		267,393
<b>Training</b>				
Short courses		41,324		45,522
Apportioned support costs & irrecoverable VAT		108,180		83,348
<b>Total</b>		<b>£402,972</b>		<b>£396,263</b>

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For the year ended 31<sup>st</sup> July 2008

7. Charitable activities: Disseminating  
Mathematical Knowledge - Publications

	2008 (12 months)	2007 (11 months)
	£	£
<b>a) Income from LMS periodicals</b> ( <i>The 2007 account includes CUP income less costs of printing &amp; handling</i> )	818,681	768,240
<b>b) Payments for LMS periodicals</b>		
Secretarial, editing and other typesetting	17,304	22,866
<i>Journal of Computation and Mathematics</i>	341	367
	<u>(17,645)</u>	<u>(23,233)</u>
<b>Net LMS periodicals surplus before support costs and irrecoverable VAT</b>	<b>801,036</b>	<b>745,007</b>
Apportioned support costs & irrecoverable VAT	<u>(306,461)</u>	<u>(289,041)</u>
<b>Net LMS periodicals surplus after support costs and irrecoverable VAT</b>	<b>494,575</b>	<b>455,966</b>
<b>c) Ventures &amp; Royalties (net income)</b>		
<i>Nonlinearity</i>	104,545	94,429
LMS Books	1,950	2,700
Royalties on the works of G.H. Hardy	8,767	4,660
Royalties and licensing	15	158
Russian journals	48,573	41,765
AMS/LMS Joint Venture	<u>(2,001)</u>	<u>1,345</u>
	<b>161,849</b>	<b>145,057</b>
<i>Compositio</i>		
Profit share & Management fee (see 7d)	102,006	91,734
Costs of <i>Compositio</i> (LMS - only)	<u>(587)</u>	<u>(54)</u>
	<b>101,419</b>	<b>91,680</b>
<b>NET PUBLICATIONS SURPLUS</b>	<b><u>£757,843</u></b>	<b><u>£692,703</u></b>

The Society was involved in the following publishing ventures in the year:

- (I) *Nonlinearity* – the journal is managed on a day-to-day basis at the Institute of Physics Publishing Ltd, Dirac House, Temple Back, Bristol BS1 6BE. The LMS holds a 50% share of the journal.
- (II) The following three translation journals are managed jointly by the Department of Mathematics, Russian Academy of Sciences, Turpion Ltd and the LMS. The main business address is Pion Ltd, 207 Brondesbury Park, London NW2 5JN. LMS is responsible for the quality of the translation work.
  - Russian Mathematical Surveys* - 25% share
  - Sbornik* - 25% share (the actual proportion in the accounts is 1/6 owing to a redefinition of ‘surplus’ agreed in 1994)
  - Izvestiya* - 25% share (the actual proportion in the accounts is 1/6 owing to a redefinition of ‘surplus’ agreed in 1994)
- (III) The following Book Series and journal are managed on a day-to-day basis at the American Mathematical Society, 201 Charles Street, Providence, RI 02904 - 2294, USA.
  - History of Mathematics Book Series* - 50% share
  - Trudy Moscow* - 50% share
- (IV) *Compositio Mathematica* – the journal is wholly owned by Foundation Compositio Mathematica and managed by the LMS. The LMS receives 40% of the net profits, together with a management fee.

THE LONDON MATHEMATICAL SOCIETY

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For the year ended 31<sup>st</sup> July 2008

7. Charitable activities: Disseminating Mathematical

Knowledge – Publications (continued)

d) *Compositio* management account

	2008 (12 months)	2007 (11 months)
	£	£
<i>Income</i>	328,695	296,438
<i>Expenditure</i>		
Direct costs	(114,180)	(104,603)
Profit share (60%) to <i>Compositio</i> Foundation	(112,509)	(100,101)
	<u>(226,689)</u>	<u>(204,704)</u>
<b>Net <i>Compositio</i> surplus before LMS fees and Profit share</b>	102,006	91,734
Management fee to LMS	(27,000)	(25,000)
Profit share (40%) to LMS	(75,006)	(66,734)
	<u>-</u>	<u>-</u>
<b>Balance C/fwd on <i>Compositio</i> Fund</b>	-	-

8. Charitable activities: Disseminating Mathematical knowledge – conference and meeting programmes

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
Society meetings and regional workshops	20,712		20,602	
Spitalfields Days	459		736	
Hardy Lecturer	4,412		-	
Mary Cartwright Lecture	1,608		1,047	
Forder Lecturer	1,792		-	
Invited Lectures	4,625		7,509	
		33,608		29,894
Apportioned support costs & irrecoverable VAT		26,147		24,820
<b>Total</b>		<u>£59,755</u>		<u>£54,714</u>

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For the year ended 31<sup>st</sup> July 2008

9. Charitable activities: Promoting Mathematical research & its benefits

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
<b>Policy</b>				
CMS	3,787		4,332	
MPU, media relations, data collection/analysis	4,717		2,523	
LMS-IMA relations	988		262	
Annual dinner	3,760		2,372	
Exhibition, PR	898		-	
Subscriptions to UK organisations	2,081		2,059	
		16,231		11,548
<b>Education and young people, public engagement</b>				
Holgate Lecturers	800		2,000	
Popular Lectures	6,366		5,206	
Other educational activities	18		135	
		7,184		7,341
<b>Computer Science, Knowledge transfer</b>		824		2,000
Apportioned support costs & irrecoverable VAT		99,774		81,793
<b>Total</b>		<b>£124,013</b>		<b>£102,682</b>

10. Governance

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
<b>Professional services</b>				
Solicitors fees	2,956		3,500	
Accountancy fees	3,813		2,523	
Audit fees	11,600		8,950	
		18,369		14,973
<b>Officers, Council and committees</b>				
Internal committees	19,750		20,047	
External meetings (representatives & attendance)	2,792		1,281	
Retreat	4,434		-	
Catering and accommodation	12,276		11,008	
		39,252		32,336
Apportioned support costs & irrecoverable VAT		66,924		50,456
<b>Total</b>		<b>£124,545</b>		<b>£97,765</b>

THE LONDON MATHEMATICAL SOCIETY

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For the year ended 31<sup>st</sup> July 2008

11. Support costs allocation by activity

	Direct staff costs	Premises & Office costs	Information Technology	General Management & Finance	Total 2008 (12 months)	Total 2007 (11 months)
	£	£	£	£	£	£
DMH conference facilities	21,475	44,875	1,004	21,522	88,876	71,980
Services for tenants	1,721	37,802	77	13,720	53,320	41,122
Advancing the interest of Mathematics	66,539	13,758	2,280	24,532	107,109	94,452
Enabling Mathematicians to undertake research and collaboration	69,284	8,517	2,192	27,126	107,119	82,228
Disseminating Mathematical Knowledge – Publications	204,683	26,715	14,063	58,905	304,366	285,976
Disseminating Mathematical Knowledge – Conference and meeting programmes	19,148	1,719	458	4,639	25,964	24,486
Promoting Mathematics research and its benefits	78,213	4,910	1,461	14,607	99,191	80,946
Governance	44,612	4,345	1,509	14,833	65,299	49,021
<b>Total 2008</b>	<b>£505,675</b>	<b>£142,641</b>	<b>£23,044</b>	<b>£179,884</b>	<b>£851,244</b>	<b>£730,211</b>
<b>Total 2007</b>	<b>£443,048</b>	<b>£124,632</b>	<b>£16,021</b>	<b>£146,510</b>		

**Basis of apportionment**

Support costs include (a) Direct staff costs (salaries, benefits, training, H&S, recruitment, etc.), (b) Office and Building Costs (rent, rates, services, cleaning, maintenance, telephones, postage, equipment, stationery, etc.) and (c) IT (computer hardware and software, network, internet access, websites, maintenance, software development, etc.). The costs of these are attributed to all the activities of the Society in proportion to (a) salary or f.t.e., (b) space occupied in De Morgan House, and (c) f.t.e. respectively, based on a time analysis undertaken by all staff.

The costs of services that cannot be directly attributed to an activity – such as general accounting and financial controls, line management, etc. – comprise the category 'General Management and Finance' and are attributed to each area of activity on the same basis as the original elements (a)–(c).

12. Irrecoverable VAT allocation by activity

	2008 (12 months)	2007 (11 months)
	£	£
DMH conference facilities	1,258	1,467
Services for tenants	1,007	1,162
Advancing the interest of Mathematics	1,114	1,462
Enabling Mathematicians to undertake research and collaboration	1,061	1,120
Disseminating Mathematical Knowledge - Publications	2,094	3,065
Disseminating Mathematical Knowledge - Conference and meeting programmes	183	334
Promoting Mathematics research and its benefits	583	847
Governance	1,625	1,435
<b>Total</b>	<b>£8,925</b>	<b>£10,892</b>

The Society has partial exempt status in respect of VAT, based on the split of its business and non-business activities. The proportion of VAT that cannot be recovered because of partial or fully exempt status of the activity is redistributed to the activities on the same basis as support costs.

THE LONDON MATHEMATICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

13. Employment Costs

	2008 (12 months) £	2007 (11 months) £
Total employment costs of all staff including taxable benefits for the year comprise:		
Salaries and Wages	485,659	462,176
Employer's National Insurance Contributions	41,514	42,026
Employer's Pension Contributions	60,601	55,513
	<hr/>	<hr/>
<b>Total</b>	<b>£587,774</b>	<b>£559,715</b>
	<hr/> <hr/>	<hr/> <hr/>

The number of employees earning £60,000 per annum or more was:

	2008 No.	2007 No.
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-

The pension payments for the above member of staff amounted to £12,076 (2007: £12,324). These contributions were paid into a defined benefits pension scheme.

The average number of employees over the year (and full time equivalent) was:

	2007/2008		2006/2007	
	Total	FTE	Total	FTE
Management and administration	12.5	9.0	11.3	8.8
Publishing and editorial	4.1	3.6	6.0	4.6
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>16.6</b>	<b>12.6</b>	<b>17.3</b>	<b>13.4</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31<sup>st</sup> July 2008

14. Fixed Asset Investments	2008			2007
	£	£	£	£
Quoted investments			Total	
	<i>Investment assets in the UK</i>	<i>Investment assets outside the UK</i>		
Equities				
Core equities	202,957	1,685,932	1,888,889	2,534,677
3rd party active	-	533,628	533,628	653,560
3rd party passive	16,491	898,624	915,115	569,132
Fixed income (bonds)	416,472	3,371,298	3,787,770	2,454,046
Property (excluding De Morgan House)	-	-	-	314,147
Agricultural commodities	-	414,828	414,828	238,061
Gold	-	215,197	215,197	461,612
Alternative Investments				
Hedge funds	89,934	1,335,330	1,425,264	1,678,198
Private equity	366,509	-	366,509	-
Cash and foreign exchange hedging	281,608	647,015	928,623	2,593,075
<b>Total Market value at 31<sup>st</sup> July 2008</b>	<b>1,373,971</b>	<b>9,101,852</b>	<b>10,475,823</b>	<b>£11,496,508</b>
Reconciliation of opening and closing market values:				
Market value at 1 <sup>st</sup> August 2007			11,496,508	10,032,619
Additions at cost			13,775,564	14,827,284
Disposals proceeds			(14,320,208)	(13,863,784)
Realised and Unrealised gains (note 22)			(476,041)	500,389
<b>Total Market value at 31<sup>st</sup> July 2008</b>			<b>10,475,823</b>	<b>£11,496,508</b>
<i>Analysis by Fund:</i>				
Restricted Funds			199,997	97,376
Unrestricted Funds			10,275,826	11,399,132

**% value of  
portfolio**

**Details of material investments are as follows:**

Morgan Stanley Global Diversified fund	9.72%
Global Select – Corporate bond XXVIII (Bond Fund)	7.94%

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For the year ended 31<sup>st</sup> July 2008

15. Tangible Fixed Assets

	Leasehold Property	Fixtures Fittings and Equipment	Total
	£	£	£
<b>Cost</b>			
Brought forward at 1 <sup>st</sup> August 2007	2,175,353	253,375	2,428,728
Additions	-	2,111	1,688
Carried forward at 31 <sup>st</sup> July 2008	2,175,353	255,486	2,430,416
<b>Depreciation</b>			
Brought forward at 1 <sup>st</sup> August 2007	382,658	221,607	604,265
Charge for the year	44,817	11,856	56,673
Carried forward at 31 <sup>st</sup> July 2008	427,475	233,463	660,938
<b>Net book value</b>			
At 31 <sup>st</sup> July 2008	1,747,878	22,023	1,769,901
At 31 <sup>st</sup> July 2007	<b>£1,792,695</b>	<b>£31,768</b>	<b>£1,824,463</b>

Part of the leasehold property is let out and the rental derived is included within note 3(c).

16. Debtors

	2008	2007
	£	£
Publications	175,268	7,751
Conference facilities	20,308	45,091
Other debtors	71,865	59,610
Income tax/VAT recoverable	3,424	69
Prepayments and accrued interest	14,670	17,573
	<b>£285,535</b>	<b>£130,094</b>

The publications debtors figure of £175,268 is higher than last year, primary due to changes in the timing in receiving the LMS journals quarterly income from OUP.

17. Creditors and Deferred Income

	2008	2007
	£	£
<b>Creditors:</b>		
Accruals	63,202	60,735
Other creditors	162,045	159,514
	<b>£225,247</b>	<b>£220,249</b>
<b>Deferred income:</b>		
Unexpired publications' subscriptions:		
Balance brought forward	351,122	414,301
Amount released in year	(351,222)	(414,301)
Income deferred to future years	109,052	351,222
Balance carried forward	<b>£109,052</b>	<b>£351,222</b>

The deferred income is lower than last year, primarily due to the changes in the timing in receiving the LMS journals quarterly income from OUP.

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For the year ended 31<sup>st</sup> July 2008

18. Restricted Funds

	<i>Balance at 1.08.07</i>	<i>Other &amp; Investment Income</i>	<i>Expenditure</i>	<i>Investment (gain/losses)</i>	<i>Transfers</i>	<i>Balance at 31.07.08</i>
	<i>£</i>	<i>£</i>	<i>£</i>		<i>£</i>	<i>£</i>
<b><i>Prize (Capital) funds</i></b>						
Berwick Fund	29,018	492	-	(1,579)	-	27,931
De Morgan Medal & Larmor Fund	27,363	464	-	(1,490)	-	26,337
<b><i>Prize (Income) funds</i></b>						
Berwick Fund	21,727	2,106	(1,000)	-	-	22,833
De Morgan Medal & Larmor Fund	31,433	2,523	-	-	-	33,956
A.J. Cunningham Research Fund	55,885	2,726	-	(1,388)	-	57,223
Lord Rayleigh's Fund	11,668	567	-	(376)	-	11,859
J.H.C. Whitehead Fund	8,569	414	(4,000)	(467)	-	4,516
Fröhlich Fund	15,576	766	(1,000)	-	-	15,342
<b><i>Other funds</i></b>						
Grants and Contracts	-	71,598	(78,987)	-	7,389	-
<b>Total Funds</b>	<b>201,239</b>	<b>81,656</b>	<b>(84,987)</b>	<b>(5,300)</b>	<b>7,389</b>	<b>199,997</b>

\*\* The transfer of £7,389 from the General Fund to the Grants and Contracts represents LMS's contribution to short courses. (see note 20)

19. Unrestricted Funds

	<i>Balance at 1.08.07</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gain/(loss) on investments</i>	<i>Transfers</i>	<i>Balance at 31.07.08</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
<b>General Fund:</b>						
(see note 1(f))	9,518,111	1,638,747	(1,125,278)	(470,741)	(335,502)	9,225,337
<b>Designated Funds:</b>						
a) Building & Development Reserve Fund	271,828	-	-	-	18,918 60,000	350,746
b) Printing & Publication Reserve Fund	2,847,800	-	-	-	119,236	2,967,036
c) Grants Payable Reserve Fund	194,854	-	(243,209)	-	231,965	183,610
d) Special Activities Reserve Fund	26,629	1,431	-	-	-	28,060
e) Compositio Fund	-	328,695	(226,689)	-	(102,006)	-
	3,341,111	330,126	(469,898)	-	328,113	3,529,452
	<b>£12,859,222</b>	<b>£1,968,873</b>	<b>£(1,595,176)</b>	<b>£(519,465)</b>	<b>£(7,389)</b>	<b>£12,754,789</b>

- a) The £60,000 transfer from the General Fund to the Building & Development Fund is part of the repayment of £300,000 (£60k x 5 years), commencing from 2005/06.
- c) The transfer of £231,965 from the General Fund to Grants Payable Fund represents grants awarded in the year and the £243,209 in expenditure is in respect of grants awarded in previous years paid during the year.
- e) The transfer of £102,006 from the Compositio fund to General Fund represents the management fee and the LMS's profit share relating to the journal.

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For the year ended 31<sup>st</sup> July 2008

20. Grants and Contracts Management account

	2008 (12 months)		2007 (11 months)	
	£	£	£	£
<b>a)EPSRC short course contracts (Restricted)</b>				
<i>Income</i>				
Short course actual income from EPSRC	33,135		30,729	
Short course b/f estimated income due	(17,200)		(10,300)	
Short course c/f estimated income due	18,000		17,200	
Income for Facilitator & Admin from EPSRC	24,809		14,460	
		58,744		52,089
<i>Expenditure</i>				
Short course actual expenditures	(70,123)		(64,363)	
Student fees	13,549		36,641	
Short course b/f estimated expenditures	31,300		13,500	
Short course c/f estimated expenditures	(16,050)		(31,300)	
Facilitator's and Admin costs	(24,809)		(14,460)	
		(66,133)		(59,982)
<b>LMS's Contribution to Short Courses</b>		<b>£(7,389)</b>		<b>£(7,893)</b>
<b>b)Nuffield Foundation grant (Restricted)</b>				
<i>Income</i>	12,854		10,067	
<i>Expenditure</i>	(12,854)		(10,067)	
		-		-
<b>c)Royal Society - Maths inside project (Restricted)</b>				
<i>Income</i>	10,000		-	
<i>Expenditure</i>	(10,000)		-	
		-		-
<b>d)IMA&amp;RSS contributions to the CMS (Unrestricted)</b>				
<i>Income</i>	12,823		10,072	
<i>Expenditure</i>	(20,124)		(18,138)	
<b>LMS's Contribution to the CMS</b>		<b>£(7,301)</b>		<b>£(8,066)</b>
<b>e)IMA contribution to the MPU (Unrestricted)</b>				
<i>Income</i>	5,000		4,936	
<i>Expenditure</i>	(25,477)		(19,519)	
<b>LMS's Contribution to the MPU</b>		<b>£(20,477)</b>		<b>£(14,583)</b>

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For the year ended 31<sup>st</sup> July 2008

21. Analysis of net assets between funds

	Unrestricted funds		Restricted	Total	Total
	General	Designated	Funds	Funds	Funds
	£	£	£	£	£
<b>Fund balances are represented by</b>					
Tangible fixed assets	1,773,983	-	-	1,773,983	1,824,463
Investments	6,746,374	3,529,452	199,997	10,475,823	11,496,508
Current assets	1,039,279	-	-	1,039,279	310,961
Current liabilities	(334,299)	-	-	(334,299)	(571,471)
<b>Total net assets</b>	<b>£9,225,337</b>	<b>£3,529,452</b>	<b>£199,997</b>	<b>£12,954,786</b>	<b>£13,060,461</b>

22. Gains and losses on investment assets

	Unrestricted	Restricted	2008	2007
	funds	funds	£	£
Realised (loss)/gain on sale of investments	(468,395)	(5,300)	(473,695)	190,244
Unrealised (loss)/gain in market value of investments	(2,346)	-	(2,346)	310,145
	<b>£(470,741)</b>	<b>£(5,300)</b>	<b>£(476,041)</b>	<b>£500,389</b>

23. Transactions with Trustees and connected persons

Trustees receive reimbursement only for expenses actually incurred in attending meetings. No remuneration is paid to trustees except as disclosed below. The gross amount that has been reimbursed in respect of attendance of meetings in the period amounted to £13,720 (2007: £17,685) for 20 Trustees (2007:20).

As disclosed in the Trustees' Report, where grants are awarded to Trustees the payment is always made to the relevant institution.

24. Investment in LMS Publishing Limited

The Society beneficially owns the entire share capital of LMS Publishing Limited, a company incorporated in the UK. The company has been dormant during the year under review.