



LONDON
MATHEMATICAL
SOCIETY

**Report of the Trustees for the period
1 August 2012 – 31 July 2013**

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

Charity registration number: 252660
Email: lms@lms.ac.uk
Website: www.lms.ac.uk

Members of Council during the period 1 August 2012 to 31 July 2013

President:	Graeme Segal
Vice-Presidents:	Ken Brown John Greenlees
Treasurer:	Robert Curtis
General Secretary:	Martin Hyland (to 16 th November) Stephen Huggett (from 16 th November)
Programme Secretary:	Robert Wilson
Publications Secretary:	John Jones
Education Secretary:	Anthony Gardiner (to 16 th November) Alice Rogers (from 16 th November)
Members-at-Large:	June Barrow-Green Alexander Borovik (to 16 th November) Dorothy Buck (to 16 th November) Francis Clarke (from 16 th November) Simon Donaldson Cathy Hobbs (from 16 th November) John Hunton Wilfrid Kendall (to 16 th November) Ari Laptev Elizabeth Mansfield Chris Mulvey (to 16 th November) Beatrice Pelloni (from 16 th November) Colva Roney-Dougal Michael Singer (from 16 th November) Ulrike Tillmann Burt Totaro (to 16 th November) Alexander Veselov (from 16 th November)
In attendance:	Terry Lyons (<i>President Designate</i>) Gwyneth Stallard (<i>Chair, Women in Mathematics Committee</i>)

Executive Team during the period 1 August 2012 to 31 July 2013

Executive Secretary:	Fiona Nixon
Publisher:	Susan Hezlet
Head of Finance and Accounting:	Ephrem Belay
Head of Society Business:	Anne Bennett (to 6 September 2012) Lindsay Walsh (from January 2013)
Head of Conferences & Building:	Dominic Clark

Auditors:	Kingston Smith LLP, Devonshire House, 60 Goswell Road, London EC1M 7AD
Investment Advisers:	Morgan Stanley, 20 Cabot Square, London E14 4QW (to March 2013) Schroder & Co. Limited, 100 Wood Street, London EC2V 7ER (from April 2013)
Bankers:	National Westminster Bank plc, 208 Piccadilly, London W1A 2DG
Solicitors:	Bates Wells & Braithwaite, 2-6 Cannon Street, London EC4M 6YH

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 found at: <http://www.lms.ac.uk/content/royal-charter> .

The Council has agreed a set of strategic objectives for the Society to fulfil its role as a membership organisation 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 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: To promote mathematical research and its benefits to decision-makers, policy advisers, funders and the users of mathematics.

Objective 5: To support mathematical education in schools, colleges and universities, and encourage the public and young people to appreciate and engage with mathematics.

Objective 6: 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.

During 2012/13 Council has held a number of strategic discussions and has agreed a revised set of objectives; the Society will report against these revised objectives in 2013/14.

Public benefit

Council, comprising the trustees of the Society, has referred to the Charity Commission's general guidance on Public Benefit when reviewing its aims and objectives and in planning the Society's future activities. In particular, Council considers how planned activities will contribute to the aims and objectives it has set.

Council holds that the development and extension of mathematical knowledge, expanding mankind's ability to determine and affect the natural, man-made and social worlds, leads overwhelmingly to public benefit, providing for improved health and wealth for nations and individuals and providing for tools to understand and sustain the world in which we live. The Society's activities directly correlate with the six Objectives (above) and are focused on supporting mathematicians in their endeavours, through grants for collaboration, by sharing of knowledge through conferences and publications, by improving the quality of mathematics education for people of all ages, by promoting mathematics and its impact on everyday life to the general public, and by encouraging policies that will benefit mathematics. More detailed descriptions of the activities and the beneficial outcomes are contained in the Review of Activities in 2012/13 (below).

Members of the general public are able to participate without charge in all Society activities of a suitable level. Charges for events aimed at professional mathematicians, whether or not members of the Society, are kept low, a policy that is maintained when deciding on criteria for grant awards; publications are sold at prices that keep them competitive in the academic publishing world.

Governance and policy

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 8 are Officers (including the President) and 12 are Members-at-Large. At the 2012 Annual General Meeting (AGM) a By-Law change was agreed that will see one of the Members-at-Large designated as 'Member-at-Large (Librarian)'. This post will have a one-year term of office, similar to those of the Officers of the Society. It was felt that the role of Librarian is a specialist post requiring a level of expertise gained over time. The first election to this post will take place at the 2013 AGM.

The Officers of the Society, together with the Executive Secretary, comprise the Finance and 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.

All candidates for election to Council are provided with information on the roles and responsibilities of trustees. Those elected are invited to an induction normally in advance of their first Council meeting (this year the first meeting was held in February 2013) at which the work of Council, its strategies and plans, the operation of the financial systems, the administration of the Society and the responsibilities of a trustee are covered. All Council members, in advance of their first Council meeting, are required to return a Declaration of Interests form, a Declaration as a Fit and Proper Person and sign up to the Society's Anti-Bribery policy. Council members are required to renew these declarations on an annual basis.

Council met six times in the period: in October and November 2012 and in February, March, May and July 2013. (F&GPC met five times in the period: in September 2012 and in January, March, May and June 2013).

Council has established several Standing Committees, which advise Council, and to which Council has delegated some decision making. A list of all committees and committee membership is given in **Annex A**. A review of the remits and terms of reference of the various committees is being undertaken, to ensure that the Society has an appropriate number of committees to effect its strategies and activities.

Council members, as trustees, receive reimbursement only for expenses actually incurred in attending meetings or representing the Society. However, if a trustee works over and above normal trustee's duties, the Society may pay for that service if there is a written agreement produced between the Society and the Trustee outlining the work to be undertaken and stating the exact or maximum amount. Such agreements must be approved by Council in advance of the work being undertaken.

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 **Annex B**.

In the year from August 2012 to July 2013 Council reviewed and/or approved the following policies: Reserve Funds; LMS Blogs.

In order to attract more voters, appeal to a wider range of members and offer a more modern approach to the election process the Council agreed that e-voting should be introduced as part of the Society's election processes and that provision of the voting element of the election procedures should move to the Electoral Reform Services (ERS) from 2012 onwards. The first ERS administered elections took place in 2012 and e-voting was used for the first time. This saw an increase in voting of 121% year-on-year. A total of 855 valid votes were cast in 2012 compared to 386 in 2011, and of the votes cast in 2012, 578 (67.5%) were cast as e-votes.

Over the next year Council will review the Charter, Statutes and By-Laws of the Society and has set up a working group for this purpose. The General Secretary will chair the Working group.

The Society's finances

Despite a poor return on its investments in the last few years the Society remains in a strong position financially and has significant reserves. Given the continuing volatility in the economic climate the Society will keep under review where resources might best be used to further the Society's aims.

In the period 2012/13, income (excluding gains on investment assets) exceeded expenditure by £528k, against an expected budget of £120.6k. This was primarily due to increased income, also partly due to cost savings and partly to underspends in activities against budget. This is considered further below.

During the year, the value of the Society's assets rose from £12.9m to £14.3m.

The sources of income (see Figure 1) were:

Publications	72.4%
Investments	11.5%
Conference facilities and rentals	8.8%
Grants and Contracts	4.1%
Members' subscriptions	2.8%
Advertisements in LMS Newsletter	0.3%
Donations	0.1%

Figure 2 shows expenditure (including support costs) broken down by objective. These were:

Advancing mathematics (eg. membership, links with the mathematics community, library, prizes)	10.8%
Enabling mathematics (eg. grants, and training courses)	27.4%
Disseminating mathematics (eg. publishing, meetings and lectures)	32.2%
Promoting mathematics (eg. decision/policy makers, education, public, media)	12.5%
Governance (eg. trustees expenses, professional services)	8.5%
Other costs (eg. costs of conference facilities, investment management fees)	8.6%

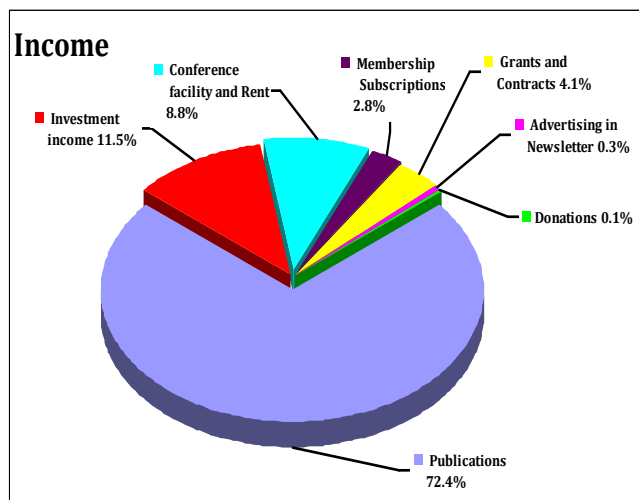


Figure 1

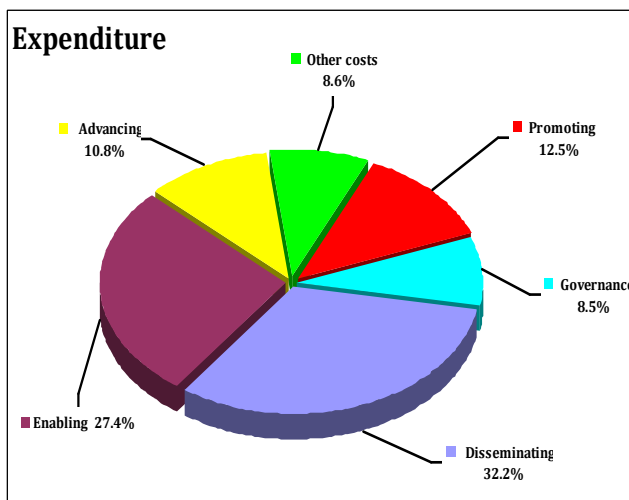


Figure 2

Publications income is in a steady state and is guaranteed by existing contacts for the next two years. However, Council is acutely aware of the potential risk to publications income from Open Access publishing (see the section on Risk management below), and anticipates that income may fall by 10% per annum for a few years thereafter. Our medium term budgeting allows for this shortfall. At the same time the Society will continue to seek new opportunities for the expansion of the Society's publishing programme.

Budgets are set by Council on the recommendation of 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 full audited accounts of the Society, including the accounting policies, are annexed to this Report.

Risk management

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 and Regulation, Reputation, External and Environment, Financial, and Operational. In certain cases Council has established Designated Funds to set against potential risks (see *Reserves* below); the risks or commitments that are covered by each fund are reviewed and revised annually.

The Risk Register includes the potential threat to Publications income from Open Access, which in the worst-case scenario could have a devastating effect on the income which the Society derives from its learned journals. This income contributes to the Society meeting its charitable objects. In the past year, Council has sought information and expert advice in order to be better prepared for possible future changes to the publishing models and income streams. At its Strategic Retreat in February 2013 Council considered various financial models derived from certain assumptions regarding the potential future income of the Society. Open Access remains under close consideration.

Reserves

Council reviews its policy on reserves on an annual basis. The unrestricted reserves comprise a General Fund and other Designated Funds. In addition there are several Restricted Funds.

Council has several specific Designated Funds to meet the potential costs of activities, to set against risks relating to the building and to publishing (see above) and to meet grant awards made for projects or activities which span a number of years – these are given at **Annex E**.

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. Due to the scale and future risks to academic publishing (a key part of the Society's income), Council continues to operate from the basis 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 acts both to provide income for activities not funded from Designated or Restricted Funds, and also as a 'free reserve', providing adequate working capital for the Society to operate effectively and efficiently, and for the pursuit of the Society's objectives as Council may from time to time determine.

The Society holds several Restricted Funds, as described in the audited accounts. These originate from various donations and bequests, and are invested and accounted for on an aggregated 'total return' basis.

Grant Awards and Commitments

Where the Society has contractual or constructive obligations to make grant payments these amounts are accrued in the accounts in accordance with the requirements of the Statement of Recommended Practice (SORP). Resources expended on grants shown in the Statement of Financial Activity (SoFA), therefore, recognise (within the year the grant is awarded) both liabilities and provisions for grant commitments. Normally grant commitments will be claimed by the end of the financial year, although the claim period may be extended by a further year where the start or end date of the grant so requires.

The Society also awards some grants with conditions for payment (such as delivery of a specific level of service or other specific output). Such commitments are reserved in the Designated Funds, and the grants are only recognised in the SoFA when the recipient of the grant has provided evidence of the specific service or output.

Investments

Council continues to be concerned that the Society investment portfolio has underperformed in relation both to the Society's aspiration of 4% real growth and the agreed WM Performance Services benchmarks. The current investment strategy had been modelled to achieve a 7.5% per annum nominal return over five years (a 4% return in real terms after allowing for average service sector wage inflation). The investment climate has changed and for the foreseeable future it may be sensible to accept a lower than 4% return in order to reduce risks. A close review is kept of the investment policy and the performance of the investment managers.

The drawdown each year, as agreed by Council, follows the 'Yale model' and consists of 70% of the previous year's drawdown together with 3.5% of 30% of the current value of the portfolio. In recognition of the depressed state of the financial markets, Council has agreed to change this 70:30 ratio to 50:50, thus allowing a more rapid response to a decline in the Society's holding, and to reduce the figure of 3.5% to 3%.

This drawdown (which may exceed the dividends and interest received) is shown in the SoFA as *Investment Income*. The growth in the value of the Society's investments (capital plus income) is the sum of this drawdown and the figure shown in the SoFA for *Gains on investment assets*. The scale of the Society's activities is designed to match this level of return 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, until recently Morgan Stanley. It is Society policy to review on a regular basis the performance of those professional bodies it employs. Accordingly, Council appointed an Investment Sub-Committee, which included six external financial experts, to help it evaluate Morgan Stanley's performance over the last seven years and to advise it on possible alternative managers. Six short-listed companies gave presentations and the Society's panel unanimously agreed to employ Schroders, which has a successful charities division, as our new investment managers. Council has now confirmed an investment mandate with discretionary powers with Schroders, based on a 'total return' basis, designed to maximise 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, without exposing to undue risk the Society's reserves, on which its future capacity to maintain its activities depends. The primary long-term target is that the Society's portfolio produces a total return of inflation (RPI) plus 4% pa. The portfolio has exposure to a range of equity, cash, fixed-interest investments and alternative asset classes in both UK and overseas markets, accessed via a single investment in the Schroder Charity Multi-Asset Fund. 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. The Schroder Charity Multi-Asset Fund is a common investment fund designed for charities seeking to maintain the real value of their capital over the medium to long term whilst generating a sustainable and reliable distribution level (from income and capital). The portfolio which aims to deliver returns similar to equity markets but with a lower level of volatility, is well diversified across asset classes. 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 2000*.

As a safeguard against continuing poor performance of the stock exchange, the Society decided to diversify its assets so as to include residential property in the Central London area. This policy has the unanimous support of the trustees of the Society and is now going ahead.

External and public relations

The Society is a founder member of the Council for the Mathematical Sciences (CMS), together with the Institute of Mathematics and its Applications and the Royal Statistical Society. The current CMS chair is Professor Frank Kelly FRS, who demits office on 31 August 2013. He will be succeeded by Professor Sir Adrian Smith FRS. The Edinburgh Mathematical Society and the Operational Research Society are also members of the CMS. The CMS provides a forum for the consideration of matters of joint interest; it responds and makes representations to Government and others on appropriate issues. The CMS represents mathematics to government, in particular to the Department of Business, Innovation and Skills (BIS). CMS holds an annual meeting with senior members of the Engineering and Physical Sciences Research Council (EPSRC) and meets at other times of the year with officers of its Mathematical Sciences Programme. It also meets annually with the Higher Education Funding Council for England (HEFCE). The CMS is also now a member of the Parliamentary Collaboration Steering Group for STEM learned societies.

The Society has played an active contributory role in the formulation of CMS responses to various consultations and calls for evidence, which over the last year have included: the *House of Lords STEM Committee request for Inquiry Topics*, the *Review of EPSRC Strategic Advisory Routes*, the *Triennial Review of the Research Councils: call for evidence*, the *HEFCE consultation on Open Access and submissions to the REF post-2014* (where the founding societies responded individually) and the *BIS consultation on Strategic Priorities for Science and Research Funding*.

The Council for the Mathematical Sciences launched the Deloitte Report, *Measuring the Economic Benefits of Mathematical Science Research in the UK*, at the House of Commons in June 2013, at which EPSRC and all the CMS Societies were represented. The Society, as part of CMS, took part in *Voice of the Future* in March 2013 and *Parliamentary Links Day* in June 2013.

The Society is a member of the UK Parliamentary and Scientific Committee, Science Council, British Science Association, Joint Mathematical Council, Campaign for Science and Engineering (CaSE), and the Foundation for Science and Technology. The Society also works in association with the UK Heads of Departments of Mathematical Sciences. It is active through these bodies in ensuring the interests of Mathematics are represented in national policy and public debates and in informing Council of external policy issues. The Society is also represented on the Parliamentary Affairs Committee run by the Society of Biology in association with the Royal Society of Chemistry and the Institute of Physics.

Over the last year the Society has worked with the Department for Education (DfE) on matters regarding the *Review of the National Curriculum* and the teaching of mathematics in schools. In addition to this and to the 5 CMS statements noted above, a total of 10 LMS position statements and responses have been issued as follows:

- Ofqual consultations: *Consultation on A-level reform* and *Regulating Awarding Organisation Training Events for Teachers*
- DfE consultations: *Reforming KS4 Qualifications* and *Reform of the National Curriculum in England*
- Joint Council for Qualifications: *Review of A-level Subject Content*
- Advisory Committee on Mathematics Education: *A-level Reform*
- House of Lords' Science and Technology Select Committee: *Inquiry on Open Access*
- Department for Business Innovation and Skills Select Committee: *Inquiry into the Government's Open Access Policy*
- Research Council UK: *Revised Guidance on Open Access*
- General: *Open Access: How it Affects UK Mathematical Science Researchers*

In addition, the Society made a submission to the House of Lords Science and Technology Select Committee inquiry on Open Access.

The Society and the IMA have continued their collaborations throughout the year. These included the David Crighton Medal, which for the first time was awarded to two winners, Dr Peter Neumann and Professor Arieh Iserles. The presentation and prize lectures took place at the Royal Society in February. Joint press

statements have been issued by the two Societies over the past year on A-level results and the David Crighton Medal.

The Society has introduced a series of dinners to assist in developing a community of external supporters from a wide range of fields, who it is hoped will support the Society in formulating a building a strong vision for the healthy future development of the mathematical sciences.

Staff management

The Executive Secretary is responsible for staff-related issues with strategic overview provided by the Society's Personnel Committee. A list of staff in post during the period is at **Annex C**. The Society was sad to lose Anne Bennett, Head of Society Business and also CMS Secretariat, who died suddenly in September 2012; however, trustees and staff alike have been pleased to welcome Lindsay Walsh as the new Head of Society Business. Lindsay brings with her 20 years experience of working at the Department of Business, Innovation and Skills (BIS and its previous iterations).

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 and charitable organisations, where there is both a mathematical and financial benefit. Discounts are available and we offer some rooms at no charge for this last category as part of the Society's charitable giving.

The use of the Conference Facilities for mathematical meetings and as a source of revenue achieved the highest level of income and occupancy since the operation began in 2006. There were several changes during the period in the letting of office space, with one tenant leaving and two new tenants coming in. The building is now being let at full occupancy.

Review of activities against charitable objects

Below is a report on the Society's activities during 2012/13 specific to the charitable objects, together with proposed plans for the future.

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

Achievements over the period

Below is a table showing membership numbers for the Society over the last five years.

	July 2009	July 2010	July 2011	July 2012	July 2013
Ordinary Members (inc. reciprocity)	2252	2162	2115	2133	2194
Associate Members	143	147	120	74	100
Institutional Members	13	10	10	9	8
Honorary Members	29	28	30	31	33
Total	2437	2347	2275	2247	2335

145 new members joined the Society during the year.

As part of a general drive to encourage more members into the Society the following initiatives were implemented:

- In October 2012, Council considered the results of the online survey of its membership on *Criteria for Membership of the LMS*, to which all members were invited to participate. A significant number of members completed the survey. A good majority (83%) supported the first proposal (that the criteria for Ordinary membership should be expanded to include all those with a deep commitment and interest in research mathematics), and 71% were in favour of the second proposal (that the criteria for Associate membership should be extended to include undergraduates). Subsequent to the survey, Council agreed to amend the membership criteria to adopt these two proposals (with a slight amendment to the wording for Ordinary membership as follows: 'a deep commitment to mathematics and an interest in mathematical research'). The amendments were reported to the members at the Society's AGM in November 2012.
- The Society increased its network of 'LMS Representatives' at individual institutions across the UK and currently there are 54 LMS Representatives in place. The Society has begun sending monthly 'eUpdates' to the LMS Representatives to circulate news of Society events and grant schemes to members of their departments. The Society also hosted its second annual LMS Representatives' Meeting in May 2013 at De Morgan House, which was attended by 30 LMS Representatives and Officers of Council. This is an excellent way of Council hearing the view from the Society's wider membership.
- As well as having a presence at the main mathematical events across the UK, the Society began sending membership leaflets to all conferences and meetings supported by the Society through its Scheme Grants, for distribution to delegates.

Two Honorary members were elected in July: Professor Margaret Wright, Silver Professor of Computer Science at the Courant Institute of Mathematical Sciences at New York University, USA and Professor Dennis Sullivan, Einstein Chair at the City University of New York Graduate Centre and professor at Stony Brook University, USA.

The Society, in conjunction with the Heads of Departments of Mathematics (HODoMs), operates a Good Practice Scheme, with the aim of helping departments of mathematics to take practical actions to improve the participation of women and to share examples of good practice with other departments. The Scheme also offers support in applying for an Athena SWAN award for those departments seeking recognition for their work in this area.

As part of the Scheme the Society commissioned a UK-wide survey of mathematics departments to collect examples of good practice in mathematics and to benchmark departments on their working practices, processes and procedures. The survey started in early June 2012 and the results were published in February 2013 in the report *Advancing Women in Mathematics: Good practice in UK university departments*. The report was launched at the House of Commons with a number of MPs, mathematicians, policy-makers and representatives of influential organisations present. Feedback from the departments involved in the survey has indicated the significance of the report in allowing them to assess themselves in relation to the national picture.

Following on from the aforementioned survey, the Society has recognised that there is no single body co-ordinating, managing and funding the collection and analysis of data for mathematics on a national scale and Council has agreed that such data is important, not only to assist in encouraging the careers of women within mathematics but also, more generally, in the representation of mathematics to Government and other national policymakers and funders (also meeting charitable Objective 4).

Two Good Practice Scheme workshops have been organised in 2012/13 – one workshop in London and one in Edinburgh (the latter with the support of the Edinburgh Mathematical Society). The workshops have provided departments with an opportunity to hear talks from Athena SWAN representatives, departments who have successfully applied for Athena SWAN, and panellists from the decision-making award panels, as well as providing the opportunity for discussion and networking with those present. Over 50 people have attended the workshops so far, representing 32 institutions.

Another successful LMS Women in Mathematics Day was held this year. This is an annual event organised by the Society for women in mathematics to meet together for a programme of talks and discussion groups. Both women and men are encouraged to attend the event which is aimed particularly at postgraduates, final year undergraduates and those at an early stage in their career, and provides a valuable opportunity to meet and talk with women who are active and successful in mathematics. The 2013 event was a two-day event held at the Isaac Newton Institute in Cambridge. Over 100 people attended, the highest numbers to date. The event received additional support from the Isaac Newton Institute, University of Cambridge Departments of Mathematics and the Clay Mathematical Institute.

A Computer Science Colloquium on the theme of *Verification and Numerical Algorithms* was held and attracted 40 attendees. Speakers came from both the UK and overseas. The Computer Science Committee was able to obtain further funding from the EPSRC network on numerical algorithms and high-performance computing to support the event. The day was regarded as a success and the Society looks forward to hosting similar events in support of the Computer Science-Mathematics interface in future years.

The Library Committee met with representatives from the Science Library at University College London (UCL) during this period to review selected international journals under the Society's Journal Exchange scheme with other mathematical societies, and to review the services offered by UCL Library to members of the Society. The Library Committee also recruited two Library Placement Students to prepare the Council Minute Books from the late-19th Century to the mid-20th Century for digitisation, to update the Society's database of images held in its archive, including recording issues of copyright, and to re-house the hard copies of images as part of the ongoing conservation of the Society's Archive. The Committee also developed the content of visual decoration in De Morgan House and seven mathematical images are now displayed around the building.

The LMS President attended a meeting of the Presidents of European Mathematical Societies held in Aarhus and the Abel Prize ceremony in Oslo. Throughout the year he has attended a number of meetings including with the President of the American Mathematical Society, the Cambridge Millennium Group and the organiser of the International Congress of Mathematicians. The President has also been working on a project with Plus magazine to develop mathematical content for the Society's website.

In August 2014 the Society will be represented at the 27th International Congress of Mathematicians in Seoul, South Korea and prior to that, as the UK adhering body to the International Mathematical Union (IMU), will send a delegation to the General Assembly of the International Mathematical Union (IMU) to be held in Gyeongju.

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The Society hosts a number of 'Blogs' on its website in order to provide opportunities for dialogue with and between its members and the broader mathematical and scientific community on a variety of subjects. Currently operating Blogs are: Members; LMS Departmental Representatives; Open Access; Elections; Infinitesimals; De Morgan Forum. In addition to the Blogs, the Society has developed a facility on its website whereby members can log in and update their own personal details. Work is ongoing to introduce online applications for LMS grants.

Key objectives for the future:

- to introduce funding for Undergraduate Mathematics Society Meetings to enable Undergraduate Mathematics Societies to invite eminent speakers to give talks and to increase Undergraduate Membership of the Society;
- to host informal meetings at UK institutions to support the LMS Representatives;
- to introduce an online application system for non-members to join the Society;
- to continue to gather and analyse data providing evidence to present to national policymakers, and to produce a 'facts and figures' page on the LMS website for use by members, those responsible for setting UK policy, and the wider public.
- to collect data on and analyse the reasons for the decline in numbers of women mathematicians between the undergraduate and postgraduate career stages and consider solutions to the problem.
- to make available the digital images of the Minute Books on the Society's website

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

Achievements over the period

a. Grants

Below is a table showing the value of the grants awarded by the Society over the last five years. The Society's grant-giving policies and summaries of its grant schemes are detailed in **Annex D**.

	2008-09	2009-10	2010-11	2011-12	2012-13
Conference (Scheme 1)	£165,761	£161,865	£121,481	£177,617	£182,430
Visitors to the UK (Scheme 2)	£31,396	£28,973	£29,427	£29,054	£29,293
Joint Research Groups (Scheme 3)	£28,675	£27,831	£29,593	£32,235	£46,495
Research in Pairs (Scheme 4)	£14,660	£17,766	£21,920	£23,599	£33,537
International Short Visits (Scheme 5)	£5,875	£14,084	£6,992	£4,700	£12,198
Computer Science Grants (Scheme 7 and BCTCS)	£2,742	£3,437	£4,617	£5,429	£5,770
Postgraduate Conferences (Scheme 8)	£9,355	£16,064	£13,450	£35,557	£35,250
Young Researchers in Mathematics	-	-	-	£3,000	-
Prospects in Mathematics	-	-	£5,000	£6,638	£13,161
Education Grants	£4,188	£7,146	£5,790	£7,030	£5,595
Women in Mathematics	£969	£637	£3,275	£3,289	£1,661
Young British/Russians	£1,500	£3,000	£1,500	£2,450	£1,474
Supporting Maths in Africa	£17,662	£13,500	£6,000	£16,490	£17,750
LMS Workshop- Symposia	-	-	£15,900	£11,600	£14,848
Undergraduate Research Bursaries	-	-	-	-	£37,240
Total	£282,783	£294,303	£259,945	£358,688	£436,702

A total of £420k was awarded from the Society's own resources in grants to support mathematical activities. Applicants were notified of grant decisions in a timely manner. The grant schemes were promoted more widely through further advertising and the use of the LMS Representatives network.

Each year the Programme Committee reviews the grant schemes supporting conferences, visits, joint research groups, research in pairs and international grants. The number of grant applications for conferences to

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/2013

celebrate new appointments and Joint Research Groups continues to increase, as does the amount awarded for Research Groups, Research in Pairs and International Short Visits.

The Society also provided funding for the Young Researchers in Mathematics Conference, held at the University of Edinburgh in June 2013. This is a national conference specifically for postgraduate students, planned, organised and run by the students themselves. In addition, the Society funded the LMS Prospects in Mathematics event, which was held at the University of Manchester in December 2012. The meeting is aimed at final year undergraduates interested in pursuing a PhD in mathematics. Both of these events are held annually and are supported by the Society, moving around different institutions across the UK. These meetings are important events that encourage and support students in the pursuit of research in mathematics. The Society continued to support the LMS-EPSRC Durham Symposia and two such events were held in July 2013. The Society will continue to support the scheme with the 100th LMS-EPSRC Durham Symposia due to take place in August 2013.

The Society administered the Undergraduate Research Bursary Scheme for the first time in 2012/13. The Scheme was jointly funded with the Nuffield Foundation (for this year only) and awarded 27 bursaries to students at 12 different institutions. The Scheme aims to give experience of research to undergraduates with research potential to encourage them to consider a career in scientific research. On current plans the Society will continue to operate this Scheme for a further two years.

The Society will be continuing its support for the *Mentoring African Research in Mathematics* (MARM) programme and will be providing funding for 4 new partnerships via a combination of its own funds and matched funding from the IMU. This follows the end of funding from the Nuffield Foundation and the Leverhulme Trust in December 2012. The new partnerships will commence in 2013/14.

b. Training

Below is a table showing the Society funds used to support research training schemes over the last five years.

	2008-09	2009-10	2010-2011	2011-12	2012-13
LMS-EPSRC Short Courses (LMS contribution)	£12,349	£10,113	£11,320	£14,317	£15,024

Four LMS-EPSRC Short Courses for postgraduates were held in the last year, attracting over 140 participants. In 2012/13, the LMS-EPSRC Short Courses took place at Liverpool (*Common Themes in Financial and Actuarial Mathematics*), Manchester (*O-minimality and Diophantine Geometry*), Reading (*Modern Nonlinear PDE Methods in Fluid Dynamics*) and St. Andrews (*Computational Group Theory*).

The Society's current contract with EPSRC to run the LMS-EPSRC Short Courses will expire at the end of October 2013 and will not be renewed. The Society has agreed to pilot a new scheme in 2014 in partnership with the Clay Mathematical Institute (CMI), and with additional support from the Heilbronn Institute, to run UK-based Research Schools for postgraduate students and early career researchers that will attract participation from eminent overseas lecturers and international students.

Key objectives for the future:

- to continue work on an online system for grant applications and reports;
- to promote the grant schemes more widely through further advertising and use of the LMS Representatives network;
- to launch the fourth call for applications to the MARM programme;
- to support a pilot scheme, set up by the Young Researchers in Mathematics Committee, to provide a network of meetings for young researchers in 2013/14; and
- to coordinate a pilot scheme to run at least four LMS-CMI Research Schools in 2014, with a view to extending the Scheme in partnership with the Clay Mathematical Institute.

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*Achievements over the period**a. Publications*

Below is a table showing figures over the last five years for publications income and the number of Society meetings held for which the Society provided grants.

	2008-09	2009-10	2010-11	2011-12	2012-13
LMS periodicals income	£775,499	£913,802	£1,151,632	£1,202,567	£1,383,780
Income from joint ventures and royalties	£544,273	£588,138	£612,000	£654,828	£735,824
Society meetings held (inc. joint)	8	8	10	8	8

During the last year Publications Committee adopted an implementation plan based on the Publications Strategy that was approved the previous year by Council. A key part is the protection of publishing income whilst allowing the flexibility to explore new opportunities in publishing.

During the last year the Society launched a new, purely open access journal, the *Transactions of the London Mathematical Society*, which is on a par with the *Bulletin, Journal and Proceedings*, with which it shares the Editorial Advisory Board.

The Society's web-based article management system for authors, reviewers and editors, introduced in 2011, has streamlined the paper flow and over the past year has led to reduced durations for peer review and journals production, benefiting both mathematics and mathematicians.

b. Society meetings

Over the year Society meetings were held in Aberystwyth, Bristol, Newcastle and Leicester as well as two meetings in London, including the Mary Cartwright Lecture, and the General Meeting of the Society. A Society Meeting was also held at the British Mathematical Colloquium in Sheffield.

The Society has also begun discussions with the Royal Meteorological Society to host a joint meeting of the societies as a way to support the *Mathematics of Planet Earth* initiative. This initiative was an internationally co-ordinated global programme to promote mathematics that aimed to make 2013 a special year of emphasis on the *Mathematics of Planet Earth*, interpreted as broadly as possible.

The 2013 LMS Invited Lecturer, Fedor Bogomolov, visited Edinburgh in June.

Following the agreement with the New Zealand Mathematical Society to host the Forder Lectureship in even-numbered years, which runs in conjunction with the Aitken Lectureship, the 2012 Forder Lecturer was announced as Professor Geoff Grimmett (Cambridge). Professor Grimmett visited New Zealand in April/May 2012 to give a series of lectures.

Key objectives for the future:

- to carry out the objectives of the new Publications Strategy;
- to increase the focus on journal development and further improve communications with editors, editorial boards and the LMS's publishing partners;
- to keep abreast of technological advances in publishing and offer modern tools to authors, reviewers and readers;
- to continue to seek new opportunities for publishing high-quality mathematical research;
- to put in place an ethics policy for the LMS journals and its authors, referees and editors; and
- to hold more joint meetings with other societies.

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

Achievements over the period

Below is a table showing the number of press releases and policy statements issued over the last five years.

	2008-09	2009-10	2010-2011	2011-2012	2012-2013
Number of consultation responses	4	3	7	10	9
Policy statements issued	13	3	8	1	1
Press releases issued (inc. joint)	10	10	9	7	8

The Society has undertaken extensive public affairs work over the last year in promoting mathematics to decision-makers and policy advisers within what has been a challenging political and economic climate. It has responded to various consultations by the Department for Education, Ofqual and the Joint Council for Qualifications, and inquiries from the House of Lords Science and Technology Select Committee.

As LMS, and also in association with CMS, this year the Society negotiated two inaugural launches for mathematics in the House of Commons. With CMS the Society has attended meetings with government ministers and officials regarding mathematics. The section above (page 8) on External and public relations has further details of these activities.

Key objectives for the future:

- to bring to the attention of decision-makers and policy advisers national data on mathematics and the UK mathematics landscape; and
- to continue to represent mathematics research and education to Westminster, Whitehall and other national funding bodies and ensure that mathematics is explicitly considered during discussions regarding STEM subject areas.

Objective 5: To support mathematical education in schools, colleges and universities, and encourage the public and young people to appreciate and engage with mathematics.

	2008-09	2009-10	2010-2011	2011-2012	2012-13
Popular lectures attendance	450	950	650	1,050	1100
Education Grants	£4,240	£7,146	£5,790	£7,030	£5,595*
Open House attendance	-	-	-	300	280

**The Education Committee also made available a further £705 in direct support to one school.*

Achievements over the period

During this period Society Officers and members continued to actively assist the Department for Education with its review of the National Curriculum for mathematics. Officials from the Department attended the Society's Education Committee meeting in January to present a detailed update on curriculum developments.

During 2012/13, the 2015 Celebrations Committee met several times to discuss the activities and events that the Society will host to celebrate its 150th anniversary in 2015, and has worked with other LMS committees to begin developing a programme of celebrations. The Committee has agreed three broad themes for the anniversary: *150 Years of Mathematics*, *Mathematics as a Part of Our Culture* and *New Ways of Communicating Mathematics*.

The most recent Popular Lecture held at the Institute of Education in London on 25 June had an audience of some 800 people. The Maths Zone at the Big Bang Young Scientists and Engineers Fair held in March 2013 once again proved to be very popular. The Joint Promotion of Mathematics Steering Group (JPM) produced three leaflets in conjunction with exhibitors and the Royal Society at the Royal Society's Summer Science

Exhibition in July 2013 and also took part in the Bloomsbury Festival in October 2012, promoting mathematics to young people and the public.

Key objectives for the future:

- to award a greater number of Education Small Grants to support mathematical education at all levels;
- to issue further LMS policy position statements to support mathematics Higher Education and education in schools;
- to use the LMS website and develop content regarding education which is of interest in the wider world of mathematics, as well as to those involved in higher education; and
- to finalise the programme of celebrations for the 150th anniversary in 2015.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For and on behalf of Council of the London Mathematical Society:



.....
Dr Graeme Segal
(President)



.....
Date

Membership of Committees at 31 July 2013

Computer Science Committee: T. Melham (*Chair*), N. Alechina, F. Clarke, J. Cooke (*British Computer Society – Formal Aspects of Computing Science Specialist Group*), A. Czumaj, J. Davenport (*Institute of Mathematics and its Applications (IMA)*), P. Jimack, F. Moller (*Academy of Computing*), K. Paterson, V. Sassone, C. Turner (*Engineering and Physical Sciences Research Council (EPSRC) observer*).

Education Committee: Education Secretary (*Chair*), Vice-President K. Brown, F. Berkshire, R. Emanuel, A. Gardiner, K. Houston, J. Levesley (*Heads of Departments of Mathematical Sciences (HoDoMS)*), N. McKay, P. Ransom, A. Veselov, *Vacancy*.

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

International Affairs Committee: President (*Chair*), Programme Secretary, Publications Secretary, C. Budd (*UK representative to International Commission on Mathematical Instruction (ICMI)*), C. Campbell (*Delegate of President of the Edinburgh Mathematical Society (EdMS)*), A. Fitt (*IMA*), S. Huggett, C. Roney-Dougal, R. Sutherland (*Joint Mathematical Council (JMC)*), J. Toland (*International Mathematical Union (IMU) Executive*), N. Walkey (*Royal Statistical Society (RSS)*), *Vacancy*.

Investment Sub-Committee: Treasurer (*Chair*), Members of Finance and General Purposes Committee, M. Davis, J. Dodd, L. Hughston, S. Mossaheb, M. Penington, W. Shaw.

Library Committee: Librarian (J. Barrow-Green) (*Chair*), J. Jones, R Kaye, T. Mann.

Nominating Committee: P. Davies (*Chair*), K. Ball, G. Brown, F. Kirwan, M. Prest, B. Pelloni (*Council*), A. Stuart, D. Tranah.

Personnel Committee: Vice-President K. Brown (*Chair*), Publications Secretary, D. Applebaum J. Barrow-Green, A. Rogers, Executive Secretary.

Prizes Committee: President (*Chair*), H. Byrne, C. Drutu, B. Green, M. Green, B. Niethammer, G. Robinson, V. Smyshlyaev, P. Topping.

Programme Committee: Programme Secretary (*Chair*), F. Clarke, S. Donaldson, A. Laptev, D. Leslie, E. Mansfield, I. Roulstone.

Publications Committee: Publications Secretary (*Chair*), Vice-President J. Greenlees, J. Anderson (*Deputy Publications Secretary*), J. Chuang, J. Hunton, P. Hurst, P. Jørgensen, C. Roney-Dougal, A. Sobolev, T. Ward, M. Ware, Publisher.

Publications Nominating Group: Publications Secretary (*Chair*), C. Batty, J. Brodzki, D. Calderbank, F. Kirwan, A. Sobolev, S. Stevens, J. Wright, Publisher.

Research Meetings Committee: U. Tillmann (*Chair*), Vice-President J. Greenlees, J. Chapman, D. Buck, B. Hambly, J. Parker (*Durham representative*), I. Smith, M. Speight, N. Woodhouse (*Clay Mathematics Institute (CMI) observer*), J. Woolf, *Vacancy (EPSRC observer)*.

Research Policy Committee: Vice-President K. Brown (*Chair*), Vice-President J. Greenlees, D. Arrowsmith (*HoDoMs*), P. Davies, M. Bridson, A. Etheridge, M. MacCallum, M. Singer.

Women in Mathematics Committee: G. Stallard (*Co-Chair*), Vice-President J. Greenlees (*Co-Chair*), S. Beg (*Operational Research Society (ORS)*), H. Byrne (*IMA*), P. Clarkson, C. Hobbs, E. Hunsicker, J. Freeman (*RSS*) F. Kirwan, J. McKee, B. Pelloni, S. Pitts, J. Scott (*European Women in Mathematics (EWM)*), *Vacancy (EdMS)*.

Ad hoc COMMITTEES AND LMS APPOINTMENTS at 31 July 2013

2015 Celebrations Committee: S. Huggett (*Chair*), Vice-President J. Greenlees, Treasurer, Programme Secretary, Librarian, P. Goddard, S. Oakes, S. Stevens, Executive Secretary, Head of Society Business, Society Communications Officer.

Good Practice Scheme Steering Group: P. Clarkson (*Chair*), D. Arrowsmith (*HoDoMS*), P. Davies, J. Greenlees (*Vice-President and Co-Chair of Women in Mathematics Committee*), C. Hobbs, G.M. Stallard (*Co-Chair of Women in Mathematics Committee*).

Fundraising Group: Treasurer (*Chair*), President Designate, General Secretary, Executive Secretary.

Journals Editors Group: Publications Secretary (*Convenor*), Editors for the *Bulletin*, *Journal and Proceedings (BJP)*, 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 (JCM)*, Member of the *JCM* Advisory Board, Publisher, Managing Editor.

LMS-IMA Joint Working Group: (LMS members): President (*Chair*), Vice-President J. Greenlees, Executive Secretary.

Mentoring African Research in Mathematics (MARM) Board: J. Ball (*Chair*), H. Clemens, S. Huggett, F. Neumann, W. Ogana, J. Toland, Executive Secretary.

Newsletter Editorial Board: A. Mann (*General Editor*), Council Webmaster, Programme Secretary (*Reports Editor*), D. Singerman (*Newsletter Reviews Editor*), *Vacancy (Council)*.

Joint Promotion of Mathematics Steering Group: LMS Vice-President J. Greenlees (*Chair*), LMS General Secretary, LMS Education Secretary, N. Steele (*IMA*), A. Stevens (*IMA*), LMS Executive Secretary, *Vacancy*.

Website Working Group: S. Huggett (*Chair*), Vice-President J. Greenlees, Council Webmaster, J. Barrow-Green, A. Borovik, P. Cameron, Executive Secretary.

Council Diarist: J. Barrow-Green

Council Webmaster: R. Wilson

LMS/EMS Newsletter Correspondent: D. Chillingworth

Scrutineers: D. Collins, C. Lance.

Representatives on external committees and boards at 31 July 2013

Athena Forum: G. Stallard.

British Science Association Mathematics Section: Education Secretary.

British Mathematical Colloquium Scientific Committee: J. Hunton, P. Rippon, *Vacancy*.

Council for the Mathematical Sciences Board: President, Vice-President K. Brown, Vice-President J. Greenlees, Executive Secretary.

Council for the Mathematical Sciences-Engineering and Physical Sciences Research Council Liaison Sub-Group: Vice-President K. Brown, Vice-President J. Greenlees.

European Mathematical Society Council: President, Programme Secretary, B. Pelloni C. Roney-Dougal.

Heads of Departments of Mathematical Sciences Committee: General Secretary.

International Centre for Mathematical Sciences Board: M. Kim.

International Centre for Mathematical Sciences Programme Committee: D. Rand, A. Stuart.

International Commission on Mathematical Instruction UK representative: C. Budd.

Isaac Newton Institute Management Committee: J. Bruce.

Isaac Newton Institute Scientific Steering Committee: J. Ball, M. Harris.

Isaac Newton Institute Correspondents: Chair of Research Meetings Committee.

Joint Mathematical Council: Education Secretary.

Parliamentary and Scientific Committee: President, Vice President J. Greenlees, P. Saunders, Executive Secretary.

Science Council: President, Executive Secretary.

Staff in post in the period 1 August 2012 to 31 July 2013**Executive Secretary's Office**

Executive Secretary	F.C. Nixon
PA to the Executive Secretary	L. Marshall
Head of Finance and Accounting	E. Belay
Accounts Assistant	B. Graczyk (to February 2013) V Kolesnykova◊ (from March 2013)
Administrative Editor, LMS Newsletter ◊	S.M. Oakes*
MARM Facilitator ◊	J. Elgin* (to December 2012)
Short-course Facilitator ◊	R. Ahmad*

Publications

Publisher	S.P. Hezlet
Managing Editor ◊	O. Törnkvist
Senior Assistant Editor	B. Holmes
Assistant Editor	T. Corless

Society Business

Head of Society Business:	A.C. Bennett (to 6 September 2012) L Walsh (from January 2013)
Membership and Activities Officer	E. Fisher
Council and Society Officer	K. Henderson (from September 2012)
Society Communications Officer	J. Johnston
Education & Research Officer	D. Turton
Grants Administrator ◊	S. Daly
Grants & Membership Assistant	V. Kolesnykova◊ (from March 2013)

Conferences & Building Group

Head of Conferences & Building	D. Clark
Receptionist & Facilities Coordinator	L. Parker (to January 2013) Z. Edah-Tally (from May 2013)
Facilities Assistant ◊	A. Waidson

◊ 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 Engineering and Physical Sciences Research Council (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 will aim 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, although consideration will be given to cover room hire charges at De Morgan House.
- 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 that assess 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. Each committee judges each application on its merits.

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 and training 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.

Under this scheme grants are made for meetings held to promote the new appointments of lecturers at UK universities.

Visitors to the UK (Scheme 2)

The aim of the scheme is to provide grants to mathematicians based within the UK to partially support visitors to the UK; the visitors 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 (of which at least two must be in the United Kingdom), who have a common research interest and who wish to engage in collaborative activities.

Research in Pairs (Scheme 4)

The scheme is to provide small grants to mathematicians within the UK to help support visits for collaborative research.

International Short Visits (Scheme 5)

The scheme is to provide grants to mathematicians within the UK to support visits 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 to researchers based within the United Kingdom to help support visits for collaborative research at the interface of Mathematics and Computer Science.

British Colloquium for Theoretical Computer Science

The Society supports the annual meeting which provides a forum in which researchers in theoretical computer science can meet, present research findings, and discuss developments in the field. Specifically, the Society funds the costs of a speaker who is ordinarily from overseas and who is introduced as the 'LMS Keynote Lecturer in Discrete Mathematics'.

Postgraduate Research Conferences (Scheme 8)

The aim of this scheme is to support research conferences, organised by and for research students, to be held in the United Kingdom.

Support for Young Mathematicians

The Society supports young mathematicians through the LMS Prospects in Mathematics event and through a grant to the Young Researchers in Mathematics Committee, to provide a network of meetings for young researchers.

Support for Mathematics in Africa

The Society awards grants to contribute to the travel costs of postgraduates attending conferences organised or supported by the African Mathematics Millennium Science Initiative (AMMSI). Additionally a grant has been made to the European Mathematical Society Committee for Developing Countries to support their work donating books and journals to developing countries.

Young British and Russian Mathematicians

Each year, the scheme allows 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 the 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 grants 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'.

Undergraduate Research Bursary Scheme

The Scheme aims to give experience of research to undergraduates with research potential to encourage them to consider a career in scientific research.

LMS-EP SRC Short Courses (Training)

The purpose of the Short Courses is to provide training at the research frontier. An important feature of the programme is the wide range of mathematical topics, which are either of very general interest or are in areas where it is of strategic importance to boost the national strength. Course participants are given the rare opportunity at the start of their research apprenticeships/careers of attending lectures delivered by distinguished and world-renowned academics. Most course organisers arrange for international speakers to attend which makes the Short Course Scheme particularly attractive and unique in its format. Such training prepares the students for engagement in the international research arena, ensuring that the UK is able to both maintain and further develop its place globally with respect to world-class research.

Further information on all the Society's grant and training schemes, including detailed criteria and application forms to download, is on the LMS website <http://www.lms.ac.uk/content/grants>

Reserve Funds

Council takes a long term view with regard to the Total Funds of the Society, in respect of helping both current and future beneficiaries. There is a need to rebuild the investment portfolio and guarantee a real return. Over the last ten years the value of the portfolio has reduced by approximately 25% in real terms. Council considers that the present level of the Total Funds should (if possible) be increased to the level of £15m – £20m by 2020.

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 the fund exists to assure the availability of resources for the Society's grant schemes and other continuing charitable activities in future years. This manages the risk to the Society's ability to generate income to provide for such activities and offers a contingency against threats such as open access.

General Fund	£10,193,503
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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.	£195,000
Costs of venue hire for all LMS meetings held in DMH	£15,000
Costs of re-establishing our work	£13,000
Dilapidations, were the Society to leave DMH	£23,000
External redecoration	£34,000
Internal redecoration	£45,000
Major modifications and developments, unexpected repairs/replacement	£275,000
	£600,000

Printing & Publication Reserve Fund

This fund is to provide a reserve to meet the costs of producing and publishing the Society's LMS periodicals should the Society's income from these periodicals be unable to cover such commitments.

The agreed purposes and recommended levels are:

Repaying subscriptions income if we ceased to trade, and other commitments	£1,725,000
Buffer against over/under shooting the budget	£175,000
New ventures. Based on the costs of launching and producing a new journal, but its failing to gain subscriptions	£825,000
Insurance against breach of copyright and libel (including legal fees)	£275,000
	£3,000,000

Grants Payable Reserve Fund

This fund is set aside for grant awards to mathematical projects or activities which span a number of years. Such grants are reviewed annually and are paid once the recipient of the grant has provided a progress report with satisfactory performance of the project.

Grants awarded and approved by Council to be paid in future accounting periods	£255,000
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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	£31,509
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Independent Auditors' Report to the Trustees of The London Mathematical Society

We have audited the financial statements of London Mathematical Society for the year ended 31 July 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. 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 auditor

As explained more fully in the Trustees' Responsibilities Statement the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2013, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

V. J. Smith LLP

Kingston Smith LLP
Statutory auditor

Date: *25/10/2013*

Devonshire House
60 Goswell Road
London EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/2013

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st July 2013

	Notes	Unrestricted		Restricted	2013	2012
		General	Designated	Funds	Total	Total
		Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£
Incoming resources						
Incoming resources from generated funds:						
Voluntary income						
Gifts, Donations, Legacies		3,692	-	-	3,692	2,581
Activities for Generating funds						
Conference facilities		175,805	-	-	175,805	108,601
Rental income		80,525	-	-	80,525	76,261
Advertising in Newsletter		8,358	-	-	8,358	10,382
Investment income	2	329,652	581	5,887	336,120	365,558
Incoming resources from Charitable activities:						
Membership subscriptions		82,238	-	-	82,238	83,493
Publications – LMS Periodicals	6a	1,383,780	-	-	1,383,780	1,202,567
Publications – Ventures and Royalties	6c,d	354,384	381,440	-	735,824	654,828
Grants and contracts	19	46,648	-	73,928	120,576	113,490
Other incoming resources						
Sundry income		465	-	-	465	2,852
Total Incoming Resources		2,465,547	382,021	79,815	2,927,383	2,620,613
Resources expended						
Cost of generating funds:						
Costs of DMH Conference facilities	3	137,784	-	-	137,784	107,789
Services for tenants		55,674	-	-	55,674	67,760
Investment Management fees		13,368	-	-	13,368	38,375
Charitable activities						
Advancing the interests of Mathematics	4	251,357	-	7,020	258,377	250,111
Enabling Mathematicians to undertake research & collaboration	5	521,918	25,000	109,641	656,559	584,339
Disseminating Mathematical knowledge						
Costs of publications	6b,c,d	359,111	281,798	-	640,909	663,315
Conference and meeting programmes	7	131,897	-	-	131,897	88,993
Promoting Mathematical research and its benefits	8	300,041	-	-	300,041	218,640
Governance	9	204,769	-	-	204,769	201,234
Total Resources Expended		1,975,919	306,798	116,661	2,399,378	2,220,556
Net incoming/(outgoing) resources before transfers		489,628	75,223	(36,846)	528,005	400,057
Transfers between funds	17,18	(214,309)	172,576	41,733	-	-
Net incoming resources after transfers		275,319	247,799	4,887	528,005	400,057
Gains/(Losses) on investment assets	21	833,526	-	12,312	845,838	(114,496)
Net movement in funds		1,108,845	247,799	17,199	1,373,843	285,561
Fund balances at 1 st August 2012		9,084,658	3,638,710	195,902	12,919,270	12,633,709
Fund balances at 31st July 2013		£10,193,503	£3,886,509	£213,101	£14,293,113	£12,919,270

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

BALANCE SHEET
as at 31st July 2013

	Notes	2013		2012	
		£	£	£	£
Fixed Assets					
Fixed Asset Investments					
Quoted Investments	13	9,859,212		9,041,256	
			9,859,212		9,041,256
Tangible Fixed Assets					
Leasehold Property	14	1,523,793		1,568,610	
Fixtures, Fittings and Equipment	14	10,196		16,192	
			1,533,989		1,584,802
			11,393,201		10,626,058
Current Assets					
Medals in stock		3,061		4,082	
Debtors	15	296,998		283,998	
Cash at bank and in hand		1,235,811		511,100	
Bank Deposits		2,120,874		2,081,589	
		3,656,744		2,880,769	
Liabilities:					
Creditors: Amounts falling due within one year					
Creditors	16	586,812		463,096	
Deferred Income	16	170,020		124,461	
		756,832		587,557	
Net current assets			2,899,912		2,293,212
Net Assets			£14,293,113		£12,919,270
Represented by :					
General Funds	18	10,193,503		9,084,658	
Designated Funds	18	3,886,509		3,638,710	
Restricted Funds	17	213,101		195,902	
			£14,293,113		£12,919,270

Approved on behalf of Council and authorised for issue on:

Robert J. Curtis

.....
Professor Robert Curtis
(Treasurer)

18/10/13

.....
Date

The notes on pages 28 to 43 form part of these financial statements

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

1. 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 2011 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 April 2008).

b) **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.

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% pa (based on Yale model).

The Society in its total returns policy treats all cash withdrawals from the investment portfolio as investment income. This is analysed in the notes to the financial statements as investment income split between the various categories of investment based on information provided by the investment managers and the proportion of total return drawn down relating to gains. The balance of 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 and on the SoFA.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

1. Accounting Policies (continued)

e) **Publications**

- i) Income from the Society's contracts with printers for the production, distribution and sales of its journals is determined as the best estimate for 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* 7 issues out of 12, *Journal* and *Bulletin* 3 issues out of 6, *Compositio* 7 issues out of 12.) 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.
- ii) Publications income from LMS periodicals is recorded based on an estimated accrued basis; all other publications income is treated on a cash basis which is considered to be the most appropriate and prudent approach given the information available.
- iii) No valuation for accounting purposes is taken of any stocks of publications unsold at the Balance Sheet date.
- iv) The cost of publishing rights and subscribers' lists are written off in the year of acquisition.
- v) Royalties are taken into the Statement of Financial Activities as declared due by the relevant printers and publishers.

f) **General Fund**

The Unrestricted reserves are analysed between the General Fund and other Designated Funds. The General Fund, detailed in note 18 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

1. Accounting Policies (continued)

(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.

(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.

(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 and grants from the Nuffield Foundation and Leverhulme Trust to support mentoring activities with mathematicians in Africa. 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) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

1. Accounting Policies (continued)

l) Recognition of grant liabilities

Where the Society has contractual or constructive obligations to make grant payments these amounts are accrued in the accounts in accordance with the requirements of the SORP. The liability will be recognised within the year the grant is awarded. The unpaid grant commitments should normally be claimed by the end of the following financial year. However, the claim period may need to be extended for a further year (award year + 2) if the grant cannot be claimed by the end of the year following the award due to constraints on the start or end date of a grant, or due to other circumstances outside the control of the Society.

The Society also awards some grants with conditions for payment being a specific level of service or specific output to be delivered. Such grant awards (commitments) will be reserved in the Designated funds, and the grants are only recognised in the SoFA once the recipient of the grant has provided evidence of the specific service or output. Such grants are therefore reviewed annually and the grant payments subject to the condition of a progress report with satisfactory performance. If the project spans a number of years and satisfactory progress reports are received after year one, the first stage of the grant will be released from the Designated fund and that part of the grant expenditure will be recognised in the SoFA at that point.

Grants unclaimed by the end of award year +2 will be released back to the Society's general funds.

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 1(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 10. They include irrecoverable VAT which has been apportioned to activities on the basis set out in note 11.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

2. Investment Income

	Unrestricted	Designated	Restricted	2013	2012
	£	£	£	£	£
a) Investment income receivable:					
Fixed income (bond) interest	26,508	-	-	26,508	51,147
Equities dividends	83,990	-	-	83,990	107,546
Other interest receivable	698	-	-	698	670
Proportion of total returns drawn down relating to investment gains	180,300	-	4,736	185,036	163,977
Net investment income receivable	291,496	-	4,736	296,232	323,340
b) Interest receivable:					
Treasury Reserve deposits	37,715	581	1,151	39,447	42,048
Other deposits	441	-	-	441	170
Total interest receivable	38,156	581	1,151	39,888	42,218
Total investment income	£329,652	£581	£5,887	£336,120	£365,558

3. Costs of DMH conference facilities

	2013		2012	
	£	£	£	£
Costs of goods/refreshments	46,072		39,566	
Other expenditure	13,234		6,260	
		59,306		45,826
Apportioned support costs & irrecoverable VAT		78,478		61,963
Total		£137,784		£107,789

4. Charitable activities:

Advancing the interests of Mathematics

	2013		2012	
	£	£	£	£
Members' services:				
<i>LMS Newsletter</i>	24,500		21,202	
Other costs	6,266		4,190	
Unrecoverable subscriptions	1,074		1,998	
		31,840		27,390
Activities to support Women in Mathematics	22,106			18,245
Activities to support Maths-Computer Sciences	2,766			1,777
Library, binding and archives	9,862			14,809
EMS, IMU, ICIAM subscriptions & ICM costs	10,539			20,278
Prizes	11,056			9,103
Apportioned support costs & irrecoverable VAT	170,208			158,509
Total		£258,377		£250,111

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

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

	2013		2012	
	£	£	£	£
Awarded (committed) Grants				
Scheme 1 – 5 and 8	352,364		312,400	
Young British and Russian Mathematicians	1,474		2,450	
Support for Mathematics in Africa	17,750		16,490	
Computer Science grants	5,770		5,429	
Small Educational grants	5,595		7,030	
LMS Workshops - Symposia	14,848		11,600	
Undergraduate Bursaries	37,240		-	
Child care and related grants	1,661		3,289	
	<u>436,702</u>		<u>358,688</u>	
Less: cancellation and refunds	(51,691)		(39,465)	
		385,011		319,223
INI/ICMS/ACME Grants (Designated)		25,000		44,000
Mentoring African Research in Mathematics (Restricted)		13,566		33,486
Other (non-committed) Grants				
Charitable giving of LMS rooms	31,944		-	
Other grants (UK & international)	10,784		12,232	
	<u></u>	42,728	<u></u>	12,232
Training				
Short courses		35,635		37,938
Apportioned support costs & irrecoverable VAT		154,619		137,460
Total		<u><u>£656,559</u></u>		<u><u>£584,339</u></u>

Movement in obligation grant commitments during the year

	£
Grant commitments recognised at the start of the year	141,541
New grants commitments charged to the SoFA in year	436,702
Grants paid during the year	(362,443)
Grants not taken up ('out of date')	(24,226)
Amount of grant commitments recognised as at 31 July 2013	<u><u>£191,574</u></u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

6. Charitable activities: Disseminating Mathematical Knowledge - Publications

	2013		2012	
	£	£	£	£
a) Net Income from LMS periodicals		<u>1,383,780</u>		<u>1,202,567</u>
b) Payments for LMS periodicals				
Other Costs	14,975		21,079	
<i>Journal of Computation and Mathematics</i>	<u>6,180</u>		<u>5,930</u>	
		<u>(21,155)</u>		<u>(27,009)</u>
Net LMS periodicals surplus before support costs and irrecoverable VAT		1,362,625		1,175,558
Apportioned support costs & irrecoverable VAT		<u>(329,766)</u>		<u>(350,416)</u>
Net LMS periodicals surplus after support costs and irrecoverable VAT		1,032,859		825,142
c) Ventures & Royalties (net income)				
<i>Nonlinearity</i>	129,062		116,392	
Russian journals (Turpion/RAS/LMS joint venture)	114,595		96,612	
TMMS (AMS/LMS joint venture)	24,917		23,321	
HMATH (AMS/LMS joint venture)	41,686		(15,745)	
LMS Books	5,808		6,334	
Book project (Cassells and Fröhlich)	4,623		5,117	
Royalties on the works of G.H. Hardy	2,456		3,004	
Royalties and licensing	<u>170</u>		<u>269</u>	
		323,317		235,304
<i>Compositio</i>				
Profit share & Management fee (see 6d)	99,642		104,850	
Costs of <i>Compositio</i> (LMS - only)	<u>(5)</u>		<u>(10)</u>	
		99,637		104,840
<i>Mathematika</i>		22,882		28,794
NET PUBLICATIONS SURPLUS		<u>£1,478,695</u>		<u>£1,194,080</u>

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

- (I) *Nonlinearity* – the journal co-owned with the Institute of Physics and is produced at the Institute of Physics Publishing Ltd, Temple Circus, Temple Way, Bristol BS1 6HG
- (II) The three translation journals *Russian Mathematical Surveys*, *Sbornik: Mathematics and Izvestiya: Mathematics* are owned and 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.
- (IV) The journal *Transactions of the Moscow Mathematical Society (TMMS)* is managed on a day-to-day basis at the American Mathematical Society, 201 Charles Street, Providence, RI 02904 - 2294, USA.
- (V) *Compositio Mathematica* – the journal is wholly owned by Foundation Compositio Mathematica and managed by the LMS.
- (V) *Mathematika* – the journal is wholly owned by UCL and managed by the LMS.

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

6. Charitable activities: Disseminating Mathematical Knowledge – Publications (continued)

d) *Compositio* management account

	2013	2012
	£	£
Income	381,440	386,293
Expenditure		
Direct costs	(140,300)	(127,792)
Profit share to <i>Compositio</i> Foundation	(141,498)	(153,651)
	<u>(281,798)</u>	<u>(281,443)</u>
Net <i>Compositio</i> surplus before LMS fees and Profit share	99,642	104,850
Management fee to LMS	(39,000)	(39,000)
Profit share to LMS	(60,642)	(65,850)
Balance C/fwd on <i>Compositio</i> Fund	-	-

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

	2013		2012	
	£	£	£	£
Society meetings and regional workshops	36,388		36,519	
Spitalfields Days	-		500	
Hardy Lecturer	-		2,216	
Mary Cartwright Lecture	4,842		2,876	
Forder Lecturer	-		1,894	
Invited Lectures	6,280		5,492	
		<u>47,510</u>		<u>49,497</u>
Apportioned support costs & irrecoverable VAT		84,387		39,496
Total		<u>£131,897</u>		<u>£88,993</u>

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

8. Charitable activities: Promoting Mathematical research & its benefits

	2013		2012	
	£	£	£	£
Policy				
CMS	28,908		7,745	
Communication and External Relations	29,902		13,467	
Annual dinner	3,918		3,063	
Subscriptions to UK organisations	3,534		3,398	
Research Policy Activities	20,000			
		86,262		27,673
Education and young people, public engagement				
Holgate Lecturers	900		1,350	
Popular Lectures	16,908		10,527	
Other educational activities	1,076		1,371	
Knowledge Transfer	-		417	
		18,884		13,665
Promoting Women in Mathematics activities		473		-
Apportioned support costs & irrecoverable VAT		194,422		177,302
Total		£300,041		£218,640

9. Governance

	2013		2012	
	£	£	£	£
Professional services				
Solicitors fees	9,044		3,415	
Audit and accountancy fees	11,650		10,000	
Other professional fees	35		35	
		20,729		13,450
Officers, Council and committees				
Internal committees	27,454		28,697	
External meetings (representatives & attendance)	1,317		3,172	
Retreat	7,750		-	
Catering, accommodation and other costs	13,937		14,828	
		50,458		46,697
Election of Trustees		6,450		1,709
Apportioned support costs & irrecoverable VAT		127,132		139,378
Total		£204,769		£201,234

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

10. Support costs allocation by activity

	Direct staff costs	Premises & Office costs	Information Technology	General Management & Finance	Total 2013	Total 2012
	£	£	£	£	£	£
DMH conference facilities	32,353	33,515	4,289	7,879	78,036	61,595
Services for tenants	7,489	41,849	928	4,006	54,272	65,617
Advancing the interest of Mathematics	72,123	24,474	9,188	57,762	163,547	155,086
Enabling Mathematicians to undertake research and collaboration	75,385	17,635	10,596	48,637	152,253	136,371
Disseminating Mathematical Knowledge – Publications	201,854	44,869	33,164	46,667	326,554	348,699
Disseminating Mathematical Knowledge – Conference and meeting programmes	26,872	26,101	3,700	23,894	80,567	38,136
Promoting Mathematics research and its benefits	103,202	20,468	12,726	51,863	188,259	172,641
Governance	32,565	26,610	4,485	60,350	124,010	137,178
Total 2013	£551,843	£235,521	£79,076	£301,058	£1,167,498	£1,115,323
Total 2012	£504,209	£284,197	£81,478	£245,444		

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, HR and Executive Secretary's general 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).

Support costs for each area of the above activities can be higher or lower than last year due to staff time allocation. This changes from year to year and will have an effect on direct staff costs, office/premise use, IT use and general management costs.

11. Irrecoverable VAT allocation by activity

	2013	2012
	£	£
DMH conference facilities	442	368
Services for tenants	184	255
Advancing the interest of Mathematics	6,661	3,423
Enabling Mathematicians to undertake research and collaboration	2,366	1,089
Disseminating Mathematical Knowledge - Publications	3,212	1,717
Disseminating Mathematical Knowledge - Conference and meeting programmes	3,820	1,360
Promoting Mathematics research and its benefits	6,163	4,661
Governance	3,122	2,200
Total	£25,970	£15,073

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.

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

12. Employment Costs

	2013	2012
	£	£
Total employment costs of all staff including taxable benefits for the year comprise:		
Salaries and Wages	640,048	609,265
Employer's National Insurance Contributions	54,722	53,410
Employer's Pension Contributions	98,096	86,478
	<hr/>	<hr/>
Total	£792,866	£749,153
	<hr/> <hr/>	<hr/> <hr/>

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

	2013	2012
	No.	No.
£60,000 - £70,000	-	1
£70,000 - £80,000	1	-
£100,000 - £110,000	1	1

The pension payments for the above members of staff amounted to £28,511 (2012: £26,869). These contributions were paid into a defined benefits pension scheme.

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

	2012/2013		2011/2012	
	Total	FTE	Total	FTE
Management and administration	14.7	11.8	14.2	10.7
Publishing and editorial	4.0	3.6	4.0	3.9
	<hr/>	<hr/>	<hr/>	<hr/>
Total	18.7	15.4	18.2	14.6
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

13. Fixed Asset Investments	2013		2012	
	£	£	£	£
Quoted investments				
	<i>Investment assets in the UK</i>	<i>Investment assets outside the UK</i>	<i>Total</i>	
Total Market value at 31st July 2013	5,408,826	4,450,386	9,859,212	9,041,256

Reconciliation of opening and closing market values:

Market value at 1 st August 2012		9,041,256	9,282,096
Additions at cost		9,730,345	4,488,754
Disposals proceeds		(9,814,226)	(4,606,077)
Realised & Unrealised gains/ (losses) (note 21)		845,838	(114,496)
Movement in cash		55,999	(9,021)
Total Market value at 31st July 2013		£9,859,212	£9,041,256

Analysis by Fund:

Restricted Funds	£213,101	£136,088
Unrestricted Funds	£9,646,111	£8,905,168

% value of portfolio

Details of material investments are as follows:

Artemis UK Special Situations Fund	6.2%
AXA Framlington UK Select Opportunities Fund	7.0%
Schroder Charity Equity Fund	7.6%
SWIP Investment Partnership	6.2%
Trojan Income Fund	6.4%

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

14. Tangible Fixed Assets	Leasehold Property	Fixtures Fittings and Equipment	Total
	£	£	£
Cost			
As at 1 st August 2012 and 31 July 2013	2,175,353	117,698	2,293,051
	<hr/>	<hr/>	<hr/>
Depreciation			
Brought forward at 1 st August 2012	606,743	101,506	708,249
Charge for the year	44,817	5,996	50,813
	<hr/>	<hr/>	<hr/>
Carried forward at 31 st July 2013	651,560	107,502	759,062
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 st July 2013	<u>1,523,793</u>	<u>10,196</u>	<u>1,533,989</u>
	<hr/>	<hr/>	<hr/>
At 31 st July 2012	<u>1,568,610</u>	<u>16,192</u>	<u>1,584,802</u>
	<hr/>	<hr/>	<hr/>
• Part of the leasehold property is let out and the rental derived is shown on the SOFA under 'Activities for Generating Funds'.			
15. Debtors	2013		2012
	£		£
Publications	176,036		156,436
Conference facilities	15,657		22,684
Other debtors	87,691		82,263
Income tax/VAT recoverable	602		-
Prepayments and accrued interest	17,012		22,615
	<hr/>		<hr/>
	<u>£296,998</u>		<u>£283,998</u>
	<hr/>		<hr/>
16. Creditors and Deferred Income	2013		2012
Creditors: amounts falling due within one year	£		£
Accruals	118,718		81,616
Grant creditors	191,574		141,541
Other creditors	276,520		239,939
	<hr/>		<hr/>
	<u>£586,812</u>		<u>£463,096</u>
	<hr/>		<hr/>
Deferred income:			
Unexpired publications' subscriptions:			
Balance brought forward	124,461		120,876
Amount released in year	(124,461)		(120,876)
Income deferred to future years	170,020		124,461
	<hr/>		<hr/>
Balance carried forward	<u>£170,020</u>		<u>£124,461</u>
	<hr/>		<hr/>

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st July 2013

17. Restricted Funds

	<i>Balance at 1.08.12</i>	<i>Other & Investment Income</i>	<i>Expenditure</i>	<i>Investment (gain/losses)</i>	<i>Transfers</i>	<i>Balance at 31.07.13</i>
	<i>£</i>	<i>£</i>	<i>£</i>		<i>£</i>	<i>£</i>
<i>Prize (Capital) funds</i>						
Berwick Fund	30,786	592	-	-	-	31,378
De Morgan Medal & Larmor Fund	29,028	559	-	-	-	29,587
<i>Prize (Income) funds</i>						
Berwick Fund	19,789	689	-	1,790	-	22,268
De Morgan Medal & Larmor Fund	33,173	1,154	(2,020)	3,001	1,020	36,328
Lord Rayleigh's Fund	11,973	417	-	1,083	-	13,473
J.H.C. Whitehead Fund	-	-	(5,000)	-	5,000	-
Fröhlich Fund	13,382	466	-	1,211	-	15,059
<i>Other funds</i>						
A.J. Cunningham Research Fund	57,771	2,010	-	5,227	-	65,008
Grants and Contracts	-	73,928	(109,641)	-	35,713	-
Total Funds	<u>£195,902</u>	<u>£79,815</u>	<u>£(116,661)</u>	<u>£12,312</u>	<u>£41,733</u>	<u>£213,101</u>

- The transfer of £5,000 from the General Fund to Restricted Funds is to cover a shortfall in income for the Whitehead prizes.
- The transfer of £35,713 from the General Fund to the Grants and Contracts represents LMS's contribution to short courses and undergraduate bursaries. (see note 19).

18. Unrestricted Funds

	<i>Balance at 01.08.12</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gain/(loss) on investments</i>	<i>Transfer</i>	<i>Balance at 31.07.13</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
General Fund: (see note 1(f))	<u>9,084,658</u>	<u>2,465,547</u>	<u>(1,975,919)</u>	<u>833,526</u>	<u>(214,309)</u>	<u>10,193,503</u>
Designated Funds:						
a) Building & Development						
Reserve Fund	590,746	-	-	-	9,254	600,000
b) Printing & Publication						
Reserve Fund	2,967,036	-	-	-	32,964	3,000,000
c) Grants Payable						
Reserve Fund	50,000	-	(25,000)	-	230,000	255,000
d) Special Activities						
Reserve Fund	30,928	581	-	-	-	31,509
e) Compositio Fund						
	-	381,440	(281,798)	-	(99,642)	-
	<u>3,638,710</u>	<u>382,021</u>	<u>(306,798)</u>	<u>-</u>	<u>172,576</u>	<u>3,886,509</u>
	<u>£12,723,368</u>	<u>£2,847,568</u>	<u>£(2,282,717)</u>	<u>£833,526</u>	<u>£(41,733)</u>	<u>£14,080,012</u>

- a) The transfer of £9,254 from General fund to Building Reserve is to round up to the nearest 100's to £600k.
- b) The transfer of £32,964 from General fund to P&P Reserve is to round up to the nearest millions to £3m.
- c) The transfer of £230,000 from the General Fund is in respect of grants awarded with conditions for payment being a specific level of service or specific output to be delivered
- e) The transfer of £99,642 from the Compositio Fund to General Fund represents the management fee and the LMS's profit share relating to the journal.

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

19. Grants and Contracts Management account

	2013		2012	
	£	£	£	£
a) EPSRC short course contracts (Restricted)				
<i>Income</i>				
Short course actual income from EPSRC	18,395		49,607	
Short course b/f estimated income due	(19,249)		(42,755)	
Short course c/f estimated income due	24,665		19,249	
Income for Facilitator & Admin from EPSRC	12,800		15,803	
		36,611		41,904
<i>Expenditure</i>				
Short course actual expenditures	(28,470)		(61,273)	
Student fees	26,448		13,585	
Short course b/f estimated expenditures	-		9,750	
Short course c/f estimated expenditures	(33,613)		-	
Facilitator's and Admin costs	(16,000)		(18,283)	
		(51,635)		(56,221)
LMS's Contribution to Short Courses		£(15,024)		£(14,317)
b) Nuffield Foundation grant to Undergraduate Bursaries (Restricted)				
Income	16,551		39,536	
Expenditure	(37,240)		(39,536)	
LMS's Contribution to Undergraduate Bursaries		£(20,689)		-
c) Leverhulme Trust grant to MARM project (Restricted)				
Income	17,854		39,536	
Expenditure	(17,854)		(39,536)	
		-		-
d) IMU grant (Restricted)				
Income	2,912		664	
Expenditure	(2,912)		(1,500)	
LMS's Contribution		-		£(836)
e) IMA&RSS contributions to the CMS (Unrestricted)				
Income	31,173		26,386	
Expenditure	(46,678)		(39,665)	
LMS's Contribution to the CMS		£(15,505)		£(13,279)
f) IMA contribution to the JPM (Unrestricted)				
Income	5,000		5,000	
Expenditure	(18,781)		(32,243)	
LMS's Contribution to the JPM		£(13,781)		£(27,243)

TRUSTEES' ANNUAL REPORT AND ACCOUNTS 2012/13

20. Analysis of net assets between funds

	Unrestricted funds		Restricted	Total	Total
	General	Designated	Funds	Funds	Funds
	2013	2012		2013	2012
	£	£	£	£	£
Fund balances are represented by					
Tangible fixed assets	1,533,989	-	-	1,533,989	1,584,802
Investments	5,852,076	3,855,000	152,136	9,859,212	9,041,256
Current assets	3,564,270	31,509	60,965	3,656,744	2,880,769
Current liabilities	(756,832)	-	-	(756,832)	(587,557)
Total net assets	£10,193,503	£3,886,509	£213,101	£14,293,113	£12,919,270

21. Gains and losses on investment assets

	Unrestricted	Restricted	2013	2012
	funds	funds	£	£
	£	£	£	£
Realised gain / (loss) on sale of investments	799,866	11,815	811,681	(349,138)
Unrealised gain in market value of investments	33,660	497	34,157	234,642
Realised and Unrealised gain/(loss) (Fixed Asset Investments: Note 13)	833,526	12,312	845,838	(114,496)
Proportion of the total returns drawn down relating to gains (investment income: Note 2)	180,300	4,736	185,036	163,977
	£1,013,826	£17,048	£1,030,874	£49,481

22. 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 £19,086 (2012: £16,833) for 20 Trustees (2012:20).

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