



THE FOUNDATION  
FOR SCIENCE AND  
TECHNOLOGY

**REPORT OF COUNCIL  
AND  
FINANCIAL STATEMENTS  
FOR THE  
YEAR ENDED 31 DECEMBER 2013**

Registered Company No. 01327814  
Registered Charity No. 00274727

FOUNDATION FOR SCIENCE AND TECHNOLOGY

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FOR THE YEAR ENDED 31 DECEMBER 2013

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FOUNDATION FOR SCIENCE AND TECHNOLOGY

CHARITY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2013

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**REGISTERED OFFICE**

10 Carlton House Terrace  
London  
SW1Y 5AH

**INDEPENDENT EXAMINERS**

Myers Clark  
Iveco House  
Station Road  
Watford  
Hertfordshire  
WD17 1DL

**SOLICITORS**

Allen & Overy  
One New Change  
London  
EC4M 9QQ

Edwards Duthie Solicitors  
9/15 York Road  
Ilford  
Essex  
IG1 3AD

**BANKERS**

CAF Bank Ltd  
25 King's Hill Avenue  
Kent  
ME19 4JQ

# FOUNDATION FOR SCIENCE AND TECHNOLOGY

## COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

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### **REPORT**

The Council<sup>1</sup> presents its thirty-fifth annual report and audited financial statements for the year ended 31 December, 2013. The legal and administrative information set out on page 1 forms part of this Report. The financial statements have been prepared to current statutory requirements and in accordance with the Memorandum and Articles of Association and the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005).

The objects of the charitable company are:

- (a) The promotion and development of science and technology and to bring about the greater efficiency of the industry of the United Kingdom; and
- (b) The promotion of research in furtherance of the above object and the publication of the useful results of any such research.

In order to achieve the above objects, the Foundation's main activity is the organising of debates in a neutral forum for representatives of both Houses of Parliament, officials from Whitehall and the devolved administrations, business leaders, academics and others to debate policy issues with a science, engineering, technological or medical element. Debate reports, a journal and web site are used to communicate the content of the debates to as wide a range of people as possible. Also the Foundation publishes guidelines and newsletters to assist learned and professional societies to improve their administrative efficiency.

### **REVIEW OF ACTIVITIES**

Dinner/discussions and round-table debates were organised on a wide range of themes including the future priorities for medical research, the Armitage Review of UK long-term infrastructure, cities of the future, the open access model for publishing research, making the most of public data, understanding the threat from cyber theft, the role of engineering institutions in supporting growth, the economics of decarbonising the energy supply and maximising the value of UK strengths in research, innovation and higher education. The Foundation once again visited Scotland and held a dinner/discussion jointly with The Royal Society of Edinburgh on "Digital participation: how can digital access be made available to everyone?" A round-table discussion was hosted in Cambridge on the future career paths for MSc and PhD students and postdocs. At the invitation of the Learned Society of Wales, the Foundation co-hosted a debate in Cardiff on reducing unemployment through closer co-operation between the business' and universities in Wales.

During the year more young people and women than in previous years were invited to attend the debates and a conscious effort is being made to have more female speakers. 1,155 guests participated in events of whom 23% were female. Travel grants were made to help young people attend the debates.

A summary of each debate, audio files and presentations, where available, are posted on the Foundation's web site – [www.foundation.org.uk](http://www.foundation.org.uk). Sir Geoffrey Chipperfield KCB, Sir John Caines KCB, Sir Hugh Taylor KCB and Sir David Omand GCB, to whom we are most grateful, wrote the debate summaries. Papers by the speakers from all the debates were published in the Foundation's journal, *FST Journal*, or are in press awaiting publication. We are most grateful to Sir John Enderby FRS for editing the journal and to Simon Napper for the production editing.

Keith Lawrey organised a luncheon for the learned and professional societies at the House of Lords on 11<sup>th</sup> October at which Jonathan Bamford, Head of Strategic Liaison, at the Information Commissioner's Office spoke. Newsletters and Guidance Notes were published to provide an awareness service to societies of changes to legislation, accounting practice and charity regulation.

The Foundation is grateful to The British Academy for providing offices for the Foundation in 10 Carlton House Terrace, London.

### **FINANCIAL REVIEW**

The Foundation raises funds from grant giving bodies, sponsors of events and from subscribing Associate Members and Accredited and Affiliated Learned Society members. Council is most grateful to the many companies, organisations and departments who support the work of the Foundation.

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<sup>1</sup> Throughout this document the term Council refers to the Trustees, Directors and others who govern the work of the Foundation for Science and Technology

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

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Donations and sponsorship totalling £222,200 (2012: £220,550) were made to the Foundation from the Department for Business, Innovation and Skills, The Wellcome Trust, The Lloyd's Register Foundation, The Royal Society, The Royal Academy of Engineering, The British Academy, The Michael John Trust, the Comino Foundation and others. Subscriptions totalled £137,954 (2012: £140,791). Income from Learned Society activities and the Journal was £4,475 (2012: £4,006).

The net of incoming and outgoing resources of the Foundation at the year-end was a deficit of £9,380 (2012: surplus of £13,351) before an unrealised gain on the equity investments of £33,685. The total reserves of the Foundation at the end of the financial year increased from £600,481 to £624,786.

The ten-year time series of the Surplus/(Deficit) for each year is shown in the table.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Surplus/(Deficit) before equity gain or loss	(24,830)	(45,099)	(34,059)	(28,721)	(32,478)	53,507	9,366	2,163	13,351	(9,380)
Surplus/(Deficit)	10,286	(11,356)	10,319	(59,785)	(125,662)	61,621	20,421	(6,374)	28,795	24,305

### **CORPORATE STATUS**

The Foundation was incorporated on 31st August, 1977 as a private Company Limited by Guarantee (Registered in England Number 01327814). Authorisation to dispense with the word "Limited" was granted on 1st February, 1978. The Foundation for Science and Technology is a Registered Charity (Registered Charity Number 274727).

### **STATEMENT OF COUNCIL'S RESPONSIBILITIES**

The Council (who are also directors of The Foundation for Science and Technology for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in business.

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Council has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

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

#### **GOVERNANCE**

The Foundation is governed by a Council that meets three times a year to oversee the work of the charity and delegate day-to-day management of the Foundation to the Chief Executive, Dr Dougal Goodman. A Finance and General Purposes Committee also meets three times a year to review progress on the implementation of the strategy agreed with Dr Goodman and to monitor financial matters. During the year, when members were appointed to the Council as part of their induction they were informed of the activities of the Foundation and the working procedure of the Council as well as provided with relevant strategy papers and financial statements.

#### **PUBLIC BENEFIT**

The Foundation has considered the guidance published on public benefit duties by the Charities Commission and considers that it has delivered public benefit through the aims of the Foundation which are delivered through organising debates about key policy issues while maintaining a strictly neutral platform and by assisting the administrators of learned and professional societies who through their activities also deliver public benefit. The meeting summaries and journal reports for the debates hosted by the Foundation are widely distributed and freely available to the public on the web site. The web site provides valuable educational material for universities and schools. During the year the web site was redesigned. The hit rate is around 700 per month and increasing every month.

Council consider that the activities summarised above meet the public benefit test set out in the Charities Commission guidance.

#### **INVESTMENT POWERS AND POLICY**

Under the Memorandum and Articles of Association, the Foundation has the power to make any investment that the Council see fit and operates to an agreed Investment Policy. The Investment Policy is to maintain a low risk investment strategy for the portfolio of investments held.

As part of the investment policy, the Council has laid down a series of objectives, which were reviewed and revised at the May 2013 Council meeting. These are as follows:

- (a) The total of cash and liquid funds (including deposits and securities) should be kept at levels which can cover twelve months of total costs including direct event expenditure, journal production costs, salaries, accommodation, journal and administration costs in meeting Purpose 3 above. This corresponds to around £375,000. As a consequence of spending cuts, funding from government funded departments and agencies is declining. Council has agreed that for the time being there should be a special reserve of £200,000 in addition to the £350,000 reserve – a total target of £550,000.
- (b) To generate investment income to support Foundation activities.
- (c) Aim to cover a proportion of the Foundation's costs from realised capital gains, dividends and interest taking one year with another.

#### **RESERVE POLICY**

The Council reviewed the financial position of the Foundation during the year and judged that the level of reserves is sufficient to underpin the Members' guarantee and to enable the Foundation to commit to the forward programme with confidence, usually before sponsorship or other sources have been arranged or assured and to organise topical events at short notice. Also adequate financial resources ensure that the Foundation remains independent of, and not reliant on, the financial support of any one organisation or interest. Independence and neutrality are crucial to the fulfilment of the Foundation's charitable objectives. At the May 2013 Council meeting the Council considered the Reserves Policy in conjunction with the Investment Policy and, in so doing, confirmed the four main purposes of their financial reserves.

These are to:

- (a) *To ensure the Foundation can cover administrative and operating costs.* The Foundation depends on earning a surplus on sponsorship and on investment income to cover any deficit. Both these sources are unpredictable and can be highly variable, moreover total dependence on sponsorship could on occasion weaken the Foundation's independent position.

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

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#### **RESERVE POLICY (continued)**

(b) *To assure the Foundation's position of independence, and freedom and responsiveness of action.* It is important for the Foundation to be able to organise events which deal with controversial issues, which fail to attract sponsorship or for which sponsorship is intentionally eschewed or which are unexpectedly significant and merit rapid attention. It is equally important that the Foundation is not beholden to any pressure group or other body by reason of its dependence on their financial support. Sufficient financial resources are required for the Council to maintain such independence.

(c) *To provide financial headroom for the Foundation to develop its activities for future as well as current members.* The Foundation operates with minimal staff. The current programme absorbs all of the Chief Executive's time and any significant developments would call for the commitment of resources to cover extra staff and facilities. Such initiatives might take a year or two to become self-financing and the Foundation could not undertake them unless it could absorb the risk of failure without prejudice to the above purposes. The Foundation serves its members and the wider community; the management of reserves should recognise that future members may wish to pursue new initiatives or priorities and should not unduly restrict such possibilities.

(d) *To provide reassurance for suppliers.* Adequate reserves enable the Foundation to commit itself to activities such as booking event facilities and maintain confidence in its credit worthiness.

In order to satisfy the above purposes, the Council agreed in December 2008 the level of funds held should be at least equal to twelve months total expenditure. At the May 2013 Council meeting, it was agreed that the Foundation should additionally aim to keep a special reserve of some £200,000 over and above the £350,000 minimum reserve target so as to cover possible declines in funding over the next few years.

#### **RISK MANAGEMENT**

The Council advised by the Finance and General Purposes Committee, regularly reviews the risks to which the Foundation is exposed and systems have been established to mitigate those risks and their possible impacts identified and strategies developed to eliminate, manage, mitigate or transfer the risk. These procedures are periodically reviewed to ensure that they still meet the needs of the Foundation.

#### **COUNCIL MEMBERS**

The following served on the Council during the year ended 31 December 2013:

The Rt Hon the Lord Jenkin of Roding HonFRSE	President
The Earl of Selborne GBE FRS	Chairman
Dr Robert Hawley CBE DSc FRSE FREng	Deputy Chairman
President of The Royal Society	Sir Paul Nurse PRS FMedSci
President of The Royal Academy of Engineering	Sir John Parker FREng
President of The Royal Society of Edinburgh	Sir John Arbuthnott PRSE
President of the Academy of Medical Sciences	Sir John Tooke FMedSci
President of The British Academy	Sir Adam Roberts KCMG PBA
	The Lord Stern of Brentwood PBA
President of The Science Council	Sir Tom Blundell FRS FMedSci
Chairman of EngineeringUK	Dr Paul Golby FREng
Chairman of The Arts and Humanities Council	Sir Alan Wilson Kt FBA FRS
Chairman of The Biotechnology and Biological Sciences Research Council	Sir Tom Blundell FRS FMedSci
Chairman of The Economic and Social Research Council	Dr Alan Gillespie CBE
Chairman of The Engineering and Physical Sciences Research Council	Dr Paul Golby FREng
Chairman of The Medical Research Council	Donald Brydon CBE
Chairman of The Natural Environment Research Council	Edmund Wallis FREng

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

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#### **COUNCIL MEMBERS (continued)**

Chairman of The Science and Technologies Facilities Council	Sir Michael Sterling FREng
Chairman of the Technology Strategy Board	Phil Smith
Professor Polina Bayvel FREng	
Sir John Beddington CMG FRS HonFREng	
Sir Leszek Borysiewicz FRS FRCP FMedSci	
The Lord Broers FRS FREng	
Sir Geoffrey Chipperfield KBE	
The Lord Haskel	
Dr Geraldine Kenney-Wallace FRSC	
Sir David King KB FRS ScD	
The Lord Krebs FRS FMedSci	
The Rt Hon Lord Lloyd of Berwick	
Dr Mike Lynch OBE FREng	
Sir Rob Margetts CBE FREng	
The Lord May of Oxford OM AC FRS HonFREng	
The Baroness O'Neill of Bengarve CH CBE FBA Hon FRS	
The Lord Oxburgh KBE FRS HonFREng	
The Lord Rees of Ludlow OM FRS HonFREng	
Dr Peter Ringrose	
The Lord Soulsby of Swaffham Prior FMedSci	
Dr Graham Spittle CBE	
Sir Mark Walport FMedSci	
Sir Peter Williams FRS FREng	
The Lord Willis of Knaresborough	
Tony Quigley	Honorary Treasurer
Patrick McHugh	Honorary Secretary



## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

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#### **HONORARY OFFICERS**

The Honorary Officers were The Rt Hon the Lord Jenkin of Roding, President, The Earl of Selborne GBE FRS, Chairman, Dr Robert Hawley CBE FRSE FREng, Deputy Chairman, Tony Quigley, Honorary Treasurer and Patrick McHugh, Honorary Secretary. In accordance with Article 35 of the Constitution, the Honorary Officers retire each year and offer themselves for reappointment by the Council.

#### **CHIEF EXECUTIVE**

The Chief Executive is Dr Dougal Goodman OBE FREng.

#### **FUTURE DEVELOPMENTS**

The Council intends the Foundation to continue to pursue its objectives first to provide a neutral platform for debate by Members of both Houses of Parliament, officials from Whitehall and devolved administrations, industrialists, academics and others about policy issues of importance and relevance to society involving science, engineering, technology and medicine. Issues raised during the debates will be published by the Foundation in a report of the meeting, in *FST Journal* and on the Foundation web site – [www.foundation.org.uk](http://www.foundation.org.uk). Secondly, the Foundation will provide guidance and support to Learned Society members to improve the efficiency of their administration and reduce their risk exposures. The Foundation will continue to invite companies and government bodies to join as Associate Members and will strive to maintain a balance between the interest, size and nature of the organisations represented.

**By Order of the Council**

**Date**

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**The Earl of Selborne GBE FRS**  
Chairman

FOUNDATION FOR SCIENCE AND TECHNOLOGY

**INDEPENDENT EXAMINER’S REPORT TO THE COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2013**

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I report on the accounts of the Charity for the year ended 31 December 2013, which are set out on pages 9 to 15.

This report is made solely to the charity’s trustees, as a body, in accordance with regulations made under Section 144 of the Charities Act 2011. My examination has been undertaken for no purpose other than to draw to the attention of the charity’s trustees those matters which I am required to include in an independent examiners’ report addressed to them. To the fullest extent permitted by law, I do not accept or assume responsibility to any party other than the charity and charity’s trustees as a body, for my examination, for this report, or for the opinions I have formed.

**Respective Responsibilities of the Trustees and the Independent Examiner**

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity’s gross income exceeded £250,000 and I am qualified to undertake an examination by being a member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and ineligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of Independent Examiner’s Report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a ‘true and fair view’ and the report is limited to those matters set out in the statement below.

**Independent Examiner’s Statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Iveco House, Station Road  
Watford, Hertfordshire  
WD17 1DL

.....  
**Paul Windmill FCA**  
**Independent Examiner**  
For and on behalf of Myers Clark

**Date:**.....

FOUNDATION FOR SCIENCE AND TECHNOLOGY

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)  
AS AT 31 DECEMBER 2013

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>Incoming Resources</b>						
<b>Incoming resources from generated funds</b>						
<i>Voluntary income</i>						
Donations		131,080	-	18,500	149,580	158,000
<i>Investment income</i>						
Listed investment income		8,948	-	-	8,948	8,685
Bank deposit interest		4,736	-	15	4,751	3,032
<b>Incoming resources from charitable activities</b>						
Sponsorship		72,620	-	-	72,620	62,550
Accreditation fees and subscriptions		137,954	-	-	137,954	140,791
Learned societies activities and journal		4,475	-	-	4,475	4,006
<b>Total Incoming Resources</b>		<u>359,813</u>	<u>-</u>	<u>18,515</u>	<u>378,328</u>	<u>377,064</u>
<b>Resources Expended</b>						
<i>Costs of generating funds</i>						
	4	38,154	-	-	38,154	36,635
<i>Charitable activities</i>						
	4	314,435	-	18,500	332,935	311,239
<i>Governance costs</i>						
	4	16,619	-	-	16,619	15,839
<b>Total Resources Expended</b>		<u>369,208</u>	<u>-</u>	<u>18,500</u>	<u>387,708</u>	<u>363,713</u>
<b>Net incoming / (outgoing) resources</b>	2	(9,395)	-	15	(9,380)	13,351
<b>Transfer between funds</b>	10	15,784	(15,000)	(784)	-	-
<b>Excess of Income/(Expenditure) for the Year</b>		6,389	(15,000)	(769)	(9,380)	13,351
<b>Other Recognised Gains and Losses</b>						
Unrealised gains/(losses) from investment assets	7	33,685	-	-	33,685	15,444
<b>Net Movement in Funds</b>		40,074	(15,000)	(769)	24,305	28,795
Retained funds brought forward		571,201	15,000	14,280	600,481	571,686
<b>Retained Funds Carried Forward</b>		<u>611,275</u>	<u>-</u>	<u>13,511</u>	<u>624,786</u>	<u>600,481</u>

The notes on pages 11 to 15 form part of the financial statements.  
There are no recognised gains and losses other than those stated above.  
There were no discontinued operations in the year.

There were no discontinued operations in the year.

# FOUNDATION FOR SCIENCE AND TECHNOLOGY

## BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	2013 £	2013 £	2012 £	2012 £
<b>Fixed Assets</b>					
Tangible assets	6		1,598		752
Investments	7		<u>296,480</u>		<u>362,578</u>
			298,078		363,330
<b>Current Assets</b>					
Debtors	8	29,498		27,723	
Cash at bank - on deposit		200,922		130,226	
- current account		99,751		81,090	
- The Harold Silman Fund		13,511		14,280	
Cash in hand		<u>26</u>		<u>42</u>	
		343,708		253,361	
<b>Creditors: Amounts falling due within one year</b>	9	<u>(17,000)</u>		<u>(16,210)</u>	
<b>Net Current Assets</b>			<u>326,708</u>		<u>237,151</u>
<b>Net Assets</b>			<u>624,786</u>		<u>600,481</u>
Financed by:					
<b>Funds</b>					
Restricted	10		13,511		14,280
Designated	11		-		15,000
Unrestricted			<u>611,275</u>		<u>571,201</u>
	13,14		<u>624,786</u>		<u>600,481</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

For the year ended 31 December 2013 the company was entitled to exemption under section 477 of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- Ensuring the company keeps accounting records which comply with section 386; and
- Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with section 393, and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

Approved by the Council on and authorised for issue by:

.....  
The Earl of Selborne GBEFRS - Chairman

.....  
Mr A L C Quigley - Honorary Treasurer

The notes on pages 11 to 15 form part of the financial statements.

# FOUNDATION FOR SCIENCE AND TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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### **1 Accounting Policies**

#### **Basis of Accounting**

These financial statements have been prepared under the historical cost convention and in accordance with the provision of the Companies Act 2006, the revised Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" and the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **Costs**

The costs of generating funds are those costs of seeking potential funders and applying for funding.

Support costs are those costs incurred in support of the charitable objectives. These have been allocated to the charitable activities, the costs of generating funds and governance costs on a basis that fairly reflects the true use of those resource within the organisation.

Governance costs are those incurred in the governance of the charity and are primarily associated with the constitutional and statutory requirements.

#### **Depreciation of Tangible Assets**

Depreciation is provided on tangible assets at rates calculated to write off the cost, less estimated residual value of each asset over its expected useful life. For furniture, furnishings and office equipment a depreciation figure of 20% to 25% per annum on cost is used.

#### **Investment Assets and Income**

Investment assets have been included at the closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken into the Statement of Financial Activities.

#### **Subscriptions**

Subscriptions are included in income when they are received.

#### **Conferences and Public Lectures**

Sponsorships received through the Gift Aid Scheme are inclusive of income tax recoverable.

#### **Operating Leases**

Rentals paid under operating leases are charged to the Income and Expenditure Account as incurred.

#### **Donations and Grants Income**

All donations are included in income when they are received. Donations under deeds of covenant together with the associated income tax recovery are recognised as income upon receipt of the donation.

#### **Apportionment of Expenditure**

The Statement of Financial Activities, where possible, reflects the proportion of expenditure relating to generating funds, charitable activities and governance costs. However, certain support costs are allocated to each cost area on a basis that fairly reflects the true use of that resource within the organisation. The basis of apportionment is 15%:80%:5% respectively.

# FOUNDATION FOR SCIENCE AND TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

### 1 Accounting Policies (Continued)

#### Fund Accounting

Unrestricted funds are available for use at the discretion of the Council in furtherance of the general objectives of the charity.

Designated funds are funds which are set aside out of unrestricted funds by the Council for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in note 10 to the financial statements.

#### Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income including the associated income tax recoverable is credited to income on a receivable basis.

### 2 Net Incoming Resources

	2013	2012
	£	£

This is stated after charging:

Independent examiner's fee	3,000	2,800
Depreciation on tangible fixed assets	585	220
	585	220

### 3 Transactions with Council

During the year two Council members received reimbursement for travel and subsistence expenses of £365 (2012 - £131) for the visit to Edinburgh. None of the Council members received any emoluments for their services during the year.

### 4 Total Resources Expended

	Cost of Generating Funds	Charitable Activities	Governance Costs	2013	2012
	£	£	£	£	£
Accommodation fee	8,112	43,258	2,705	54,075	51,295
Salaries and agency staff (see note 5)	28,698	153,058	9,566	191,322	183,789
Printing, postage and stationery	999	5,330	333	6,662	6,784
Insurance	100	531	33	664	663
Sundry expenses	157	261	16	434	540
Event expenditure	-	107,559	-	107,559	93,694
Journals and publications	-	22,086	-	22,086	22,971
Grant awards	-	384	-	384	-
Accountancy and bookkeeping fees	-	-	696	696	747
Independent examiners' fee	-	-	3,000	3,000	2,800
Honorary officer's expenses	-	-	241	241	131
Depreciation	89	468	29	585	299
	38,154	332,935	16,619	387,708	363,713

**FOUNDATION FOR SCIENCE AND TECHNOLOGY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

<b>5 Employee Information</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Staff costs:		
Wages and salaries	170,916	164,188
Social security costs	20,407	19,601
Pension costs	-	-
	<u>191,323</u>	<u>183,789</u>
The average monthly number of employees during the year was made up as follows:	<b>No.</b>	<b>No.</b>
Chief Executive	1	1
Office staff	<u>2</u>	<u>2</u>
	<u>3</u>	<u>3</u>
Number of employees whose emoluments fell within the following ranges for the year:		
£100,001 - £110,000	-	-
£110,001 - £120,000	<u>1</u>	<u>1</u>
<b>6 Tangible Fixed Assets</b>		<b>Furniture, Furnishings and Office Equipment</b>
		<b>£</b>
<b>Cost or Valuation</b>		
At 1 January 2013		5,041
Disposals		-
Additions		<u>1,431</u>
At 31 December 2013		<u>6,472</u>
<b>Depreciation</b>		
At 1 January 2013		4,289
Disposals		-
Charge for the year		<u>585</u>
At 31 December 2013		<u>4,874</u>
<b>Net Book Value</b>		
At 31 December 2013		<u>1,598</u>
At 31 December 2012		<u>752</u>

**FOUNDATION FOR SCIENCE AND TECHNOLOGY**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

<b>7 Fixed Asset Investments</b>	<b>Quoted</b>	<b>Unquoted</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2013</b>	<b>2012</b>
			<b>£</b>	<b>£</b>
Market value brought forward	168,864	193,714	362,578	344,768
Additions	-	-	-	-
Movement on account	-	(99,783)	(99,783)	2,366
Disposals	-	-	-	-
Net unrealised (losses)/gains	<u>33,685</u>	<u>-</u>	<u>33,685</u>	<u>15,444</u>
Market value carried forward	<u>202,549</u>	<u>93,931</u>	<u>296,480</u>	<u>362,578</u>
Historical cost at 31 December	<u>105,254</u>	<u>93,931</u>	<u>199,185</u>	<u>298,968</u>

All investment assets are held within the United Kingdom.

The following investments represent holdings in excess of 5% of the portfolio value at 31 December 2013:

	<b>Quoted</b>	<b>Unquoted</b>
	<b>£</b>	<b>£</b>
M&G Charifund	202,549	-
Cash held awaiting investment	<u>-</u>	<u>93,931</u>

<b>8 Debtors</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Other debtors	<u>29,498</u>	<u>27,723</u>
	<u>29,498</u>	<u>27,723</u>

<b>9a Creditors: Amounts falling due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Other taxes and social security costs	14,100	13,227
Other creditors	-	183
Accruals and deferred income	<u>2,900</u>	<u>2,800</u>
	<u>17,000</u>	<u>16,210</u>



# FOUNDATION FOR SCIENCE AND TECHNOLOGY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

<b>9b Deferred Income</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Deferred income brought forward	-	10,000
Deferred in year	-	-
Released to income in year	-	(10,000)
	<u>-</u>	<u>(10,000)</u>
Deferred income carried forward	<u>-</u>	<u>-</u>

### 10 Restricted Funds

<b>Fund</b>	<b>Brought forward</b>	<b>Net income</b>	<b>Transfer between funds</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Harold Silman Fund	<u>14,280</u>	<u>15</u>	<u>(784)</u>	<u>13,511</u>

The Harold Silman Fund was established in 1992 to provide support, especially to those from outside London, in travelling to the Foundation's events.

The transfer out of the Fund relates to both administrative costs and payments of grants for travel for young people.

### 11 Designated Funds

Last year the Foundation received £15,000 from The Wellcome Trust which the Council had set aside for the debate on open access held on 6th March 2013.

### 12 Liability of Members

The company is limited by guarantee and therefore has no share capital. Each member's guarantee is limited to £1.

### 13 Reconciliation of Movements in Reserves

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Net movement in funds for the year	(9,380)	13,351
Other recognised gains and losses	33,685	15,444
	<u>24,305</u>	<u>28,795</u>
Opening funds at 1 January	<u>600,481</u>	<u>571,686</u>
Closing funds at 31 December	<u>624,786</u>	<u>600,481</u>

<b>14 Analysis of Net Assets between Funds</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Designated Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Assets	1,598	-	-	1,598
Investments	296,480	-	-	296,480
Debtors	29,498	-	-	29,498
Cash at bank and in hand	300,699	13,511	-	314,210
Creditors	<u>(17,000)</u>	<u>-</u>	<u>-</u>	<u>(17,000)</u>
	<u>611,275</u>	<u>13,511</u>	<u>-</u>	<u>624,786</u>

**FOUNDATION FOR SCIENCE AND TECHNOLOGY**

**DETAILED INCOME AND EXPENDITURE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2013**

	<b>Unrestricted Funds (£)</b>	<b>Restricted Funds (£)</b>	<b>Total 2013 (£)</b>	<b>Total 2012 (£)</b>
<b>Income</b>				
Donations	131,080	18,500	149,580	158,000
Sponsorship income	72,620	-	72,620	62,550
Accreditation fees and subscriptions	137,954	-	137,954	140,791
Learned societies activities	4,475	-	4,475	4,006
Listed investment income	8,948	-	8,948	8,685
Bank deposit interest	4,736	15	4,751	3,032
	<u>359,813</u>	<u>18,515</u>	<u>378,328</u>	<u>377,064</u>
<b>Expenditure</b>				
<b>Governance Costs (5%)</b>				
Salaries and national insurance	9,566	-	9,566	9,189
Printing, computing, stationery, postage and telephone	333	-	333	339
Accommodation fee	2,705	-	2,705	2,565
Legal and professional fees	-	-	-	-
Accountancy and bookkeeping fees	696	-	696	747
Independent Examiners' Fee	3,000	-	3,000	2,800
Insurance	33	-	33	33
Sundry expenses	16	-	16	19
Depreciation	29	-	29	15
Honorary officer's expenses	241	-	241	131
<b>Charitable Activities (80%)</b>				
Rent, rates and services	43,258	-	43,258	41,036
Grants made	384	-	384	-
Salaries and national insurance	153,058	-	153,058	147,031
Event expenditure	89,059	18,500	107,559	93,694
Printing, computing, stationery, postage and telephone	5,330	-	5,330	5,427
Insurance	531	-	531	530
Sundry expenses	261	-	261	310
Depreciation	468	-	468	239
Journal and publications	22,086	-	22,086	22,971
<b>Other costs of Generating Funds (15%)</b>				
Accommodation fee	8,112	-	8,112	7,694
Salaries and national insurance	28,698	-	28,698	27,568
Printing, computing, stationery, postage and telephone	999	-	999	1,018
Insurance	100	-	100	99
Bank charges	108	-	108	152
Sundry expenses	49	-	49	58
Depreciation	88	-	88	45
	<u>369,208</u>	<u>18,500</u>	<u>387,708</u>	<u>363,710</u>

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### DETAILED INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

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	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Professional Fees</b>		
Accountant's fees	3,000	2,800
	<hr/>	<hr/>
	<b>3,000</b>	<b>2,800</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Donations</b>		
British Academy	2,500	2,500
Comino Foundation	3,000	3,000
Department for Business, Innovation and Skills	35,000	35,000
ERA Foundation	3,000	3,000
Learned Society of Wales	1,500	-
Miscellaneous sundry donations	80	-
Michael John Trust	6,000	10,000
Lloyd's Register Foundation	35,000	35,000
The Kohn Foundation	5,000	10,000
The Royal Academy of Engineering	2,000	2,000
The Royal Commission for the Exhibition of 1851	-	1,000
The Royal Society	20,000	20,000
The Wellcome Trust	36,500	36,500
	<hr/>	<hr/>
	<b>149,580</b>	<b>158,000</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Debtors</b>		
Prepayments	-	-
Other debtors	29,498	27,723
	<hr/>	<hr/>
	<b>29,498</b>	<b>27,723</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Creditors</b>		
Accruals and deferred income	2,900	2,800
Other creditors	-	183
Salaries - PAYE and NI	4,850	6,692
VAT	9,250	6,535
	<hr/>	<hr/>
	<b>17,000</b>	<b>16,210</b>
	<hr/> <hr/>	<hr/> <hr/>

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### SPONSORS AND MAJOR SUBSCRIBERS FOR THE YEAR ENDED 31 DECEMBER 2013

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Aggregate Industries	Natural Environment Research Council
Arts and Humanities Research Council	Natural History Museum
Association for Science Education	NESTA
Aston University	Network Rail Accounts Payable
BAE Systems	Nottingham Trent University
Biotechnology and Biological Sciences Research Council	Open University
BP International Ltd	Parliamentary and Scientific Committee
British Geological Survey	Peter Brett Associates
Brunel University	Premmit Associates
BSI Group	Queen Mary, University of London
Canterbury Christ Church University	Queen's University Belfast
Cardiff University	Risk Solutions
Chartered Institute of Plumbing and Heating Engineering	Rolls-Royce plc
City & Guilds of London Institute	Royal Society of Chemistry
City University London	Smith Institute for Industrial Mathematics and System Engineering
Comino Foundation	Society for General Microbiology
Costain	Society of Biology
Cranfield University	Society of Maritime Industries
D M C L	Sovcomflot (UK) Ltd
Department of Health	Springer Science+Business Media Deutschland GmbH
Economic and Social Research Council	STEMNET
Engineering and Physical Sciences Research Council	Technology Strategy Board
Financial Services Knowledge Transfer Network	The IET
GlaxoSmithKline R&D	The Kohn Foundation
Health and Safety Executive	The Medical Schools Council
HR Wallingford Group Ltd	The Royal Commission for the Exhibition of 1851
Imperial College London	TWI Ltd
Institute of Mathematics and its Applications	University College London
Institute of Physics	University of Aberdeen
Institution of Chemical Engineers	University of Birmingham
Institution of Mechanical Engineers	University of Cambridge
Japan Society for the Promotion of Science	University of Dundee
Jisc	University of East Anglia
Johnson Matthey plc	University of Edinburgh
Keele University	University of Glasgow
King's College London	University of Hull
Lloyd's of London	University of Kent
Lloyd's Register	University of Leicester
London School of Economics and Political Science	University of Newcastle
London School of Hygiene & Tropical Medicine	University of Nottingham
London South Bank University	University of Reading
Medical Research Council	University of Southampton
Met Office	University of Warwick
National Physical Laboratory	

(see page 18 for a list of donations received)

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### FOUNDATION EVENTS HELD FOR THE YEAR ENDED 31 DECEMBER 2013

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#### **The economics of decarbonisation of the UK electricity supply - how much are we prepared to pay to meet carbon reduction targets?**

27 November 2013

James Smith CBE, Chairman, The Carbon Trust

Dr David Clarke FREng, Chief Executive, Energy Technologies Institute

Baroness Verma, Parliamentary Under-Secretary, Department for Energy and Climate Change

#### **An international initiative to drive down the cost of solar and associated storage**

27 November 2013

Sir David King FRS, Foreign Secretary's Special Representative for Climate Change, Foreign and Commonwealth Office

Ian Simm, Chief Executive, Impax Asset Management

#### **Maximising the value of UK strengths in research, innovation and higher education**

13 November 2013

Professor Sir John O'Reilly, Director General, Knowledge and Innovation, Department for Business, Innovation and Skills

Ben Ritchie, Senior Investment Manager, Pan-European Equity, Aberdeen Asset Management

Professor Geoff Rodgers, Pro-Vice Chancellor for Research, Brunel University

Peter Marsh (Panellist), Author 'The New Industrial Revolution' and former Manufacturing Editor, Financial Times

#### **Digital participation: how can digital access be made available to everyone?**

31 October 2013

Professor Alan Alexander OBE FREng, Deputy Chair, Royal Society of Edinburgh Inquiry into Digital Participation

Lorraine McMillan, Chief Executive, East Renfrewshire Council

Dr Alan Blackwell, Reader in Interdisciplinary Design, Computer Laboratory, University of Cambridge

#### **Improving the career paths for MSc and PhD students, and postdocs**

17 October 2013 [Round-table Discussion in Cambridge]

Dr Steven Hill, Head of Research Policy, Higher Education Funding Council for England

Harry Armstrong, PhD Student, Babraham Institute, Cambridge

Dr Helen Ewles, Research Associate, Department of Pathology, University of Cambridge

#### **House of Lords Luncheon for Learned and Professional Societies**

11 October 2013

Jonathan Bamford, Head of Strategic Liaison, Information Commissioner's Office

#### **Raising the bar - can learned societies and professional institutions particularly the engineering institutions do more to contribute to economic growth?**

24 September 2013

Professor Tim Broyd FREng FICE, Vice-President, Institution of Civil Engineers

Professor Jeremy Watson CBE FREng FIET, Vice-President and Trustee, The Institution of Engineering and Technology (The IET)

Patrick Kniveton FIMEchE FIET, President, Institution of Mechanical Engineers

Panellist: Professor John Uff CBE QC FREng FICE, Barrister, Keating Chambers

#### **Maximising the use of public data - should research and publically acquired data be made more accessible?**

10 July 2013

Professor Geoffrey Boulton OBE FRS FRSE, Chair, Royal Society Inquiry into Science as an Open Enterprise

Professor Sir Nigel Shadbolt FREng, Chairman and Co-Founder, The Open Data Institute

The Rt Hon David Willetts MP, Minister of State for Universities and Science, Department for Business, Innovation and Skills

Professor Sheila M Bird OBE FRSE (Panellist), Programme Leader, MRC Biostatistics Unit, Institute for Public Health, Cambridge

## FOUNDATION FOR SCIENCE AND TECHNOLOGY

### FOUNDATION EVENTS HELD FOR THE YEAR ENDED 31 DECEMBER 2013

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#### **Can university-business collaboration be used to maximise short-term economic growth and reduce unemployment levels in Wales?**

3 July 2013

Professor Colin Riordan FLSW, President and Vice-Chancellor, Cardiff University

Sir Leszek Borysiewicz FRS FRCP FMedSci FLSW, Vice-Chancellor, University of Cambridge

Sir Terry Matthews OBE FEng, Chairman, Wesley Clover

Edwina Hart MBE CStJ AM, Minister for Economy, Science and Transport, Welsh Government

#### **Cities of the future - science, innovation and city management**

19 June 2013

Steve Quartermain, Chief Planner, Department for Communities and Local Government

Sir David King KB ScD FRS HonFEng, Chair, Future Cities Catapult

Richard Bellingham, Director, Institute for Future Cities, Strathclyde Business School, University of Strathclyde

Sir Mark Walport FRS FMedSci, Government Chief Scientific Adviser, Government Office for Science

#### **Celebrating the centenary of the establishment of the Medical Research Council - What should be the research priorities for medical research over the next twenty-five years?**

22 May 2013

Dr Sydney Brenner CH FRS HonFMedSci, Senior Distinguished Fellow, Crick-Jacobs Center, Salk Institute for Biological Studies

Sir Paul Nurse PRS FMedSci, President, The Royal Society and Director, Francis Crick Institute

Sir Keith Peters FRS FMedSci FRCP FRCPE FRCPath FLSW, Emeritus Regius Professor of Physic, University of Cambridge

Dame Kay Davies DBE FRS FMedSci, Director, MRC Functional Genomics Unit and Associate Head of Division of Medical Sciences, Department of Physiology, Anatomy and Genetics, University of Oxford

Sir John Savill FRS FMedSci FRSE FRCP, Chief Executive, Medical Research Council

Rt Hon David Willetts MP, Minister of State for Universities and Science, Department of Business, Innovation and Skills

#### **The Armit Review of the UK long-term infrastructure project pipeline**

16 April 2013

Sir John Armit CBE FEng, Chair, The Armit Review of the UK Long-Term Infrastructure Project Pipeline

Professor Brian Collins CB FEng, Head, Department of Science, Engineering, Technology and Public Policy, University College London

Tim Yeo MP, Chair, House of Commons Select Committee on Energy and Climate Change

#### **Open Access - the Finch Working Group report on expanding access to published research findings**

6 March 2013

Dame Janet Finch DBE DL AcSS, Chair, Working Group on Expanding Access to Published Research Findings

Professor Douglas Kell, Chief Executive, Biotechnology and Biological Sciences Research Council

Steven Hall, Managing Director, IOP Publishing

#### **Threats and opportunities - scientific challenges of the 21st Century**

6 February 2013

Sir John Beddington CMG FRS FRSE HonFEng, Government Chief Scientific Adviser, Government Office for Science

Dame Sally Davies DBE FMedSci, Chief Medical Officer and Director General of Research and Development, Department of Health

Sir Mark Walport FRS FMedSci, Government Chief Scientific Adviser Designate and Director, The Wellcome Trust

(reports of all the debates are on the Foundation web site - [www.foundation.org.uk](http://www.foundation.org.uk) )