

British Association for the  
Advancement of Science

REPORT AND FINANCIAL STATEMENTS

31 December 2006

Registered Charity Number: 212479

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
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# BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

## TRUSTEES' REPORT

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### 1. REFERENCE AND ADMINISTRATIVE INFORMATION

#### PATRON

Her Majesty the Queen.

#### COUNCIL MEMBERS

The Council is appointed in accordance with the terms and conditions laid down in the Association's Royal Charter and its associated statutes. The Officers of the British Association for the Advancement of Science comprise the President, the immediate Past President and the President-elect, the Treasurer, Executive Vice-Presidents and the Chairman of Council. These Officers are appointed by the Council. The Association's charity trustees are the Members of Council, excluding the President, past-President and President-elect (who are entitled to attend Council but not to vote).

#### The Council members at 31st December 2006 are:

Lord Browne of Madingley	President (2006/07)	
Ms Frances Cairncross	Past President (2005/06), and Trustee	
Professor Patrick Dowling	Chair	
Professor William Gosling	General Treasurer	
Professor Helen Haste	Executive Vice-President, Sections	
Mr Colin Johnson	Executive Vice-President, Young People's Programme	
Professor John Holloway	Trustee (Members)	
Dr Jim Al-Khalili	Trustee (Members)	
Dr Anne-Maria Brennan	Trustee (Sections)	
Ms Dianne Stilwell	Trustee (Members)	
Lord May of Oxford	Trustee (Appointed Member)	from 1 <sup>st</sup> October 2006
Dr Lisbet Rausing	Trustee (Appointed Member)	from 1 <sup>st</sup> October 2006

#### COMMITTEES

##### General Committee

Consists of members of Council and the following:

Elected members	Elected by	From	To
Dr Eric Albone	Branches	2003	2009
Dr Jim Al-Khalili *	Members	2003	2009
Dr Anne-Maria Brennan *	Sections	2002	2008
Ms Dianne Stilwell *	Members	2001	2007
Professor Arthur Allison	Members	2002	2008
Professor John Holloway *	Members	2003	2009
Dr Neville Evans	Members	2002	2008
Mr Ben Johnson	Members	2004	2007
Professor Duncan Murchinson	Branches	2004	2007
Dr Iain Murray	Branches	2004	2007
Dr Julie A. Atkinson	Members	2005	2008
1 vacancy	(to be elected in 2007)		

\* Member of BA Council

Nominated by the Royal Society

Mr Stephen Cox

Sir Michael Berry

Nominated by the Student Group

2 vacancies (to be elected in 2007)

Nominated by Corporate and Institutional

2 vacancies (to be elected in 2007)

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## **Investment Committee**

Professor William Gosling – Chair  
Dr Neville Evans  
Ms Lorelly Wilson  
Dr Duncan Murchison  
Mr Alexander Rottenburg  
Mr Peter Keynton - Arbuthnot Latham & Co, Limited

## **Audit Committee**

Mr Michael Sheasby - Honorary Auditor - Chair  
Professor William Gosling (General Treasurer)  
Professor John Holloway  
Dr Neville Evans  
Dr Alun Jones – Honorary Auditor  
Mr Simon Hart (Baker Tilly – Auditors)

## **SENIOR STAFF**

Chief Executive: Sir Roland Jackson Bt

Directors:           Mr John Gagg           (Director of Finance)  
                          Ms Sue Hordijkeno   (Director of Programmes)  
                          Ms Annette Smith   (Director of Regions)  
                          Mr Philip Wilson     (Director of Development)

## **ADVISERS**

Bankers	National Westminster Bank plc 208 Piccadilly London W1A 2DG
Solicitors	Matthew Arnold & Baldwin Station Road Watford Herts WD1 1HT
Auditors	Baker Tilly 46 Clarendon Road Watford Herts WD17 1JJ
Investment Advisors	Arbuthnot Latham & Co, Limited Arbuthnot House 20 Ropemaker Street London EC2Y 9AR
Principal and Registered Office	Wellcome Wolfson Building 165 Queen's Gate London SW7 5HD
Registered Charity Number	212479

## 2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The British Association for the Advancement of Science (the BA) was founded in 1831 and is incorporated by Royal Charter. The Charter is dated 21st April 1928. There is also a Supplemental Charter dated 15th August 1960 and a second Supplemental Charter dated 10<sup>th</sup> February 1997. The BA's Statutes were revised and approved by the Privy Council in May 2006. BA Council has approved Rules which are reviewed each year by Council (normally at the first meeting of the newly-elected Council) and may be altered by a majority vote in Council.

The British Association for the Advancement of Science was formed 'to give a stronger impulse and a more systematic direction to scientific inquiry; to promote the intercourse of those who cultivate Science in different parts of the British Empire with one another and with foreign philosophers; to obtain more general attention for the objects of Science and the removal of any disadvantages of a public kind which impede its progress to maintain, develop and extend the social and international relations of science'.

The Governing body of the BA is the Council. Members of the Council comprise the following persons who are entitled to vote at Council meetings:

- the Chair of the Council
- the General Treasurer
- up to three Vice-Presidents
- four members of the General Committee who have themselves been elected to the General Committee by Members of the Association
- up to four persons appointed as determined by the Council

In addition the President, President-elect and Immediate Past President, if not Trustees, are entitled to attend Council but not to vote.

Members of Council shall normally serve for a period of three years with the option of being re-appointed for a further three years as long as any continuous period in office does not normally exceed six years. In exceptional circumstances, by two thirds majority vote in Council of members present, a further year's extension is permitted.

The Council appoints three statutory committees. These comprise the General Committee, Investment and Audit Committees. It may appoint other committees at its discretion.

### **General Committee**

The General Committee consists, in addition to the members of Council including the President, past-President and President-elect:

- 12 members elected from Voting Members of the Association of whom at least two shall be drawn from members nominated by Section Committees, at least two from members nominated by Branch Committees and at least two from members nominated by Voting Members in such a manner as Council shall from time to time determine.
- 2 members nominated by Institutional and Corporate members.
- 2 members appointed by the Royal Society.
- 2 members who are students and who have first-hand experience of the BA, nominated and elected by Voting Members

Other constituent groups within the Association may be similarly represented, and to a limit, as Council shall from time to time determine.

The Council shall consult the General Committee of matters requiring the Committee's consideration, and shall present to the General Committee the annual accounts, budgets and management accounts for discussion. The General Committee may initiate recommendations to Council; any recommendation which received majority support in a vote at a quorate General Committee meeting shall be formally considered by Council at the next Council meeting.

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The General Committee shall be consulted formally on the development of the Association's Business Plan each year (normally in September).

### **Trustee induction and training**

Following the announcement of the BA Council election results, see above, a standard induction pack is sent to all new Trustees before they attend their first Council meeting. The induction pack comprises BA and Charity Commission documents and information. External training opportunities for new and existing trustees will be offered as well as an internal training session following the December Council meeting. The internal training will enable Trustees to meet with the BA staff and provide an opportunity for them to ask questions and familiarise themselves with the organisation.

### **Management**

The Governing body, BA Council, normally meets 4 times during the year and its function is to direct, on behalf of the Association, all the affairs and business of the Association. The Council may delegate its powers to the Chief Executive or its Committees.

The General Committee normally meets 2 times during the year in March and in September at the Festival of Science, and is entitled to receive minutes of the Council. If a matter is brought to the attention of Council by the General Committee under the provisions of the Statutes Chapter IV 3, Council shall be required to respond formally at the next meeting of the General Committee.

The Chief Executive is employed by the Council and is responsible for providing leadership, strategic direction, management and financial control. The senior management team comprises the Chief Executive and the 4 Directors shown above. The BA's organisation structure is shown on the BA's web site [www.the-ba.net](http://www.the-ba.net).

### **Risk management**

BA Council annually identifies and reviews the major risks to which the BA is exposed. Systems have been established to mitigate those risks. This is now a regular agenda item for the Audit Committee. A major risks register is in place which sets out the likelihood and impact of various risks and the measures and responsibility being taken to manage them. The senior management team manages the major risks on a regular basis and a disaster recovery plan is in place for use if required.

### **Activities in Scotland**

The BA's network of 34 volunteer-run Branches has 7 Branches in Scotland. These Branches run programmes of activity comprising lectures, debates and hands-on science activities in the areas in which they are located i.e. Caithness, Inverness, Aberdeen, Dundee, St Andrews, Edinburgh and Glasgow. Branches are funded by the BA centrally, by some local fundraising from companies and occasionally they run events which are specified and supported by the Scottish Executive.

The BA has a part time member of staff whose principal duty is to support the Branches based at the Glasgow Science Centre. The salary of this member of staff is provided by the BA central funds.

BA CREST awards are undertaken by approximately 1,100 young people per year, delivered by SETPOINTS. In addition, some Scottish schools take part in Young Investigators and First Investigators, the BA's awards for Primary aged children.

National Science and Engineering Week occurs also in Scotland with approximately 200 events across Scotland, organised by a variety of local people and organisations

From time to time, the BA's Science in Society team runs conferences and working lunches in support of science communication professionals in Scotland, usually supported by the Scottish Executive.

### **Volunteers**

In line with the BA's central mission the organisation seeks to involve volunteers because we believe that by involving volunteers we can extend the expertise incorporated into our programmes and their geographical and societal reach and scale. Volunteers who assist with our mission to advance the

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understanding, accessibility and accountability of the sciences and engineering are a valued resource for the organisation.

The volunteer policy is underpinned by the following principles:-

- The BA will ensure that volunteers are properly integrated into the organisational structure and that mechanisms are in place for them to contribute to the BA's work.
- The BA will not introduce volunteers to replace paid staff.
- The BA expects that staff at all levels will work positively with volunteers and where appropriate, will actively seek to involve them in their work.

The BA recognises that volunteers require satisfying work and personal development and will seek to help volunteers meet these needs, as well as providing the training for them to do their work effectively. There are opportunities for volunteer activity in the following areas: BA Branches, BA Sections, The BA Festival of Science , BA Council, BA Young People's Programme

**3. OBJECTIVES AND ACTIVITIES**

The BA's purpose is to advance the public understanding, accessibility and accountability of the sciences and engineering. The BA's two overarching priorities are to engage scientists in our democracy and to affirm science as a prime cultural and socially valuable force.

We aim to:

- promote openness about science in society: between the public, policy-makers and other decision-makers, and the scientific and business community
- engage and inspire adults and young people directly with science and technology, and their implications.

In particular, we believe that if science is portrayed more evidently within its social context then both science and the public will benefit. More people will be able, and want, to engage in the public critique that such a critical area of human endeavour requires. More young people will be interested in becoming scientists, and scientists will be better equipped to frame the direction of their research in line with societal values.

The BA is, in one single organisation: open; accessible; non-elitist; cross-disciplinary; national; and people-based through membership and activity. We focus on topics of public relevance and are seen as independent of any specific interest group. We seek national impact through our national, regional and local programmes, with active programmes in all major centres of population and in schools and colleges across the UK.

Targets for 2007, working towards the overall aims, are set out under the following corporate objectives. This approach allows us to ensure we keep a balance between internal and external issues, and between the needs of individuals and those of the organisation as a whole.

		<b>PEOPLE</b>	<b>BUSINESS/ORGANISATION</b>
Upper segments are more concerned with effectiveness, results, delivery and outcomes	<b>E X T E R N A L</b>	<p><b>SOCIETY</b></p> <ul style="list-style-type: none"> <li>• Inspire and broaden the involvement of all sectors of society with science and technology</li> <li>• Engage scientists and engineers with all sectors of our society</li> <li>• Achieve enduring effects from</li> </ul>	<p><b>FINANCIAL</b></p> <ul style="list-style-type: none"> <li>• Generate sustainable and predictable funding streams</li> <li>• Control costs and manage cash flow</li> </ul>

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		<p>all our programmes</p> <ul style="list-style-type: none"> <li>• Lead our field in disseminating and sharing best practice</li> </ul>	
Lower segments are more concerned with efficiency, input, throughput and processes	<b>I N T E R N A L</b>	<b>STAFF</b>	<b>ORGANISATION</b>
		<ul style="list-style-type: none"> <li>• Grow sustainable organisational skills and competences, ensuring our staff feel valued and supported</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen our reputation as 'partner of choice' by continuing to demonstrate honesty, integrity, and quality of delivery</li> </ul>

The BA's national programmes aimed at achieving these objectives are:

- The BA Festival of Science**

Each year in September the BA presents Europe's largest Science Festival – the BA Festival of Science – whose origins date back to the formation of the BA in 1831. Through the Festival, held in a different city each year, we aim to connect people of all types with scientists, engineers, technologists and social scientists both to celebrate the sheer excitement of the latest developments but also to engage in open discussion about issues that interest and concern large numbers of people about scientific and technological advances. Typically the Festival hosts over 150 events, with over 350 of the world's leading scientists, social scientists, technologists and engineers. The BA Festival of Science has the highest rates of press coverage of any annual UK Science event and our Festival Press centre regularly hosts over 100 members of the press.
- National Science and Engineering Week**

Each year in March the BA coordinates National Science and Engineering Week, encouraging and supporting hundreds of volunteers who help organise more than 1,500 events around the UK for audiences of all ages. These events are designed both to celebrate the contributions of science and technology to society and to offer opportunities for people to discuss matters of interest with scientists and technologists. In addition to this local and community involvement, the BA organises high-profile national initiatives to encourage wider awareness and involvement. Through these mechanisms extensive press coverage is gained, particularly at regional and local level. National Science and Engineering Week is supported in particular by the Office of Science and Technology within the Department of Trade and Industry.
- BA CREST award scheme and related initiatives for young people**

Through BA CREST, young people aged 11+ explore the real nature of science and engineering by doing their own creative problem solving through mini research projects. At the higher levels practising scientists and engineers from industry and academe mentor the projects and the youngsters. BA CREST is the only UK-wide accredited scheme for this type of practical activity. (The name 'CREST' derives from 'creativity in science, engineering and technology'). The BA runs other awards schemes in its programme for young people. First Investigators (FI) and Young Investigators (YI) awards are made to 4-7 and 8-13 year olds respectively, they involve hands on activities at differentiated levels and are now being redeveloped to form CREST Star Investigators, to make a seamless offering for young people from ages 5-19. The Science Communicators awards are made to 12 year olds and over for communicating science in a variety of ways to a variety of audiences.
- Science in Society programme**

The BA plays a particular role in working with and supporting the wider community of those engaged in science communication. As a part of this role, and in order to develop expertise and ideas for the core programmes described above, the BA organises a number of specific initiatives such as: the national Science Communication Conference (jointly with the Royal Society), seminars for science communicators, BA Media Fellowships, Science & Public Affairs magazine and other science/public dialogue activities.

The BA has a regional and branch network that works with and alongside these national programmes.

#### 4. ACHIEVEMENTS AND PERFORMANCE

In 2005 we set the following plans for 2006, and summarise here the achievements and performance against them:

*'In March, National Science Week will focus around two main national themes, in addition to the huge range of locally-generated content and events. The first is a focus on climate change in the context of what individuals can do: we shall be running an initiative 'Click for the Climate' and associated activity. In addition, resources and a national photographic competition around the theme of colour will generate a different range of participation. In partnership with the Economic and Social Sciences Research Council, this year sees Social Science Week incorporated within National Science Week.'*

National Science Week in 2006 expanded to over 2090 events, continuing to show a steady increase. The total number of people attending events was approximately 660,000. The partnership with ESRC worked very well, and the placement of Social Science Week within National Science Week is set to continue. "Click for the Climate" attracted over 24,000 pledges from people committed to change an aspect of their behaviour in order to have a positive effect on carbon emissions and subsequently operated all over Europe in 19 different countries.

*'In September we are pleased to be bringing the BA Festival of Science to Norwich in partnership with the University of East Anglia (UEA) and Norwich Research Park (NRP). The theme is 'People, Science and Society'. Our President, Frances Cairncross, will explore the relationship between social science and natural science, with a particular focus on economics and climate change.'*

In 2006 there were some 170,000 individual attendances at events on campus and across the City centre. Physical presence of the Festival was highly visible. 90% of attendees had never attended a Festival before, demonstrating that we are attracting new audiences, largely due to the policy of moving round the country. The Presidential Address was a demonstrable success amongst the media attracting the highest amount of media coverage than any other Festival event.

*'The BA CREST scheme will be further developed in 2006 and, subject to funding, we intend to develop our initiatives at the primary school level to dovetail more closely with the existing BA CREST awards, which are primarily at secondary level.'*

Development of the Primary award scheme has commenced with the granting of substantial funding from Glaxo Smith Kline (GSK). The emphasis of the redeveloped scheme, while retaining activities from the old schemes, is on progression from defined hands-on activities to more open ended tasks, culminating in the mini projects that are a feature of secondary CREST. Young people at the end of primary school will be invited to become "Young Science Ambassadors" sharing their experience with others.

*'The Science in Society programme will continue to offer the core components of the Science Communication Conference, BA Media Fellowships and Science and Public Affairs magazine. In addition, a significant deliberative initiative, the 'community x-change', will be developed.'*

We received excellent feedback from restructuring the annual national Science Communication conference in order to increase its stakeholder relevance. Scottish Executive commissioned us to deliver a Scottish Science Communication Conference. Further professional development was delivered through BA/ESRC seminars and programmes of working lunches sponsored by OSI initiatives Science Wise and Science Horizons. Additionally we were successful in winning a bid to NESTA to manage a selection of science-based awards and fellowships. A successful first year of the community x-change project took place in Norwich involving underrepresented groups in policy-related dialogue on the issues of local and global importance. The Media Fellows scheme brought in increased involvement north of the border by attracting 'The Scotsman' as a host and the

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Perspectives poster competition involved participants and sponsorship from industry as well as research.

*More specifically, we set 10 developmental objectives for 2006, which were as follows:*

- *A significant focus on energy and climate change issues over the next 3 years, linked to opportunities such as specific interests of our Presidents over this period and to the 'Community x-change' programme, with effective visibility via the website and expression through the Festival of Science and National Science Week*

We launched our focus on climate change in National Science Week with the introduction of a climate change challenge pack, online pledges and articles in Science and Public Affairs magazine. This was enhanced by a strong climate theme permeating the Festival programme and new project like the community x-change and a productive relationship with the Tyndall Centre. Frances Cairncross enjoyed considerable media success from her climate-related presidential address and John Browne announced the theme of 'energy and human progress' as the theme for his presidency.

- *An increased emphasis on developing impact measures, for example in collaboration with ESRC, and continued use of evaluation across all programmes*

An evaluation group examines all of our programme evaluation and considerable work has been done in standardising our feedback mechanisms, moving towards electronic feedback as appropriate. At the same time, linkages between top line objectives and evaluation strategies are being reinforced. External evaluation is employed as appropriate and this year the CREST secondary awards were subject to a large scale study.

- *Development of BA CREST at the primary school level and of a social science dimension to secondary BA CREST*

See above for details of progress with the primary scheme. The resources for the secondary scheme have been enhanced with the addition of a societal context.

- *Development of the Regions and of other activities to better support Branches, with better evaluation and feedback of impact of Branch activities*

With the appointment of a Regional Support Officer, based at BA headquarters, a Branch Development Strategy is now under way, with initial scoping work now complete. A new system of assessing the needs of Branches is in place and communication with regional staff has been improved with the addition of electronic meetings.

- *Development of a new innovative public engagement event format to be trialled in London and rolled out regionally*

We are working with external partners to trial the development of an event format which incorporates SMS technology both during the live event and after, allowing us to potentially build more sustainable relationships with those that attend our events. Funding for this project came from the Dana Foundation in the US in the last quarter of 2006, so trialling will take place in the first quarter of 2007.

- *Continued commitment to support better co-ordination and coherence both of science and engineering schemes for schools, e.g. through growing collaboration between SETNET, the Royal Academy of Engineering 'Best' programme, the ASE (Association for Science Education) and BA CREST, and broader public engagement activities*

A number of collaborations on projects have borne fruit during 2006. The new CREST\* Investigators scheme is part of the London Engineering Project – a HEFCE funded project led by the Royal Academy of Engineering with multiple partners. In addition to this The BA also has a major role in

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the DFES 250 Science Clubs project in partnership with SETNET, ASE, SSAT SLC and others. These collaborations have moved forward considerably during 2006.

- *Achieving a more enduring media focus throughout the week of the BA Festival of Science by developing the Presidential Address and encouraging more opinion/comment pieces on issues raised*

The President's Agenda was a new BA Festival of Science Programme strand for 2006 introduced in collaboration with Frances Cairncross. The overall theme of the presidential address for 2006 was 'People science and society'. Within her address Frances touched on two separate stories: the importance of adaptation to climate change in addition to mitigation, and the suggestion of a bounty for students to increase the uptake of maths. This meant that we were able to issue a two-pronged press release aimed at both science and education journalists. Both messages were reported approximately equally and in some cases newspapers and broadcast media ran two separate stories. 2006 saw the Festival generate more comment and opinion pieces in the media and letters from the public than ever before. To date Frances Cairncross' Address was the top story of the 2006 Festival generating one editorial item, three comment pieces, four letters and more than 60 individual broadcast and print articles (not including the world wide web). This even surpasses Robert Winston's highly successful Presidential Address from the previous year.

- *Planning for more systemic involvement of the engineering community in National Science Week in 2007*

The engineering community, via the Engineering Technology Board (ETB) is fully committed to National Science and Engineering Week 2007. A secondee from the ETB has been based with the BA for two days each week since the summer and the target of 500 additional engineering events is likely to be achieved. In addition to the events, a major competition with an engineering focus is being launched for the week.

- *Growing the supporter base through partnership and direct marketing approaches*

Following the restructuring in 2005 of our membership and supporter administration, we have continued to develop the communications provided for our supporters and our individual, corporate and institutional member groups. We are aiming to extend the supporter base through approaches to individuals who are either members of partner organisations or who are readers of science publications. While all the communications are provided without charge we approach all supporters for donations for specific programmes and projects. This strategy is proving to be successful and income from these groups has shown modest growth during the year. We shall also seek to extend the younger audience for our communications by making special arrangements for undergraduate and post graduate science students.

- *Ensuring an integrated income generation and monitoring strategy is fully in place*

The income generation strategy is progressively to move the funding to a broader base. The BA is taking active steps to increase its public profile through the adoption of a more campaigning stance and the integration, heightened awareness and impact of its programmes that will be achieved through this strategy, will raise the BA's profile which will in turn help in approaches to attract more prospective funders. We are also seeking to develop a larger supporter base which will lead not only to greater involvement in our activities but also to a growing income stream from donations.

Planning the income generation for the BA's major programmes now starts more than two years ahead of the event and income is carefully monitored against targets using the internally managed donor and supporter database which was installed in 2005.

### **Fundraising performance**

In line with the strategy of broadening its funding base and diversifying its mix of income streams, the BA has been successful during 2006 in raising sponsorship from a wider group of companies and

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institutions than in previous years. We have also increased income from grants by charitable trusts and foundations following the appointment of a professional fundraiser for this sector. We were particularly pleased to secure sponsorship of £332k over three years from GlaxoSmithKline for CREST\*Investigators, our science award scheme for primary school-aged children.

Funding the BA Festival of Science presents a particular challenge. The fact that the Festival moves round the country to a different university city means that each year a new range of prospective sponsors must be approached. The Festival is complicated and multi-faceted and it takes time for companies to comprehend its scope and appreciate how its various aspects can fit with their own agendas. For the Festival in Norwich in September, with the active support of the Development Department of the University of East Anglia, we secured sufficient sponsorship and grants to fund the event. For the future we shall seek to involve companies in funding over a three year period which will allow them to experience the Festival at first hand, learn how to become involved and link it to their own CSR or marketing agendas.

Across all its programmes, including the BA Festival of Science, National Science and Engineering Week, the BA CREST Awards and the Science in Society programmes, the BA works with its corporate and institutional partners to ensure that the sponsorship reflects the requirements of the sponsors as well as achieving the best outcomes for the programmes.

The BA's important work depends for its continuance on the crucial support of many individuals, companies, institutions, trusts and professional bodies and we are very grateful to all those who provided that support during the past year. We are particularly grateful to those that provide long-term support and especially the Office of Science and Innovation.

The annual estimated budget of the BA is c£3.0m per annum, which leverages an estimated additional £5.5m through the activities of third parties in funding events, contributing time as volunteers, mentors and speakers, and the nominal value of national and regional press coverage. The BA could not achieve this outcome without the current investment from the DTI, and on this basis each £1 invested by the DTI leverages an additional £8-£9 of value.

### **Investment performance**

Council has delegated the powers of Council to the Investment Committee to make or vary investments on behalf of the Association. Its remit is to keep the investments of the Association under review and to make such recommendations to Council as the Investment Committee see fit. The Association's investments are managed by Investment Advisors, Arbuthnot Latham & Co, Limited. An Investment Policy is in place which also covers the ethical and socially responsible policy.

The Investment Committee normally meets twice a year to review the performance of the Fund Manager. 2006 has seen good overall progress being made by the FTSE 100 Share Index with the upward trend remaining very much in place. During the year the BA's portfolio over the 12 month period has seen an increase of 7%. The Composite Index increased by 7.2% reflecting the 13.15% rise from the FT All share index and the 4.63% decline from the FT Government Securities Index based on the two thirds one third proportioning. The fund managers have maintained higher than average levels of liquidity during the year on a defensive stance as they had some concerns over factors of economic influence on the market. The realised and unrealised gains on investments are shown on the SOFA.

For 2007 BA Council has decided that the financial objective over the long term will be that the performance of the capital value of the investment fund should exceed or equal the Balanced Portfolio FTSE/APCIMS index. (Association of Private Client Investment Managers and Stockbrokers).

### **Ecsite-uk**

Ecsite-Uk, the national network of science centres and museums, set the following objectives for 2006/07:

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*'To continue advocating government recognition for science and discovery centres and science as a cultural resource, to grow the portfolio of activities and programmes – involving Ecsite-uk members and third-party partners – to bring in project funding and to contribute to core overheads.'*

Ecsite-uk grew its portfolio of project activity through 2006, thanks to year-2 delivery of project activities funded by a major grant from the Wellcome Trust ('Doing Dialogue'), to PPARC funding for programmes in conjunction with GirlGuidingUK, and to securing further significant funding from the Wellcome Trust for the 'Generation Genome' traveling exhibition project: [www.ecsite-uk.net/projects](http://www.ecsite-uk.net/projects)

The EPSRC-funded 'Meet the Scientist' project continues to the end of March 2007, linking science centres to their local universities to position the science centre as a forum for researchers to engage in dialogue with the general public.

The expenditure forecast for 2007 is fully funded by income included within incoming resources.

Objectives for 2007/08 are:

to continue advocating government recognition for science centres & museums and science as a cultural resource; to deliver on the existing portfolio of activities and programmes – involving Ecsite-uk members and third-party partners; to bring in new project funding and to contribute to core overheads.

### **5. FINANCIAL REVIEW**

#### **Presentation of the financial statements**

The financial statements have been prepared in accordance with The Charities Act (Accounts and Reports) Regulations and The Charity Commission Statement of Recommended Practice 2005 Accounting and Reporting by Charities.

#### **Reserves Policy**

The BA's reserves have been divided into restricted and unrestricted funds. Income, which is received for specific purposes, is treated as restricted income and accounted for as restricted funds. Expenditure for these specific purposes is deducted from the relevant income and the balance of unspent income is carried forward. Unrestricted funds represent income net of expenditure in respect of income given to the BA with no specific purpose attached.

At the start of 2007 free reserves, in the form of unrestricted funds less those funds held as tangible fixed assets, total c£1,023k. For 2007, £200k of the reserves are notionally set aside to meet a possible deficit against budget. The balance of the funds amounts to c£823k. This approximates to 5.5 months running costs at the reduced level of £1,800k per annum or 4 months at the current level of £2,450k per annum. Council believes that reserves should normally be at least at this level to ensure the charity can continue to run efficiently.

#### **Investment Powers**

The BA's powers of Investment are set out in the Accounting Policies on Page 19.

#### **Financial Results**

The Statement of Financial Activities on page 15 shows net incoming resources for the year of £293,383, of which £96,744 related to the Ecsite restricted fund, before net gains on investment assets of £48,531. The latter comprise realised gains of £63,436 and unrealised losses of (£14,905) (see note 7). The net gains reflect, but do not exceed, the weighted average gains in the indexed value of investments quoted on the London Stock Exchange during the year ended 31 December 2006.

Total resources expended during 2006 of £2,703,665 were higher than the £2,613,691 expended in 2005 but are in line with the incoming resources for the year. The expenditure on individual programmes shown on the SOFA, page 15, is dependant on the activities within the programmes and the funding received.

## BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE TRUSTEES' REPORT

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The BA's reserves (i.e. unrestricted funds) were increased to £1,027,251.

BA Council anticipates that the present level of activity will be sustained for the current year, with a reasonable prospect of improving reserves in the future.

### **6. PLANS FOR THE FUTURE**

For 2007, the focus is on continuing to build on and exploit our four main programmes, described above.

In March, National Science and Engineering Week (renamed this year from National Science Week), specifically incorporates the wider engineering community, through a partnership with the ETB and the engineering institutions: at least 500 engineering-focused events are envisaged. As in 2006, Social Science Week will remain incorporated within National Science and Engineering Week. Two activities designed to generate widespread national participation are Cities of the Future and The UK's Favourite Experiment.

In September we are pleased to be bringing the BA Festival of Science to York in partnership with the University of York, the City of York (and Science City York) and the North Yorkshire Education Business Partnership. Our President, Lord Browne, will take as his theme 'Energy and Human Progress, looking particularly at the challenges of addressing energy needs and climate change.

The BA CREST scheme will be further developed in 2007 with the development, supported by GSK, of CREST Star Investigators at Primary level, eventually replacing First and Young Investigators.

The Science in Society programme will continue to offer the core components of the Science Communication Conference, BA Media Fellowships and Science and Public Affairs magazine. In addition, the significant deliberative initiative, the 'community x-change', will continue in its second year.

Key developmental objectives for 2007 are:

- A significant focus on energy and climate change issues over the next 2 years, linked to Presidential interests and the community x-change, with effective visibility via the website and expression through the Festival of Science and National Science and Engineering Week
- Developing impact methodologies and measures, and ensuring consistency of evaluation across all programmes
- Continued development of the Regional structure to better support the Branches
- Growing the supporter base through partnership and direct marketing approaches
- Establishing a strategy and culture for effective use of a public affairs resource, to increase the profile of the BA as a commentator on science engagement issues
- Developing a volunteer strategy across the organisation
- Changing the public name of the organisation, subject to wide consultation.

### **Trustees' responsibilities in the preparation of financial statements**

Charity law requires the Council, as trustees, to be responsible for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the BA and of the surplus or deficit of the BA for that year. Under that law the Trustees have elected to prepare the Financial Statements in accordance with United Kingdom generally accepted accounting practice. (United Kingdom accounting standards and applicable law).

In preparing those financial statements, the trustees are required to:

- select suitable UK accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;

## BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE TRUSTEES' REPORT

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- state whether applicable UK accounting standards and statements of recommended practice 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 BA will continue to operate.

The Trustees are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the BA. They are also responsible for safeguarding the assets of the BA and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **AUDITORS**

Baker Tilly have indicated their willingness to continue to act as auditors for the forthcoming financial year.

Approved by the Council and signed on its behalf by:

Professor William Gosling  
General Treasurer  
26<sup>th</sup> March 2007

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE

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We have audited the financial statements on pages 15 to 26.

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 1993. 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 anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The trustees' responsibilities 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) are set out in the Statement of Trustees' Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

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

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

### **Opinion**

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 December 2006 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

BAKER TILLY  
Registered Auditor  
Chartered Accountants  
1st Floor, 46 Clarendon Road  
Watford, Herts, WD17 1JJ  
26<sup>th</sup> March 2007

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
 STATEMENT OF FINANCIAL ACTIVITIES  
 For the year ended 31 December 2006

	Notes	Unrestricted funds £	Restricted funds £	ECSITE Restricted funds £	Total 2006 £	Total 2005 £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Voluntary income	2	1,318,826	1,293,667	349,277	2,961,770	2,789,308
Investment income		35,278	-	-	35,278	38,397
<b>Total Incoming Resources</b>		<b>1,354,104</b>	<b>1,293,667</b>	<b>349,277</b>	<b>2,997,048</b>	<b>2,827,705</b>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
Fundraising, marketing and public relations		455,318	-	-	455,318	384,082
<b>Charitable Activities</b>						
Festival of Science		86,426	444,401	-	530,827	472,500
CREST		64,745	332,913	-	397,658	379,349
National Science Week		34,326	176,502	-	210,828	217,672
Science In Society		53,328	274,209	-	327,537	303,481
Young people's programme		37,957	195,170	-	233,127	103,078
Branches, Membership and Regional Support		183,568	19,097	-	202,665	382,265
ECSITE – UK		-	-	252,533	252,533	282,803
<b>Total Charitable Expenditure</b>	4(a)	<b>460,350</b>	<b>1,442,292</b>	<b>252,533</b>	<b>2,155,175</b>	<b>2,141,148</b>
Governance costs	3	93,172	-	-	93,172	88,461
		<b>553,522</b>	<b>1,442,292</b>	<b>252,533</b>	<b>2,248,347</b>	<b>2,229,609</b>
<b>Total resources expended</b>		<b>1,008,840</b>	<b>1,442,292</b>	<b>252,533</b>	<b>2,703,665</b>	<b>2,613,691</b>
Net (outgoing)/incoming resources before transfers						
		345,264	(148,625)	96,744	293,383	214,014
Transfer between funds	5	(148,676)	148,676	-	-	-
<b>Net incoming resources</b>		<b>196,588</b>	<b>51</b>	<b>96,744</b>	<b>293,383</b>	<b>214,014</b>
Net Gains on investment assets	7	48,531	-	-	48,531	75,727
<b>Net movement in funds</b>		<b>245,119</b>	<b>51</b>	<b>96,744</b>	<b>341,914</b>	<b>289,741</b>
Balances brought forward at 1.1.06		782,132	16,043	204,050	1,002,225	712,484
<b>Balances carried forward at 31.12.06</b>		<b>1,027,251</b>	<b>16,094</b>	<b>300,794</b>	<b>1,344,139</b>	<b>1,002,225</b>

No separate statement of Total Recognised gains or losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

The Charity is not entitled to utilise the restricted funds carried forward, except for the purposes specified in note 11. A note on the Charity's free remaining reserves is set out in the Trustees' Report, under section 5.

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
BALANCE SHEET  
As at 31 December 2006

	<i>Notes</i>	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	6	3,931	1,885
Investments	7	753,123	686,963
		<u>757,054</u>	<u>688,848</u>
<b>CURRENT ASSETS</b>			
Debtors	8	249,536	358,169
Cash on deposit	16	717,268	364,867
Cash at bank and in hand	16	9,425	16,753
		<u>976,229</u>	<u>739,789</u>
<b>LIABILITIES: Amounts falling due within one year</b>			
Income received in advance		159,710	116,350
Other creditors	9	229,434	310,062
		<u>389,144</u>	<u>426,412</u>
<b>NET CURRENT ASSETS</b>		<u>587,085</u>	<u>313,377</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	10	<u>1,344,139</u>	<u>1,002,225</u>
<b>ECSITE RESTRICTED FUNDS</b>	11	300,794	204,050
<b>RESTRICTED FUNDS</b>	11	16,094	16,043
<b>UNRESTRICTED FUNDS</b>	12	1,027,251	782,132
<b>TOTAL FUNDS</b>		<u>1,344,139</u>	<u>1,002,225</u>

Following the recommendation of the Audit Committee, Council approved and authorised for issue these financial statements on 26th March 2007

Signed on behalf of the Council by the Treasurer.

DR ALUN JONES

Honorary Auditor

PROFESSOR WILLIAM GOSLING

General Treasurer

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
CASH FLOW STATEMENT  
For the year ended 31 December 2006

	<i>Notes</i>	2006 £	2005 £
Cash inflow/(outflow) from operating activities		331,202	(125,648)
Returns on investments and servicing of finance	15	35,278	38,397
Capital expenditure and financial investment	15	4,289	(68,523)
INCREASE / (DECREASE) IN CASH IN THE PERIOD		<u>370,769</u>	<u>(155,774)</u>
Reconciliation of net incoming resources to net cash flow from operating activities			
		2006 £	2005 £
Net incoming resources for year		293,383	214,014
Depreciation		1,732	6,560
Interest and dividends receivable		(35,278)	(38,397)
Decrease / (increase) in debtors		108,633	(49,295)
(Decrease) in creditors		(37,268)	(258,530)
Cash inflow/(outflow) from operating activities		<u>331,202</u>	<u>(125,648)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH FUNDS

		2006 £	2005 £
Increase/(decrease) in cash in the period		370,769	(155,774)
NET FUNDS AT 1 JANUARY		426,384	582,158
NET FUNDS AT 31 DECEMBER	16	<u>797,153</u>	<u>426,384</u>

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

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## 1 ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The financial statements of the British Association for The Advancement of Science (BA) are prepared in accordance with The Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985. They are drawn up on the historical accounting basis except that investments held as fixed assets are carried at market value as at the balance sheet date.

### INCOMING RESOURCES

Income received for the general purposes of the BA is credited to unrestricted funds. Income subject to specific wishes of the donors is credited to relevant restricted funds.

Income is only deferred when the donor specifies that the grant apportionment only be used in future accounting periods, or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

### SUBSCRIPTION INCOME

Subscription income is taken into the accounts as a receipt in the year in which the subscription is received.

### INCOME TAX ON DONATIONS

Provision is made in the financial statements for income tax recoverable on gift aid donations.

### INVESTMENT INCOME

Gross Income received from the BA's investment portfolio is reinvested with the BA's portfolio fund managers for the acquisition of further stocks.

### INTANGIBLE INCOME

No value has been placed on the support given to the BA by way of volunteer assistance or accommodation.

### RESOURCES EXPENDED

Expenditure is recognised when a liability is incurred. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, such as staff costs by the time spent, and other costs by their usage. Governance costs comprise those costs deemed to relate to the governance of the charity and include an appropriate proportion of staff time.

### DEPRECIATION

Depreciation is calculated by reference to the cost of fixed assets using a straight line basis at rates considered appropriate having regard to the expected lives of the fixed assets.

Fixed assets are depreciated over the following periods:-

Office Equipment	5 years
Computer Equipment	3 years

Expenditure incurred on office and computer equipment is capitalised when the amount incurred is £1,000 or more. Items below this level are charged to the Statement of Financial Activities (SOFA) in the year of acquisition.

### LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

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Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the profit and loss account in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

#### INVESTMENTS

Investments held as fixed assets are stated in the balance sheet at their open market value as at the balance sheet date. Any resulting unrealised gain or loss is taken to the fund to which it relates. Both realised and unrealised gains or losses are reflected in the SOFA as net gains/losses on investment assets.

#### INVESTMENT POLICY

The BA's Investment Fund is invested in accordance with the Powers of Investment set out in the Schedule to the 1977 Supplemental Charter, which requires that at least 15% of the fund must comprise investments in Government and/or fixed interest securities, including interest-bearing cash deposits. Council has determined that the primary objective of investment policy should be to maintain the capital value of the fund in real terms over the long term.

Consistent with the primary investment objectives, investments should nevertheless be considered on ethical grounds and a socially responsible investment policy should form part of the selection process. In case of doubt the investment manager shall seek the guidance of the BA's Investment Committee.

Council has appointed an Investment Committee to implement the above, to establish further policy and objectives and to monitor the investment performance of the appointed Fund Manager, currently Arbuthnot Fund Managers Limited. The Investment Committee normally meets twice a year and its minutes are submitted to Council for consideration.

#### STOCKS

No valuation has been made of stocks of paper, publications, regalia or other sundry items.

#### PENSION SCHEME

Employees may opt to join the BA's stakeholder pension scheme operated by Scottish Equitable. The charity pays two times the contributions made by employees to the scheme, which can range between 3% and 5% of gross salary. The pension charge recorded in these accounts is the amount of contributions payable by the charity in the accounting year.

#### RESERVES POLICY

The BA's objective is to build its reserves, in the form of unrestricted funds, to a level where they equate in value to approximately six months charitable and other expenditure, thereby providing the BA with a reasonably secure financial base on which to plan future projects and to commit to related expenditures, before external funding has been fully secured.

Restricted funds are disbursed in accordance with the terms of the applicable restrictions; should these restrictions prove difficult or impractical to fulfil, necessary consent is sought to amend those restrictions in those cases where it is cost effective to do so.

#### FOREIGN CURRENCY

Remittances received or payments made in a foreign currency are converted into Sterling at the date of receipt or payment. Balances held at the year end are converted at the year end rate.

#### TRANSFERS

A transfer is normally made each year from unrestricted resources to help fund the restricted activities.

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

2 VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	ECSITE Restricted funds £	Total 2006 £	Total 2005 £
Grants	868,756	557,602	239,874	1,666,232	1,873,833
Sponsorship	-	736,065	10,000	746,065	405,314
Events income	277,673	-	-	277,673	265,834
Subscriptions	75,752	-	-	75,752	92,818
Other income	61,626	-	99,403	161,029	109,516
Donations	35,019	-	--	35,019	41,993
Total Incoming Resources	<u>1,318,826</u>	<u>1,293,667</u>	<u>349,277</u>	<u>2,961,770</u>	<u>2,789,308</u>

The major sources of grant income are:

Government and related agencies (including the EU)	1,037,960	1,004,210
Scientific Societies, Charities and Trusts	144,584	299,742
Companies and others	483,688	569,881
	<u>1,666,232</u>	<u>1,873,833</u>

3 ALLOCATION OF SUPPORT COSTS

The charity allocates its support costs as shown in the table below and then further apportions those costs between the charitable activities undertaken (see note 4a). Support costs are allocated on a basis consistent with the use of resources.

	Governance £	Support costs £	Total 2006 £	Governance £	Support costs £	Total 2005 £
Salaries	67,156	210,425	277,581	63,227	198,342	261,569
Office costs	6,016	43,584	49,600	5,234	40,231	45,465
Depreciation	-	1,732	1,732	-	6,560	6,560
Irrecoverable VAT	-	30,129	30,129	-	27,208	27,208
Office service charge	-	39,896	39,896	-	38,830	38,830
Insurance	-	7,667	7,667	-	11,079	11,079
Office equipment purchase / rent	-	15,411	15,411	-	17,579	17,579
Legal & professional fees	20,000	7,481	27,481	20,000	11,878	31,878
	<u>93,172</u>	<u>356,325</u>	<u>449,497</u>	<u>88,461</u>	<u>351,707</u>	<u>440,168</u>

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

4(a) ANALYSIS OF CHARITABLE EXPENDITURE

	Direct costs £	Support costs apportioned £	Total 2006 £	Direct costs £	Support costs apportioned £	Total 2005 £
Festival of Science	444,401	86,426	530,827	388,380	84,120	472,500
CREST	332,913	64,745	397,658	311,813	67,536	379,349
National Science Week	176,502	34,326	210,828	178,919	38,753	217,672
Science In Society	274,209	53,328	327,537	249,452	54,029	303,481
Young people's programme	195,170	37,957	233,127	84,727	18,351	103,078
Branches, Membership and Regional Support	197,255	5,410	202,665	361,726	20,539	382,265
Ecsite-uk	252,533	-	252,533	282,803	-	282,803
	<u>1,872,983</u>	<u>282,192</u>	<u>2,155,175</u>	<u>1,857,820</u>	<u>283,328</u>	<u>2,141,148</u>
Fundraising, marketing and public relations	381,185	74,133	455,318	315,703	68,379	384,082
	<u>2,254,168</u>	<u>356,325</u>	<u>2,610,493</u>	<u>2,173,523</u>	<u>351,707</u>	<u>2,525,230</u>

4 (b) STAFF COSTS

	2006 £	2005 £
Staff costs comprise:		
Wages and salaries	1,004,988	921,341
Social security costs	103,179	94,301
Pension contributions	66,109	59,062
	<u>1,174,276</u>	<u>1,074,704</u>

The average monthly number of employees, full time and part time on the BA's payroll, during the year was:

	2006 No.	2005 No.
Fundraising, marketing and public relations	4	4
Festival of Science	3	2
CREST	1	1
National Science Week	2	2
Science Communications Initiatives	3	4
Young People's Programme	3.5	4
Branches, Membership and Regional Support	6.5	13
ECSITE – UK	4	4
Management and Administration	9	7
	<u>36</u>	<u>41</u>

Neither Members of the Council nor persons connected with them received any remuneration or other benefits from the BA or any connected organisation. The expenses claimed by and reimbursed to Members of the Council during the year in respect of expenses amounted to £6,016. (2005: £5,234).

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

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4(b) ANALYSIS OF CHARITABLE EXPENDITURE (continued)

	2006 No.	2005 No.
The number of employees whose emoluments exceeded £60,000 were:		
£60,000 - £70,000	1	-
£70,001 - £80,000	-	1
£80,000 - £90,000	1	-

4 (c) OTHER COSTS	2006	2005
Other costs include:	£	£
Auditors remuneration: audit	10,500	10,500
accountancy support	3,400	3,200
VAT advice	2,000	1,215
Payroll bureau	3,500	3,200
ESOF exchange project audit	1,200	1,200
Legal and professional fees	5,381	7,813
Operating lease service charge payments: land and buildings	39,896	38,830

5 TRANSFERS

Transfers of £148,676 between the funds represent the allocation of funds raised for the general use of the BA to those specific activities, which are primarily funded by restricted funds. They are principally utilised for activity support costs and to fund programmes where income is insufficient to meet direct costs.

6 FIXED ASSETS	Computer equipment £	Office equipment £	Total £
Cost			
1 January 2006	27,474	1,002	28,476
Additions	3,778	-	3,778
31 December 2006	<u>31,252</u>	<u>1,002</u>	<u>32,254</u>
Depreciation			
1 January 2006	25,589	1,002	26,591
Charge for year	1,732	-	1,732
31 December 2006	<u>27,321</u>	<u>1,002</u>	<u>28,323</u>
Net book Value			
31 December 2006	<u>3,931</u>	-	<u>3,931</u>
31 December 2005	<u>1,885</u>	-	<u>1,885</u>

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

7	INVESTMENTS	Unrestricted £	Restricted £	Total 2006 £	Total 2005 £
	Market value at 1 January	679,993	6,970	686,963	587,871
	Additions at cost	208,437	-	208,437	235,400
	Disposals at cost	(153,068)	-	(153,068)	(160,022)
	Unrealised (loss)/gains	(16,040)	1,135	(14,905)	67,867
	Movements in cash	25,696	-	25,696	(44,153)
	Market value at 31 December	<u>745,018</u>	<u>8,105</u>	<u>753,123</u>	<u>686,963</u>
	Historical cost of investments	<u>619,951</u>	<u>6,511</u>	<u>626,462</u>	<u>545,395</u>
	Investment gains comprise:				
	Realised			63,436	7,860
	Unrealised			(14,905)	67,867
				<u>48,531</u>	<u>75,727</u>
	Investments comprise the following:				
	Government and fixed interest			44,150	41,712
	Investments and Unit Trusts			8,105	115,250
	Equities			630,408	485,237
	Listed on UK Stock Exchange			<u>682,663</u>	<u>642,199</u>
	Cash awaiting re-investment			70,460	44,764
				<u>753,123</u>	<u>686,963</u>

The BA had no investment holdings of greater than 5% of overall market value.

8	DEBTORS	2006 £	2005 £
	Sundry debtors	222,417	224,864
	Income tax recoverable	4,344	2,176
	Prepayments	10,416	11,662
	Accrued income	12,359	119,467
		<u>249,536</u>	<u>358,169</u>

BRITISH ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE  
NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2006

9	OTHER CREDITORS	2006	2005
		£	£
	Sundry creditors	100,375	121,994
	Accruals	117,876	187,269
	VAT payable	11,183	799
		<u>229,434</u>	<u>310,062</u>

10 ALLOCATION OF NET ASSETS

Fund balances at 31 December 2006 are represented by:	Unrestricted funds	Restricted funds	ECSITE	Total
	£	£	£	£
Tangible fixed assets	3,931	-	-	3,931
Investments	745,018	8,105	-	753,123
Current assets	667,446	7,989	300,794	976,229
Current liabilities	(389,144)	-	-	(389,144)
Total net assets	<u>1,027,251</u>	<u>16,094</u>	<u>300,794</u>	<u>1,344,139</u>
Unrealised gains included above on investment assets (see below)	<u>125,067</u>	<u>1,594</u>	<u>-</u>	<u>126,661</u>
Reconciliation of movements in unrealised gains on investment assets.				
Unrealised gains at 31 December 2005	141,107	459	-	141,566
Net unrealised gains arising in the year	(16,040)	1,135	-	(14,905)
Unrealised gains at 31 December 2006	<u>125,067</u>	<u>1,594</u>	<u>-</u>	<u>126,661</u>

11	RESTRICTED FUNDS	Balance			Transfers/ Investment	Balance
		1.1.2006	Income	Expenditure	Gains	31.12.2006
		£	£	£	£	£
	Core Charitable Activities	-	1,293,100	(1,440,642)	147,542	-
	Adele Gurney Fund	873	50	-	-	923
	Experimental Earthworks Fund	3,452	-	-	-	3,452
	George Green Memorial Fund	11,718	517	(1,650)	1,134	11,719
		<u>16,043</u>	<u>1,293,667</u>	<u>(1,442,292)</u>	<u>148,676</u>	<u>16,094</u>
	Ecsite - UK	204,050	349,277	(252,533)	-	300,794
		<u>220,093</u>	<u>1,642,944</u>	<u>(1,694,825)</u>	<u>148,676</u>	<u>316,888</u>

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Adele Gurney Fund

This fund is used to give an award to 16+ students in full-time education to help fund an "international science experience". The awards are administered by the BA.

The fund will continue indefinitely, until the family can be contacted to discuss the future of the fund.

Experimental Earthworks Fund

This fund is operated by a committee who raise money for excavation projects and studies.

The project is scheduled to last for 128 years, although the BA's involvement is only part of the project.

George Green Memorial Fund

This fund is being administered by the Nottinghamshire branch of the BA. It was originally established to celebrate the work and life of George Green (1793 – 1841), the Nottingham mathematician and physicist, and promote the public understanding of science, particularly among young people. The original administrators have fulfilled the fund's aims and the assets have been transferred to a like-minded organisation, the BA, to be utilised in due course.

ECSITE UK

A description of the activities of this fund is included within section 4 of the Trustees' Report.

12 UNRESTRICTED FUNDS

	Balance 1.1.2006 £	Income £	Expenditure £	Balance 31.12.2006 £
<b>SECTIONS:</b>				
Agriculture & Forestry	(768)	2,768	824	1,176
Anthropology and Archaeology	1,930	70	3,805	(1,805)
Biological Sciences	1,793	207	1,821	179
Chemistry	2,581	2,675	2,572	2,684
Economics	(3,721)	2,054	2,293	(3,960)
Education	383	1,617	865	1,135
Engineering	2,126	-	1,225	901
General	(1,116)	3,179	1,379	684
Geography	(1,030)	3,030	1,035	965
Geology	2,390	-	1,539	851
History of Science	(1,348)	3,492	2,358	(214)
Mathematics	2,268	-	667	1,601
Medical Sciences	(490)	2,490	114	1,886
Physics	(521)	2,843	2,825	(503)
Psychology	2,327	2,250	1,182	3,395
Sociology	1,741	259	1,325	675
Total Sections	8,545	26,934	25,829	9,650
<b>BRANCHES:</b>				
Aberdeen (Branch)	1,733	7,773	2,601	6,905
Aberdeen (Region)	7,682	-	7,682	-
Bedfordshire	2,103	-	-	2,103
Birmingham	945	500	70	1,375

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12 UNRESTRICTED FUNDS (continued)

	Balance 1.1.2006	Income	Expenditure	Balance 31.12.2006
	£	£	£	£
Brighton	1,147	1,336	939	1,544
Bristol and Bath	4,069	1,051	914	4,206
Caithness	-	1,000	294	706
Cornwall	1,051	-	-	1,051
Cumbria	1,653	1,000	1,670	983
Derby	3,943	15	1,210	2,748
Devon	1,249	-	-	1,249
Edinburgh & SE Scotland	1,747	810	972	1,585
Glasgow and West of Scotland	1,714	1,569	345	2,938
Hampstead (North London)	-	-	-	-
Hertfordshire	609	1,500	800	1,309
Leicester	2,985	140	1,105	2,020
Lincolnshire	1,625	500	600	1,525
Merseyside	1,095	500	500	1,095
Moray	1,539	400	-	1,939
North & East Yorkshire	-	600	-	600
North Wales	1,969	-	-	1,969
Northumbria	1,599	100	415	1,284
North Western	4,723	0	1,295	3,428
Nottingham	3,151	0	500	2,651
Oxford	2,072	450	-	2,522
Plymouth Eddystone	2,094	-	-	2,094
Pembrokeshire	1,607	1,000	452	2,155
Richmond (South London)	-	-	-	-
Sheffield	1,471	-	-	1,471
South Wales	9,297	-	792	8,505
St Andrews	-	500	450	50
Tayside and Fife	4,774	4,979	4,155	5,598
Thames Valley	1,591	-	-	1,591
Wessex	2,306	-	-	2,306
Yorkshire	1,734	-	-	1,734
<b>Total Branches</b>	<b>75,277</b>	<b>25,723</b>	<b>27,761</b>	<b>73,239</b>
<b>Total Sections and Branches</b>	<b>83,822</b>	<b>52,657</b>	<b>53,590</b>	<b>82,889</b>
Other General Funds }	698,310	1,349,978	955,250	1,093,038
Transfers to restricted funds }	-	-	148,676	(148,676)
	<b>782,132</b>	<b>1,402,635</b>	<b>1,157,516</b>	<b>1,027,251</b>

13 CAPITAL COMMITMENTS

There were no capital commitments authorised by the Council and contracted for at 31 December 2006 (2005: £Nil).

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14 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2006 the BA had annual commitments under an operating lease as follows:

	2006	2005
	£	£
Land and buildings expiring after more than five years	40,000	40,000
	<u>40,000</u>	<u>40,000</u>

The commitment relates to the service charge due under the Wellcome Wolfson Building lease. The term of the lease is for 40 years from 29<sup>th</sup> September 2003

15 GROSS CASH FLOWS

	2006	2005
	£	£
Returns on investments and servicing of finance		
Interest received	15,024	19,037
Dividend income	20,254	19,360
	<u>35,278</u>	<u>38,397</u>
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	(3,778)	(1,005)
Purchase of investments	(208,437)	(235,400)
Receipts from sale of investments	216,504	167,882
	<u>4,289</u>	<u>(68,523)</u>

16 ANALYSIS OF CHANGES IN NET CASH FUNDS

	1 January 2006 £	Cash flows £	31 December 2006 £
Cash awaiting investment	44,764	25,696	70,460
Cash on deposit	364,867	352,401	717,268
Cash at bank and in hand	16,753	(7,328)	9,425
	<u>426,384</u>	<u>370,769</u>	<u>797,153</u>