



THE FOUNDATION
FOR SCIENCE AND
TECHNOLOGY

**REPORT OF COUNCIL
AND
FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 DECEMBER 2009**

DRAFT FOR COUNCIL MEETING 3rd March, 2010

C/114/3

Registered Company Number: 01327814
Registered Charity Number: 00274727

FOUNDATION FOR SCIENCE AND TECHNOLOGY

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FOR THE YEAR ENDED 31 DECEMBER 2009

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FOUNDATION FOR SCIENCE AND TECHNOLOGY

CHARITY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2009

REGISTERED OFFICE

10 Carlton House Terrace
London
SW1Y 5AH

AUDITORS

Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

SOLICITORS

Allen & Overy
One New Change
London
EC4M 9QQ

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

BANKERS

Coutts & Co
440 Strand
London
WC2R 0QS

Royal Bank of Scotland
Lawrie House
Victoria Road
Farnborough
Hampshire
GU14 7NR

FOUNDATION FOR SCIENCE AND TECHNOLOGY

COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The Council¹ presents its thirty-first annual report and audited financial statements for the year ended 31 December, 2009. 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, industrialists, 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 readers as possible. Also the Foundation publishes guidelines and newsletters to assist learned and professional societies to improve their administrative efficiency.

1 REVIEW OF ACTIVITIES

Dinner/discussions, round-table debates and a lecture were organised on a wide range of themes - the future funding for science and innovation, raising skills in the UK workforce, carbon emission reduction in transport, valuing biodiversity, prioritisation of medical science, science and cities, financial modelling and the credit crunch, turning ideas into reality through engineering, the digital economy, critical national infrastructure and synthetic biology. The Foundation once again visited Scotland and held a dinner/discussion and round table discussion jointly with the Royal Society of Edinburgh on "the impact of climate change on Scotland". A meeting was also held at the kind invitation of Queen's University Belfast on the importance of partnerships between universities and business in science and innovation. Details of all the meetings are on the Foundation's web site - www.foundation.org.uk.

Two-page summaries of each meeting were circulated to those who attended and placed on the Foundation's web site. Most of these summaries were written by Sir Geoffrey Chipperfield KBE to whom we are most grateful. Papers by the speakers at selected events were published in the Foundation's journal, *FST Journal*. Sadly the journal editor, Sir John Maddox FRS, died during the year. Sir John Enderby CBE FRS has taken over as editor. We are most grateful to Sir John for taking on the journal so ably edited by Sir John Maddox.

The Foundation helped learned and professional societies through the organisation of a luncheon at the House of Lords in October at which Kenneth Dibble, Executive Director, Legal Services and Compliance, The Charity Commission, spoke. Newsletters were published providing an awareness service to societies of changes to legislation, accounting practice and charity regulation. A number of guidance notes were also published.

The Foundation is very grateful to The British Academy for allowing the Foundation to occupy offices in 10 Carlton House Terrace.

2 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. Donations and sponsorship totalling £322,881 (2008: £241,850) were made to the Foundation from the Department for Business, Innovation and Skills, The Royal Society, The Royal Academy of Engineering, EngineeringUK, The British Academy, The Department for Transport, Department for Environment, Food and Rural Affairs, The Wellcome Trust, Lloyd's Register Educational Trust, The Garfield Weston Foundation, the Research Councils, The Michael John Trust, QinetiQ, the Comino Foundation and others. Subscriptions totalled £74,841 (2008: £78,309) and income from Learned Society activities was £4,019 (2008: £3,214).

¹ Throughout this document the term Council refers to the Trustees and Directors of the Foundation for Science and Technology

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COUNCIL REPORT FOR THE YEAR ENDED 31 DECEMBER 2009

The net of incoming and outgoing resources of the Foundation at the year-end was a surplus of £53,507 (2008 deficit £32,478) before an unrealised gain in equity investments of £12,315 and a realised loss of £4,201. The total reserves of the Foundation at the end of the financial year increased from £496,018 to £557,639. The nine-year trend is shown in the table:

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Surplus/Deficit before equity gain or loss	1,572	11,243	(12,706)	(24,830)	(45,099)	(34,059)	(28,721)	(32,478)	53,507
Surplus/Deficit	(31,816)	(34,378)	16,946	10,286	(11,356)	10,319	(59,785)	(125,662)	61,621

3 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).

4 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 is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 is 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.

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.

5 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 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 directors 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 past financial statements.

6 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 on debates hosted by the Foundation are widely distributed and freely available to the public on the web site and provide valuable educational material.

Council consider that the activities summarised in section 1 meet the public benefit test set out in the Charities Commission guidance.

7 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 trustees have laid down a series of guidelines which were reviewed and revised at the December 2008 Council meeting. These are as follows:

- (a) The maximum sum invested in any one commercial bank or building society should not exceed 20% of the Foundation's funds.
- (b) At least £150,000 should be invested in deposits with building societies, banks or government securities, to be reviewed in line with the objective of keeping total cash and liquid funds (including deposits and securities) which can cover twelve months of total costs including direct event expenditure, journal production costs, salaries, accommodation, journal and administration costs.
- (c) Working capital in immediate access accounts should not normally exceed £100,000.
- (d) Remaining funds, but not more than normally 50% of total funds, may be invested in Common Investment Funds where the balance as between UK/World, sectors and specific funds should be regularly reviewed by the Finance and General Purposes Committee.

The Finance and General Purposes Committee met in November 2008 to consider the decline in value of the M&G Charifund holding and agreed that, taking account of market conditions, the holding should be progressively sold off over a six month period. The first sale of £30,000 worth of units was made in December 2008 and a further tranche of £20,000 was sold in March 2009. However, as market conditions improved further sales were suspended. The Santander fixed term deposit offers a higher rate of interest for deposits over £100,000. To access this higher rate it was decided to keep a minimum of £100,000 in the Santander account.

8 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 its forward programme with confidence, usually before sponsorship or other sources have been arranged or assured and to organise topical events at short notice. Adequate financial resources ensure that the Foundation remains independent of, and not reliant on, the financial support of any one organisation or interest. Independence is crucial to the fulfilment of the Foundation's charitable objectives.

On the 10th December, 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) Ensure the Foundation can cover administrative and operating costs;
- (b) Assure the Foundation's position of independence, freedom and responsiveness of action;

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- (c) Provide financial headroom for the Foundation to develop its activities for both future and current members; and
- (d) Provide reassurance to suppliers.

In order to satisfy the above purposes, the Trustees agreed in December 2008 the level of funds held should be at least equal to twelve months total expenditure. At the Council meeting in December 2009 it was agreed that at the December 2009 Council meeting, it was agreed that the Foundation should aim to build a special reserve of some £200,000 so as to cover anticipated difficulties in funding over the next few years.

9 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.

10 VICE-PRESIDENTS

The following served as Vice-Presidents during the year ended 31st December, 2009:

The Lord Flowers FRS	Vice President (not a director)
The Rt Hon the Earl of Shannon	Vice President (not a director)
Sir Brian Jenkins GBE	Vice President (not a director)

11 COUNCIL MEMBERS

The following served on the Council during the year ended 31st December, 2009:

The Rt Hon the Lord Jenkin of Roding	President
The Earl of Selborne KBE FRS	Chairman
Dr Robert Hawley CBE DSc FRSE FREng	Deputy Chairman
The President of The Royal Society	The Lord Rees of Ludlow OM Kt PRS HonFREng
The President of The Royal Academy of Engineering	The Lord Browne of Madingley FRS FREng
The President of The Royal Academy of Edinburgh	The Lord Wilson of Tillyorn KT GCMG PRSE
The President of the Academy of Medical Sciences	Professor Sir John Bell FMedSci HonFREng
The President of The British Academy	The Baroness O'Neill of Bengarve CBE FBA Hon FRS Sir Adam Roberts KCMG PBA
The President of The Science Council	Sir Tom McKillop FRS FRSE FMedSci
The Chairman of EngineeringUK	Sir Anthony Cleaver
The Chairman of The Arts and Humanities Council	Sir Alan Wilson Kt FBA FRS
The Chairman of The Biotechnology and Biological Sciences Research Council	Dr Peter Ringrose Sir Tom Blundell FRS FMedSci
The Chairman of The Economic and Social Research Council	Professor Ian Diamond FBA Dr Alan Gillespie CBE
The Chairman of The Engineering and Physical Sciences Research Council	Mr John Armitt CBE FREng
The Chairman of The Medical Research Council	Sir John Chisholm FREng
The Chairman of The Natural Environment Research Council	Mr Edmund Wallis FREng

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The Chairman of The Science and Technologies Facilities Council	Mr Peter Warry FREng Professor Michael Sterling FREng
The Chairman of the Technology Strategy Board	Dr Graham Spittle CBE
Professor Polina Bayvel FREng	The Lord May of Oxford OM AC FRS HonFREng
The Lord Broers FRS FREng	Rt Hon Sir Brian Neill
Sir Geoffrey Chipperfield KBE	The Lord Oxburgh KBE FRS HonFREng
Professor Sir Graeme Davies FRSE FREng	The Lord Soulsby of Swaffham Prior FMedSci
The Lord Haskel	The Lord Sutherland of Houndwood KT FBA FRSE
Dr Geraldine Kenney-Wallace FRSC	Sir Mark Walport FMedSci
Sir David King KB FRS ScD	The Baroness Wilcox
The Lord Krebs FRS FMedSci	Sir Peter Williams FRS FREng
Sir Rob Margetts CBE FREng	
Mr Tony Quigley	Honorary Treasurer
Mr Patrick McHugh	Honorary Secretary

Dr Dougal Goodman FREng was the Chief Executive.

12 HONORARY OFFICERS

The Honorary Officers are The Rt Hon the Lord Jenkin of Roding, President, The Earl of Selborne KBE FRS, Chairman, Dr Robert Hawley CBE FRSE FREng, Deputy Chairman, Mr Tony Quigley, Honorary Treasurer and Mr 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.

13 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 authorities, 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. 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. The Foundation will also continue to organise dinners/discussions, workshops and visits, publish a journal, maintain the web site and provide continuous support to learned and professional societies by publication of a newsletter and guidance notes in 2010.

By Order of the Council

Date _____

The Earl of Selborne KBE FRS
Chairman

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**INDEPENDENT EXAMINER'S REPORT TO THE COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2009**

I report on the accounts of the Charity for the year ended 31st December 2009, which are set out on pages 8 to 16.

This report is made solely to the charity's Council, as a body, in accordance with regulations made under Section 43 of the Charities Act 1993. My examination has been undertaken for no purpose other than to draw to the attention of the charity's Council 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 Council as a body, for my examination, for this report, or for the opinions I have formed.

Respective Responsibilities of the Council and Examiner

The Council (who are also directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Council considers that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

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 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 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 Council 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 Charities

have 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.

Devonshire House
60 Goswell Road
London EC1M 7AD

.....
Neil Finlayson
Independent Examiner
For and on behalf of Kingston Smith LLP

Date:

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STATEMENT OF FINANCIAL ACTIVITIES
AS AT 31 DECEMBER 2009

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Incoming Resources					
Incoming resources from generated funds					
<i>Voluntary income</i>					
Donations		189,600	-	189,600	92,500
<i>Investment income</i>					
Listed investment income		8,283	-	8,283	14,689
Bank deposit interest		2,052	90	2,142	13,096
Incoming resources from charitable activities					
Sponsorship		133,281	-	133,281	149,350
Accreditation fees and subscriptions		74,841	-	74,841	78,309
Learned societies activities and journal		4,019	-	4,019	3,214
Total Incoming Resources		<u>412,076</u>	<u>90</u>	<u>412,166</u>	<u>351,158</u>
Resources Expended					
<i>Costs of generating funds</i>					
	4	35,429	-	35,429	33,854
<i>Charitable activities</i>					
	4	307,003	-	307,003	336,073
<i>Governance costs</i>					
	4	<u>16,227</u>	<u>-</u>	<u>16,227</u>	<u>13,709</u>
Total Resources Expended		<u>358,659</u>	<u>-</u>	<u>358,659</u>	<u>383,636</u>
Net incoming / (outgoing) resources	2	53,417	90	53,507	(32,478)
Transfer between funds	10	609	(609)	-	-
Realised (loss) from investment assets	7	<u>(4,201)</u>	<u>-</u>	<u>(4,201)</u>	<u>(15,709)</u>
Excess of Income / (Expenditure) for the Year		49,825	(519)	49,306	(48,187)
Other Recognised Gains and Losses					
Unrealised (losses) from investment assets	7	<u>12,315</u>	<u>-</u>	<u>12,315</u>	<u>(77,475)</u>
Net Movement in Funds		62,140	(519)	61,621	(125,662)
Retained funds brought forward		<u>479,078</u>	<u>16,940</u>	<u>496,018</u>	<u>621,680</u>
Retained Funds Carried Forward	10, 12	<u>541,218</u>	<u>16,421</u>	<u>557,639</u>	<u>496,018</u>

The notes on pages 10 to 14 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.

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BALANCE SHEET AS AT 31 DECEMBER 2009

	Notes	2009 £	2009 £	2008 £	2008 £
Fixed Assets					
Tangible assets	6		992		1,517
Investments	7		<u>253,471</u>		<u>264,347</u>
			254,463		265,864
Current Assets					
Debtors	8	35,811		92,795	
Cash at bank - on deposit		269,372		139,691	
- current account		2,501		32,500	
- The Harold Silman Fund		16,421		16,940	
Cash in hand		<u>42</u>		<u>109</u>	
		324,147		282,035	
Creditors: Amounts falling due within one year					
	9	<u>(20,971)</u>		<u>(51,881)</u>	
Net Current Assets					
			<u>303,176</u>		<u>230,154</u>
Net Assets					
			<u>557,639</u>		<u>496,018</u>
Financed by:					
Funds					
Restricted	10		16,421		16,940
Unrestricted			<u>541,218</u>		<u>479,078</u>
	12		<u>557,639</u>		<u>496,018</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).

Approved by the Council on
and authorised for issue by:

.....
The Earl of Selborne KBE FRS - Chairman

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

The notes on pages 10 to 14 form part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 ACCOUNTING POLICIES

1.1 Basis of Accounting

The financial statements are prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the provision of the Companies Act 1985, the revised Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards. The classification of certain categories of income and expenditure has been amended to comply with SORP 2005 and the comparative figures have been restated accordingly.

The charity has taken advantage of the provisions of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities.

1.2 Costs

The costs of generating funds are those costs of seeking potential funders and applying for funding. This also includes an element of apportioned costs (see below).

Support costs are those costs incurred in support of the charitable objectives. (See below.)

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

1.3 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.

1.4 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.

1.5 Subscriptions

Subscriptions are included in income when they are received.

1.6 Conferences and Public Lectures

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

1.7 Operating Leases

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

1.8 Donations and Grant 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. Grants are recognised in the period in which the charitable company is entitled to receipt and the amount can be measured with reasonable certainty. Grants are only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

1.9 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 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting Policies (Continued)

1.10 Fund Accounting

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

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.

1.11 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 (Outgoing)/Incoming Resources

2009
£

2008
£

This is stated after charging:

Auditors' remuneration	-	1,500
Independent examiner's fee	3,675	-
Depreciation on tangible fixed assets	875	1,598

3 Transactions with Council

During the year one Council member received reimbursement for travel and subsistence expenses totalling £175 (2008 - £311). 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 £	2009 £	2008 £
Rent, rates and services	6,223	33,187	2,074	41,484	38,688
Salaries and agency staff (see note 5)	26,960	143,789	8,987	179,736	171,466
Printing, postage and stationery	1,236	6,590	412	8,238	10,636
Insurance	98	525	33	656	1,115
Sundry expenses	781	3,022	189	3,992	1,378
Event expenditure	-	101,943	-	101,943	136,731
Journals and publications	-	17,137	-	17,137	20,037
Grant awards	-	109	-	109	-
Accountancy and bookkeeping fees	-	-	639	639	692
Audit fees	-	-	-	-	1,500
Independent examiners' fee	-	-	3,675	3,675	-
Honorary officer's expenses	-	-	175	175	311
Depreciation	131	700	44	875	1,082
	<u>35,429</u>	<u>307,003</u>	<u>16,227</u>	<u>358,659</u>	<u>383,636</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

5 Employee Information

	2009	2008
	£	£
Staff costs:		
Wages and salaries	129,575	138,027
Social security costs	14,908	16,392
Pension costs	-	163
	144,483	154,582
Agency staff costs and other costs	35,253	16,884
	179,736	171,466

The average monthly number of employees during the year was made up as follows:

	No.	No.
Chief Executive	1	1
Office staff	1	2
	2	3

Number of employees whose emoluments fell within the following ranges for the year:

£100,001 - £110,000	1	1
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6 Tangible Fixed Assets

	Furniture, Furnishings and Office Equipment
Cost or Valuation	£
At 1 January 2009	50,800
Additions	350
At 31 December 2009	51,150
Depreciation	
At 1 January 2009	49,283
Charge for the year	875
At 31 December 2009	50,158
Net Book Value	
At 31 December 2009	992
At 31 December 2008	1,517

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

7 Fixed Asset Investments

	Quoted	Unquoted	Total	Total
	£	£	2009	2008
	£	£	£	£
Market value brought forward	162,788	101,559	264,347	399,717
Additions	-	1,010	1,010	6,362
Withdrawal from account	-	-	-	(18,548)
Disposals (Proceeds £20,000, Realised loss £4,201)	(24,201)	-	(24,201)	(45,709)
Net unrealised (losses)/gains	<u>12,315</u>	<u>-</u>	<u>12,315</u>	<u>(77,475)</u>
Market value carry forward	<u>150,902</u>	<u>102,569</u>	<u>253,471</u>	<u>264,347</u>
Historical cost at 31 December	<u>105,264</u>	<u>102,569</u>	<u>207,833</u>	<u>206,823</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 2009:

	Quoted	Unquoted
	£	£
M & G - Equities Fund for Charities	150,902	-
Santander - Charity Investment Trust	<u>-</u>	<u>102,569</u>

8 Debtors

	2009	2008
	£	£
Other debtors	<u>35,811</u>	<u>92,795</u>
	<u>35,811</u>	<u>92,795</u>

9a Creditors: Amounts falling due within one year

	2009	2008
	£	£
Other taxes and social security costs	16,433	17,813
Other creditors	863	3,568
Accruals and deferred income	<u>3,675</u>	<u>30,500</u>
	<u>20,971</u>	<u>51,881</u>

FOUNDATION FOR SCIENCE AND TECHNOLOGY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

9b Deferred Income	2009	2008
Deferred income brought forward	29,000	-
Released to income in year	<u>(29,000)</u>	<u>-</u>
Deferred income carried forward	<u>-</u>	<u>29,000.00</u>

10 Restricted Funds

Fund	Brought Forward £	Net Income £	Transfer between funds £	2009 £
Harold Silman Fund	<u>16,940</u>	<u>90</u>	<u>(609)</u>	<u>16,421</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 the re-imburement of administrative costs to the General Fund.

11 Liability of Members

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

12 Reconciliation of Movements in Reserves

	2009 £	2008 £
Net movement in funds for the year	49,306	(48,187)
Other recognised gains and losses	<u>12,315</u>	<u>(77,475)</u>
	<u>61,621</u>	<u>(125,662)</u>
Opening funds at 1 January	<u>496,018</u>	<u>621,680</u>
Closing funds at 31 December	<u>557,639</u>	<u>496,018</u>

13 Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	2009 £	2008 £
Tangible Assets	992	-	992	1,517
Investments	253,471	-	253,471	264,347
Debtors	35,811	-	35,811	92,795
Cash at bank and in hand	271,915	16,421	288,336	189,240
Creditors	<u>(20,971)</u>	<u>-</u>	<u>(20,971)</u>	<u>(51,881)</u>
	<u>541,218</u>	<u>16,421</u>	<u>557,639</u>	<u>496,018</u>

FOUNDATION FOR SCIENCE AND TECHNOLOGY

**DETAILED INCOME AND EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Unrestricted Funds (£)	Restricted Funds (£)	Total 2009 (£)	Total 2008 (£)
Income				
Donations	189,600	-	189,600	92,500
Sponsorship income	133,281	-	133,281	149,350
Accreditation fees and subscriptions	74,841	-	74,841	78,309
Learned societies activities	4,019	-	4,019	3,214
Listed investment income	8,283	-	8,283	14,689
Bank deposit interest	2,052	90	2,142	13,096
	<u>412,076</u>	<u>90</u>	<u>412,166</u>	<u>351,158</u>
Expenditure				
<i>Governance Costs (5%)</i>				
Salaries and national insurance	8,987	-	8,987	8,573
Printing, computing, stationery, postage and telephone	412	-	412	532
Rent, rates and service charges	2,074	-	2,074	1,934
Legal and professional fees	-	-	-	-
Accountancy and bookkeeping fees	639	-	639	692
Independent Examiners' Fee	3,675	-	3,675	-
Audit fees	-	-	-	1,500
Insurance	33	-	33	56
Sundry expenses	189	-	189	57
Depreciation	44	-	44	54
Honorary officer's expenses	175	-	175	311
<i>Charitable Activities (80%)</i>				
Rent, rates and services	33,187	-	33,187	30,951
Grants made	109	-	109	-
Salaries and national insurance	143,789	-	143,789	137,173
Event expenditure	101,943	-	101,943	136,731
Printing, computing, stationery, postage and telephone	6,590	-	6,590	8,509
Insurance	525	-	525	892
Sundry expenses	3,022	-	3,022	914
Depreciation	700	-	700	866
Journal and publications	17,137	-	17,137	20,037
<i>Other costs of Generating Funds (15%)</i>				
Rent, rates and services	6,223	-	6,223	5,803
Salaries and national insurance	26,960	-	26,960	25,720
Printing, computing, stationery, postage and telephone	1,236	-	1,236	1,595
General maintenance and cleaning	-	-	-	-
Insurance	98	-	98	167
Bank charges	214	-	214	236
Sundry expenses	567	-	567	171
Profit or loss on disposals	-	-	-	-
Depreciation	131	-	131	162
	<u>358,659</u>	<u>-</u>	<u>358,659</u>	<u>383,636</u>
Excess of income over expenditure before investments	<u>53,417</u>	<u>90</u>	<u>53,507</u>	<u>(32,478)</u>
Realised gain on investments	(4,201)	-	(4,201)	(15,709)
Unrealised gain on investments	12,315	-	12,315	(77,475)
Transfer between funds	609	(609)	-	-
Net Movement in Funds	<u>62,140</u>	<u>(519)</u>	<u>61,621</u>	<u>(125,662)</u>

FOUNDATION FOR SCIENCE AND TECHNOLOGY

**DETAILED INCOME AND EXPENDITURE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

	2009 £	2008 £
Professional Fees		
Accountant's fees	3,675	1,500
	<u>3,675</u>	<u>1,500</u>
Donations		
British Academy	2,500	2,500
Chartered Institute of Building Services Engineers	500	-
Comino Foundation	2,000	2,000
Department for Business, Innovation and Skills	35,000	35,000
Energy Institute	500	-
EngineeringUK	5,000	-
Garfield Weston Foundation	5,000	-
IBM (UK) Limited	300	-
Ipsos Mori	50	-
Institution of Chemical Engineers	250	-
Institution of Civil Engineers	1,000	-
Institution of Engineering and Technology	500	-
Michael John Trust	2,000	4,000
Lloyd's Register Educational Trust	42,000	-
London Mathematical Society	-	1,000
The Kohn Foundation	5,000	-
KPMG	-	1,000
London and Continental Railways	-	5,000
The Royal Academy of Engineering	3,500	3,000
The Royal Commission for the Exhibition of 1851	2,500	-
The Royal Society	18,000	23,000
The Wellcome Trust	64,000	16,000
	<u>189,600</u>	<u>92,500</u>
Debtors		
Prepayments	-	-
Other debtors	35,811	92,795
	<u>35,811</u>	<u>92,795</u>
Creditors		
Auditors' fees	-	1,500
Independent Examiner's fee	3,675	-
Deferred donation	-	29,000
Other creditors	865	3,568
Salaries - PAYE and NI	5,756	4,706
VAT	10,677	13,107
	<u>20,973</u>	<u>51,881</u>

FOUNDATION FOR SCIENCE AND TECHNOLOGY

SPONSORS OF FOUNDATION EVENTS FOR THE YEAR ENDED 31 DECEMBER 2009

Biotechnology and Biological Sciences Research Council

BSI Group

Carbon Trust

Chartered Insurance Institute

City & Guilds Institute of London

Department for Communities and Local Government

Department for Environment, Food and Rural Affairs

Department of Health

Department for Transport

Engineering & Physical Sciences Research Council

Economic and Social Research Council

Halcrow

Home Office

Institute of Physics

Lloyd's Register

Medical Research Council

National Policing Improvement Agency

Natural Environment Research Council

QinetiQ

Queen's University of Belfast

Rolls-Royce plc

Science & Technology Facilities Council

Shell International Limited

Technology Strategy Board

The Training Gateway, University of York

University of Kent

FOUNDATION FOR SCIENCE AND TECHNOLOGY

FOUNDATION EVENTS HELD FOR THE YEAR ENDED 31 DECEMBER 2009

Christmas Reception

9 December 2009

Dr David Willetts MP, MP for Havant and Shadow Minister for Universities and Skills
Professor Alan Thorpe, Chair, RCUK Executive Group and Chief Executive, Natural Environment Research Council
Sir Anthony Cleaver, Chair, EngineeringUK

Synthetic Biology - a threat or an opportunity?

18 November 2009

Professor Richard Kitney OBE FREng, Professor of Biomedical Systems Engineering, Department of Bioengineering, Senior Dean and Director of the Graduate School of Engineering and Physical Science, Imperial College London
Professor Pamela A Silver, Director, Harvard University Graduate Program in Systems Biology, Department of Systems Biology, Harvard University
Professor Nikolas Rose, Director, BIOS Research Centre for the study of Bioscience, Biomedicine, Biotechnology and Society, London School of Economics and Politics

A national infrastructure for the 21st Century

11 November 2009

Sir Mark Walport FMedSci, Director, The Wellcome Trust and member PM's Council for Science and Technology
Professor Brian Collins FREng FIET, Chief Scientific Adviser, Department for Business, Innovation and Skills and Department for Transport
Professor Tim Broyd FREng, Group Technology Director, Halcrow Group and Chair, Policy Panel, Institution of Civil Engineers

The impact of climate change on Scotland

29 October 2009

Professor Geoffrey Boulton OBE FRS FRSE, General Secretary, The Royal Society of Edinburgh, and Member PM's Council for Science and Technology
Professor John Mitchell OBE FRS, Director Climate Science, The Met Office
Dr Andrew Dlugolecki, Visiting Fellow, Tyndall Centre, University of East Anglia and Chartered Insurance Institute

The Digital Britain Report - keeping up with the competition from other nations

14 October 2009

Dominic Morris CBE, Strategic Director, Digital Britain, Departments for Business, Innovation and Skills, and Culture, Media and Sport
Professor Dame Wendy Hall DBE FRS FREng, President, Association of Computer Machinery (ACM), School of Electronics and Computer Science, Southampton University
Dr Alfred Spector, Vice President, Research and Special Initiatives, Google
Erik Huggers, Director, Future Media and Technology, BBC

Learned and Professional Societies Luncheon at the House of Lords

9 October 2009

Kenneth Dibble, Executive Director, Legal Services and Compliance, Charity Commission

Beyond the recession - what can science and innovation partnerships do for you?

7 October 2009

Professor Peter Gregson FREng, President and Vice-Chancellor, Queen's University Belfast
Eoin O'Driscoll, Chairman, Forfás, Ireland's National Policy Advisory Board, and Managing Director, Aderra
Dr Iain Gray FREng, Chief Executive, Technology Strategy Board

FOUNDATION FOR SCIENCE AND TECHNOLOGY

FOUNDATION EVENTS HELD FOR THE YEAR ENDED 31 DECEMBER 2009

Engineering: turning ideas into reality - the House of Commons Select Committee Inquiry

7 July 2009

Phil Willis MP, Chair, House of Commons Select Committee on Innovation, Universities, Science and Skills
The Lord Browne of Madingley FRS FREng, President, The Royal Academy of Engineering
Richard Olver FREng, Chairman, BAE Systems

The Future of Higher Education in England

17 June 2009

Sir Alan Langlands FRSE, Chief Executive, Higher Education Funding Council for England
Professor Michael Arthur FMedSci, Vice Chancellor, University of Leeds
Sir John Chisholm FREng, Chairman, QinetiQ and Chair, Medical Research Council

Financial models - key tools for risk analysis or the vector of global financial collapse?

10 June 2009

Professor John Kay FBA, Writer and Columnist for the Financial Times
Paul Sharma, Director, Wholesale Prudential Policy, Financial Services Authority
Professor David J. Hand FBA, President, The Royal Statistical Society and Head of Statistics, Imperial College London

Can city managers make better use of science?

3 June 2009

Boris Johnson, Mayor of London
Sir Alan Wilson FRS FBA, Centre for Spatial Analysis, UCL and Chairman, Arts and Humanities Research Council
Professor Tim Allen, Director for Analysis and Research, Local Government Association

What should be the priorities for medical research in the UK?

20 May 2009

Sir Leszek Borysiewicz FRS FRCP FMedSci, Chief Executive, Medical Research Council
Sir John Bell FRS PMedSci, President, The Academy of Medical Sciences and Chairman, Office for Strategic Coordination of Health Research
Sir David Cooksey GBE, Chair, Bioscience Innovation and Growth Team

Can a value be put on biodiversity?

6 May 2009

Professor Bob Watson CMG, Chief Scientific Adviser, Department for Environment, Food and Rural Affairs
Pavan Sukhdev, Study Leader for TEEB and Project Leader Green Economy, UN Environment Programme
The Lord May of Oxford OM AC Kt FRS, Department of Zoology, Oxford University

How fast can the rate of change of technology be accelerated to reduce carbon emissions from transport?

29 April 2009

Professor Brian Collins FIET, Chief Scientific Adviser, Department for Transport and Department for Business, Enterprise and Regulatory Reform
Professor Dan Sperling, Director, Institute for Transportation Studies, University of California, Davis
Professor Neville Jackson, Group Technical Director, Ricardo
Professor Julia King CBE FREng, Chair, King Report on low carbon cars, Vice-

Raising skills in the UK workforce - mental capital, skills and well-being

1 April 2009

Professor Tom Kirkwood CBE, Institute for Ageing and Health, Newcastle University
Lord Layard FBA, Centre for Economic Performance, London School of Economics and Political Science
The Rt Hon John Denham MP, Secretary of State, Department for Innovation, Universities and Skills

FOUNDATION FOR SCIENCE AND TECHNOLOGY

FOUNDATION EVENTS HELD FOR THE YEAR ENDED 31 DECEMBER 2009

To what extent should UK funding for science and innovation be focussed?

4 February 2009

A lecture by Lord Drayson of Kensington, Minister of State for Science and Innovation at the Department for Innovation, Universities and Skills.

Responses by:

Lord Rees of Ludlow OM Kt PRS, President of The Royal Society

Sir Peter Gershon CBE FREng, speaking on behalf of The Royal Academy of Engineering

Dr Peter Ringrose, Chairman of the Biotechnology and Biological Sciences Research Council and Member of the Technology Strategy Board

Trudy Norris-Grey, Chair, Innovation and Science Committee of the Confederation of British Industry (CBI)