

Geological Society of London

Annual Report 2007

VOLUME TWO

200 YEARS
serving science & profession





Report of the Trustees of The

President: Dr Richard Fortey
Vice Presidents: Dr Iain Bartholomew, Prof Martin Culshaw
Prof Paul Henderson
Secretaries: Dr Nick Rogers, Mr David Shilston,
Prof Tony Watts
Secretary, Foreign & External Affairs: Prof Edward Derbyshire
Treasurer: Prof Andrew Fleet

The Council submits its annual report and financial statements for the year ended 31 December 2007. The report of the Council incorporates the legal and administrative details on this and the following pages and the reports of the President, the Executive Secretary and the Treasurer.

Financial Review

The Financial Statements and Report of the Council have been prepared in accordance with the Bye-Laws of the Society, the Statement of Recommended Practice, Accounting and Reporting by Charities and complies with applicable law. A review of the financial highlights of the year is set out in the report of the Treasurer in Volume Two.

Investment Policy and Performance

In accordance with the Bye-Laws of the Society, the Treasurer ensures the proper management of the Society's real estate, investments and funds on deposit. This is achieved through the actions of an Investment Panel, in conjunction with the Society's Investment Managers. The policies of the Investment Panel are to ensure the delivery of a budgeted level of income in each year and to continue the prudent investment policies of the Society. Further details of performance are contained within the Treasurer's Report.

Reserves Policy

To undertake the continued development and reinvestment in the Society's publishing, educational and other activities, and to hold a contingency sum in respect of the significant redecoration costs that the Society is obliged to meet, in the light of the lease with our landlord, the Department of Communities and Local Government (DCLG) at Burlington House. The Society considers its free reserve sufficiency to be in the order of £1,000,000, which would be required to meet its short term operational requirements as well as to provide some contingency in any temporary shortfalls of income. Free reserves, as defined by the Charity Commission, at 31 December 2007 stood at £1,385,569 (2006: £643,496).



Geological Society of London

Risk Management

The Trustees actively review on a regular basis the major risks which the charity faces and believe that maintaining free reserves at the levels stated above, combined with annual review of the controls over key financial systems, provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced and confirm that they have identified actions and established systems to mitigate the significant risks.

Charitable Objectives

The Object of the Society as set out in its Charter is “to investigate the mineral structure of the Earth”, which is interpreted to mean

- i. improving knowledge and understanding of the history, structure, constitution and dynamics of the Earth and its process;
- ii. promoting all forms of education, awareness and understanding of the Earth and their practical applications for the benefit of the public globally; and
- iii. promoting professional excellence and ethical standards in the Earth sciences for the public good.

In meeting this Object the Society provides public benefit by advancing Earth sciences education at all levels, and by promoting knowledge of the Earth and professional standards so as to advance environmental protection and improvement and human health, and to guard against natural hazards. Specifically the Society provides:

Induction into the profession through Candidate Fellowship

During 2007, by supporting 352 undergraduates to become professional geologists at low subsidised cost.

Chartered status (CGeol, CSci, Eur Geol)

During 2007, 61 Fellows were awarded CGeol status bringing the total to 2165. By encouraging continuing professional development, controlling entry standards and monitoring chartered status, the Society assures the quality of professional work in the geosciences for the public good.

Representing the science

By acting as the UK voice in representing the geosciences and their application.

Media contacts

By linking to the media and providing authoritative information and contacts.

External relations

By responding actively to requests for information or comment from government, opinion formers and the public as exemplified by the submission to CORWM (Committee on Radioactive Waste Management).

Education

By working with others to set standards to improve the quality of education in the geosciences at all levels, and by developing teaching resources. During the year the Society made progress in developing an online primer at KS3 level to be launched in May 2008; and accredited 10 undergraduate programmes bringing the number to 120, and introduced a scheme for the accreditation of taught MSc courses. The Society also funded some £15k in research grants and provided financial support for fieldwork.

Library

By maintaining a nationally important collection of geological maps, books and journals, which is open to the public at a subsidised rate; and by launching in May 2007 a complete online catalogue with a GIS interface to index level data for its map holdings.

Website

By hosting a diverse range of electronic geological content with links to other significant websites, which is free to use. A new website, launched in 2007, was built to meet international standards for disability access.

Journals and books

By publishing four of its own journals and four journals on behalf of other learned societies as well as 27 books, which are an important resource of information for geoscientists the world over, and are widely available in libraries. The recent creation of *GeoScienceWorld* (an electronic aggregate of many learned societies' journals) has allowed direct access to journals through the Web. The *Lyell Collection*, launched in May 2007, will provide an online portal to most of the books and journals ever published by the Society.



Scientific meetings

The Society subsidized the attendance of 75 students at its Bicentenary Conference held at the Queen Elizabeth II conference centre in September 2007; and with sponsorship from Shell held 10 free lectures for the general public in its lecture theatre in Burlington House.

By organising about one hundred scientific meetings annually, of which about 80% are held outside London. These meetings are open to all. The Society assists in meeting the costs of student attendees at some scientific meetings and field excursions.

Council

The members of the Council - trustees of the charity - during the year were:

Dr I D Bartholomew^{1,2,4}; ~Prof J R Cann^{1,2,4}; Mr A J Carbray³; Mr G T Cayley⁷; Prof M G Culshaw^{1,4,5}; *Prof E Derbyshire^{1,2,4}; ~Prof A G Doré⁶; Prof A J Fleet^{1,3,4,6}; Dr R A Fortey^{1,4}; *Prof C M R Fowler²; *Prof L E Frostick⁴; Prof P Henderson^{1,4}; Prof R E Holdsworth⁶; ~Prof D A C Manning^{1,4,5}; *Prof J D Marshall⁶; ~Prof N Petford^{3,6,7}; Dr M O Rivett⁵; Dr N W Rogers^{1,3,4,6}; Mr D T Shilston^{1,4,5}; Mr G Tuckwell^{3,5}; Mrs J H E Turner⁵; Prof J A Underhill²; Dr E Valsami-Jones⁷; Prof A B Watts^{1,2,7}; Prof R White^{1,2}; *Prof B M Wilson; Dr R A W Wood⁷;

* New members elected at the AGM on 2 May 2007
 ~ Council members who retired at the AGM on 2 May 2007.
 Prof B M Wilson resigned in June 2007.

Membership of the Standing Committees

¹ Elections; ² External Relations; ³ Information Management;
⁴ Management and Finance; ⁵ Professional; ⁶ Publications;
⁷ Science.

Method of Election of Trustees

Trustees are elected by the Fellowship in Annual General Meeting by ballot of Fellows present on a list of candidates. New trustees are annually invited to an *induction day* in order to obtain an understanding of the Society's affairs and what tasks they will undertake as a member of Council. They also receive written guidance on their responsibilities as trustees.

Audit Panel

The Audit Panel reports directly to Council. Members of the Audit Panel are: Prof J C W Cope, Prof A J Fleet, Prof J D Mather, Prof D G Murchison, Mr M H Pattison, Dr R Stabbins (*Chair*).

Legal and Administrative Information

Objects of the Society

The Geological Society of London was instituted in 1807 for the purpose of investigating the mineral structure of the Earth.

Governing Instrument

The Society was incorporated by Royal Charter in 1825, amended by a Supplemental Charter in 2005. On 3 May 2000, the Fellows of the Society in General Meeting approved and adopted revised Bye-Laws to govern the future activities of the Society.

Bankers

Coutts & Co, 440 Strand, London, WC2R 0QS

Solicitors

Bristows, 3 Lincoln's Inn Fields, London WC2A 3AA

Auditors

BDO Stoy Hayward LLP, Emerald House, East Street, Epsom, Surrey, KT17 1HS

Investment Advisers

UBS Wealth Management, 1 Curzon Street, London W1J 5UB

Head Office

Burlington House, Piccadilly, London W1J 0BG

Registered Charity Number

210161

Office Hours

09.30 - 17.30 Monday to Friday

Cover photograph:

Photo:

Editing: Ted Nield

Design: Carol Liddle

Photography: Gennadi Baranov, Sophie Hancock, Rosie Keller, Edmund Nickless, Ted Nield and Stuart Thompson.



Contents

Narrative Information	5
A year of achievement <i>(from the Treasurer)</i>	6
Trustees' responsibilities	7
Report of the independent auditors	8
Full financial report	9

Narrative Information

The objects of the Society as contained within its Charter and the Bye-laws, are to promote investigation and knowledge about the mineral structure of the Earth. This is achieved by publishing journals and books, by arranging conferences and meetings and by promoting the activities of specialist and regional groups. The activities of the Society aim to improve knowledge and understanding of the history, structure, constitution and dynamics of the Earth and its processes, by promoting all forms of education, awareness and understanding of the Earth and their practical applications for the benefit of the public globally, and by promoting professional excellence and ethical standards in the Earth Sciences for the public good.

A review of the activities of the Society, in the context of its strategy is described in the reports of the President, Treasurer and Executive Secretary.

A review of the provisions of FRS 8 – Related Party Transactions indicates that there were no transactions between the Society and its Fellows that require to be disclosed. In the normal course of business, there are well-established relationships with other bodies throughout the world with whom the Society co-operates for the advancement of its primary objective. These bodies include other learned societies and charities, together with academic institutes, not-for-profit organisations and commercial enterprises.





From the Treasurer

A year of achievement

An immense amount was achieved in 2007. As well as all the bicentenary events and celebrations, major achievements included the establishment of the Lyell Centre and the launch of the Lyell Collection. Behind all these very visible events there was business as usual. This all meant a great deal of work by staff and many fellows. In financial terms all this work translated into a good performance that allowed us to cover the costs of the bicentenary and plan financial commitments for our operations and for the new strategy. After which we achieved a modest surplus of £ 28k remaining in the general fund.

Of the specific financial commitments that we have been able to achieve I would first point out the increase in the Bicentennial Outreach Fund. This fund was set up last year to provide a legacy of the bicentenary. It will allow the Society to increase its outreach and so implement major parts of the strategy, especially relating to education. In doing so it will help us meet some of our key charitable objectives and demonstrate that we have done so.

We have also been able to set funds aside in the Lyell Centre Fund for the ongoing costs of maintaining and developing the Lyell Centre. Generous donations from bicentenary sponsors got the Centre of the ground, but as the business model recognised, funding from core funds is needed for a few years before the Centre is self-sustaining. The good financial performance in 2007 has allowed us to provide the necessary funds.

As many of you will have seen for yourselves, bicentenary funding has also enabled a first phase of major renovation in Burlington House to take place. The newly restyled Piccadilly entrance, the refurbished Lower Library and the Lyell Room are very visible signs of this work. But behind the visible, much mundane though vital work, such as rewiring, had to be completed. This renovation of Burlington House will have to be continued over the coming years with investment in services as well as fabric. Such work will be a critical aspect of financial planning for some years to come.

As well as the renovation of Burlington House, there is the need to plan for 'business as usual', whether that is repainting, replacing a boiler or maintaining computer systems. How we can better plan for this in the longer term has been a matter of discussion in the Budget and Programme Committee. This committee is now getting to grips with identifiable needs and considering how these might be met on a ten-year or so timescale, while leaving room for manoeuvre to accommodate new initiatives.

Having moved from the excitement of the bicentenary to the need for replacing boilers, I should not lose sight of what 2007 was and pay tribute to the organisers of the various bicentenary events and particularly to the Bicentenary Fundraising Committee. Due to their hard work, that of many staff and the generosity of numerous sponsors and fellows, the bicentenary fully covered its costs - an outcome that was no means certain this time last year.

Something definitely unforeseen at the beginning of the year was the generous bequest of £200k by Alan William Welch, in memory of his wife Charlotte Babbett. This bequest is particularly welcome in that Council is just asked to use it for "geological research" rather than to any more specific purpose.

Above I have focused on the novel, celebratory and mundane uses to which our incoming funds have been, and will be, put. I should wind up this report by looking at the various 'regular' income streams that have provided the 'business-as-usual' funding that continued to be generated while the bicentenary events filled the year. Both the Publishing House and the Conference Office delivered surplus income despite having to make very major contributions to bicentenary initiatives. The Publishing House returned a magnificent surplus of £ 415k while delivering on time in May the Lyell Centre and building up to the launch and roll-out of the Lyell Collection. The Conference Office similarly continued to deliver income while keeping meetings flowing and providing a host of bicentennial events. All concerned are due a big vote of thanks.

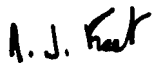
Our investments and contributions from corporate affiliates have both continued to play their part as significant income streams.



During the year the Investment Panel has been working with the Society's investment advisers, UBS, to put in place the more diverse investment portfolio that I mentioned in my report last year. This should spread the risks inherent in the Society's investments and do what can be done to weather any financial storms ahead.

The other major income stream is, of course, Fellowship income. As you will recall there has been a campaign of increases in subscriptions over recent years with the aim of ensuring that income from subscriptions covers the costs of services that Fellows receive. Trading off known income against the estimated costs of services is not an exact science but in 2007 the deficit between the two was £145k compared with one in 2006 of £ 313k. The gap has therefore closed and in 2008 we can hope to reach parity or thereabouts. After 2008, when the agreed programme of increases ends, we will need to keep a careful eye on future subscription changes to ensure a wide deficit gap does not open up again.

Despite ending on that note of caution, I believe we can look back on 2007 as an extraordinarily successful year. Extraordinary in that it was all achieved while maintaining business as usual, and extraordinary in beginning to position us for the future. I say "beginning to position" because there will be much to do in financial terms in enabling us to deliver all aspects of the Society's strategy while continuing to develop our infrastructure, IT, publishing etc, and renovate and maintain Burlington House. This will all take place against the background of the uncertainties that lie ahead in the world of publishing and for the financial climate.



Prof Andy Fleet

Trustees' responsibilities

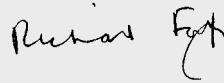
Charity law requires Council, who are the Trustees, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

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

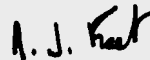
The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with law applicable to charities. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

BDO Stoy Hayward LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.



Richard Fortey
President



Andrew Fleet
Treasurer

9 April 2008



Report of the independent auditors to the Council of The Geological Society of London

We have audited the financial statements on pages 15 to 32 which have been prepared in accordance with the historical cost convention, as modified for the revaluation of investment assets and the contents of the library, and the accounting policies set out therein.

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 are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

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

Our report has been prepared pursuant to the requirements of the Charities Act 1993 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Charities Act 1993 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 an 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 affairs of the group as at 31 December 2007 and of its incoming resources and resources expended, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Charities Act 1993. The information given in the Trustees' report is consistent with the financial statements.

BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*
Epsom, Surrey, England
9 April 2008

Full financial report

Consolidated Statement of financial activities for the year ended 31 December 2007

	Note	Unrestricted Income Funds	Restricted Income Funds	Endowment Funds	Total 2007	Total 2006
		£	£	£	£	£
Income and expenditure						
Incoming resources from generated funds						
<i>Voluntary income</i>						
Donations, legacies, gifts and similar incoming resources	2	192,232	101,292	-	293,524	171,427
<i>Activities for generating funds</i>						
Hire of rooms		94,857	-	-	94,857	54,232
Catering support services		143,008	-	-	143,008	120,095
<i>Investment income</i>	4	175,419	99,251	-	274,670	225,331
Incoming resources from charitable activities						
Publishing income	3	1,669,655	-	-	1,669,655	1,547,627
Conferences and events	3	463,871	-	-	463,871	767,101
Fellowship income	3	1,113,479	-	-	1,113,479	980,344
Bicentenary activities	3	1,682,357	-	-	1,682,357	-
Total incoming resources		5,534,878	200,543	-	5,735,421	3,866,157
Outgoing resources						
<i>Costs of generating funds</i>						
Investment management costs		5,754	33,787	-	39,541	8,351
Catering support services		122,491	-	-	122,491	101,493
<i>Charitable activities</i>						
Publishing activities	5	1,254,548	-	-	1,254,548	1,150,141
Conferences and events	5	668,388	-	-	668,388	912,875
Fellowship services	5	1,258,305	32,447	-	1,290,752	1,292,994
Bicentenary a	5	1,186,627	-	-	1,186,627	46,535
<i>Governance costs</i>	6	25,546	-	-	25,546	27,419
Total charitable expenditure		4,393,414	32,447	-	4,425,861	3,429,964
Total resources expended		4,521,659	66,234	-	4,587,893	3,539,808

The notes on pages 14 to 24 form part of these financial statements

Consolidated Statement of financial activities for the year ended 31 December 2007 (Continued)

	Note	Unrestricted Income Funds £	Restricted Income Funds £	Endowment Funds £	Total 2007 £	Total 2006 £
Net incoming resources before transfers		1,013,219	134,309	-	1,147,528	326,349
Transfer between funds		-	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources		1,013,219	134,309	-	1,147,528	326,349
Other recognised gains and losses						
(Loss)/gains on investment assets		(47,611)	(33,411)	41,921	(39,101)	254,510
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movements in funds		965,608	100,898	41,921	1,108,427	580,859
Fund balances brought forward At 1 January 2007		15,734,480	2,531,967	984,522	19,250,969	18,670,110
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances carried forward at 31 December 2007		16,700,088	2,632,865	1,026,443	20,359,396	19,250,969
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Application of net movement in funds						
Net movement in funds		965,608	100,898	41,921	1,108,427	580,859
Transfers (to)/from designated funds:						
Constituted and regional groups		(9,379)	-	-	(9,379)	-
Burlington House Redecoration Fund		(129,092)	-	-	(129,092)	210,544
Bicentenary Project Fund		(559,364)	-	-	(559,364)	-
Lyell Centre Fund		(100,000)	-	-	(100,000)	(150,000)
Bicentenary Meeting Fund		200,000	-	-	200,000	(200,000)
Educational Outreach Fund		(150,000)	-	-	(150,000)	(25,000)
Alan and Charlotte Welch Fund		(190,000)	-	-	(190,000)	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Increase in General/Restricted funds at 31 December 2007		27,773	100,898	41,921	170,592	416,403
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

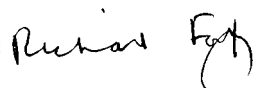
All amounts relate to continuing activities. All gains and losses recognised in the year are included above.

The notes on pages 14 to 24 form part of these financial statements

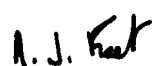
Balance sheet at 31 December 2007 - Group

	Note	2007 £	2006 £
Fixed assets			
Tangible assets	8	15,356,516	14,887,807
Investments: Listed and unlisted	9	3,990,202	3,721,918
Portfolio cash		220,394	210,084
		<hr/>	<hr/>
		19,567,112	18,819,809
Current assets			
Stocks: Finished goods		205,172	189,441
Debtors	10	639,689	1,032,625
Cash at bank and in hand		1,456,239	1,926,931
Held by constituted and regional groups		112,870	117,223
		<hr/>	<hr/>
		2,413,970	3,266,220
Creditors: amounts falling due within one year	11	463,265	621,443
Deferred income	12	1,158,421	2,213,617
		<hr/>	<hr/>
		1,621,686	2,835,060
Net current assets		<hr/>	<hr/>
		792,284	431,160
Net assets		<hr/>	<hr/>
		20,359,396	19,250,969
Unrestricted funds:			
General purposes	13	1,697,364	1,669,591
<i>Designated</i>			
Constituted and regional groups	13	201,500	192,121
Revaluation reserve	13	13,208,312	13,208,312
Burlington House Redecoration Fund	13	418,548	289,456
Bicentenary Project Fund	13	559,364	-
Lyell Centre Fund	13	250,000	150,000
Bicentenary Meeting Fund	13	-	200,000
Educational Outreach Fund	13	175,000	25,000
Alan and Charlotte Welch Fund	13	190,000	-
Restricted income funds	14	2,632,865	2,531,967
Endowment funds	15	1,026,443	984,522
		<hr/>	<hr/>
	16	20,359,396	19,250,969
		<hr/>	<hr/>

The financial statements were approved by the Council on 9 April 2008.



Dr Richard Fortey, *President*



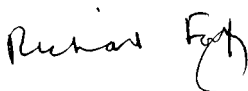
Prof Andy Fleet, *Treasurer*

The notes on pages 14 to 24 form part of these financial statements

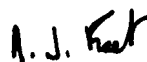
Balance sheet at 31 December 2007 - Charity

	Note	2007 £	2006 £
Fixed assets			
Tangible assets	8	15,356,516	14,887,807
Investments: Listed and unlisted	9	3,990,202	3,721,918
Portfolio cash		220,394	210,084
		<u>19,567,112</u>	<u>18,819,809</u>
Current assets			
Stocks: Finished goods		205,172	189,441
Debtors	10	687,961	1,029,744
Cash at bank and in hand		1,407,111	1,923,116
Held by constituted and regional groups		112,870	117,223
		<u>2,413,114</u>	<u>3,259,524</u>
Creditors: amounts falling due within one year	11	462,409	614,747
Deferred income	12	1,158,421	2,213,617
		<u>1,620,830</u>	<u>2,828,364</u>
Net current assets		<u>792,284</u>	<u>431,160</u>
Net assets		<u>20,359,396</u>	<u>19,250,969</u>
Unrestricted funds:			
General purposes	13	1,697,364	1,669,591
<i>Designated</i>			
Constituted and regional groups	13	201,500	192,121
Revaluation reserve	13	13,208,312	13,208,312
Burlington House Redecoration Fund	13	418,548	289,456
Bicentenary Project Fund	13	559,364	-
Lyell Centre Fund	13	250,000	150,000
Bicentenary Meeting Fund	13	-	200,000
Educational Outreach Fund	13	175,000	25,000
Alan and Charlotte Welch Fund	13	190,000	-
Restricted income funds	14	2,632,865	2,531,967
Endowment funds	15	1,026,443	984,522
	16	<u>20,359,396</u>	<u>19,250,969</u>

The financial statements were approved by the Council on 9 April 2008.



Dr Richard Fortey, *President*



Prof Andy Fleet, *Treasurer*

The notes on pages 14 to 24 form part of these financial statements

Consolidated Cash flow statement for the year ended 31 December 2007

	Note	2007 £	2007 £	2006 £	2006 £
Net cash inflow from operating activities	17		274,126		1,011,279
Returns on investments					
Bank interest received		116,684		74,302	
Investment income received		157,986		151,029	
			274,670		225,331
Capital expenditure and financial investment					
Payments to acquire tangible fixed assets		(706,145)		(861,083)	
Transfer to investment portfolio		(359,617)		(243,781)	
			(1,065,762)		(1,104,864)
Net cash (outflow)/inflow before management of liquid resources			(516,966)		131,746
Management of liquid resources					
Money held on short-term deposits		251,525		540,000	
			251,525		540,000
Net cashflow before financing			(265,441)		671,746
Financing					
Net movement in cashflows attributable to endowment fund investments		41,921		41,764	
			41,921		41,764
(Decrease)/Increase in cash in the year			(223,520)		713,510
Net cash resources at 1 January 2007			1,248,154		534,644
Net cash resources at 31 December 2007	18		1,024,634		1,248,154

The notes on pages 14 to 24 form part of these financial statements

Notes forming part of the financial statements for the year ended 31 December 2007

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with exception of investments and library costs which are included at market value. The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities (“the SORP”), published in March 2005 and which the Society has adopted.

The financial statements consolidate those of the charity and its wholly owned subsidiary trading company: Geological Trading Limited. The results, assets and liabilities of Geological Trading Limited are shown in Note 19. In accordance with paragraph 397 of SORP 2005, no separate Statement of Financial Activities has been presented for the charity alone. The results, assets and liabilities of the constituted specialist and regional groups are also consolidated into the Society’s financial statements.

Income

Income is accounted for on an accruals basis. Any tax credit arising on income received net of tax is accrued as part of the income arising. Legacies are recognised at the point of entitlement, certainty of receipt, and when it is measurable with sufficient reliability.

Expenditure

Expenditure is recognised on an accruals basis. Where expenditure cannot be wholly identified under the main categories shown in the statement of financial activities, it is apportioned over cost headings on the basis of staff employed. The costs of the Society’s headquarters have been allocated between the associated charitable activities.

Designated funds

Council may, at their discretion, set aside unrestricted funds for specific future purposes. Where such funds are no longer required for the intended purposes they are released to general funds. The following designated funds have been created:

Constituted and Regional Group Funds

The Geological Society of London allocates a proportion of its income to its Constituted and Regional Groups. These groups also raise their own funds through course fees, publications and other sundry income. The Trustees have agreed that any accumulated reserves in respect of the Groups should be designated as Group Funds. These funds are held as cash and short term investments.

Burlington House Redecoration Fund

As a consequence of the lease agreement with the Department of Communities and Local Government (DCLG) the Geological Society of London is required to undertake extensive decorations to Burlington House. Given that this financial undertaking is significant, the trustees have agreed to set aside funds from general reserves in advance of these costs which will occur in the ensuing years.

Bicentenary Project Fund

As a part of the bicentenary sponsorship activities, the Geological Society of London received sponsorship in order to embark on a number of projects, which culminated in the creation of the *Lyell Centre*. All income is being recognised in the financial statements in the year of the Bicentenary, but the costs will only appear as expenditure over a period of years, as most of the costs have been recognised as fixed assets. The Bicentenary Project Fund recognises and makes provision for the future costs to ensure that they continue to be funded from bicentenary sponsorship.

Lyell Centre Fund

Since the creation of the *Lyell Centre*, it is anticipated that these activities are ongoing and therefore require future funding. Both the Society’s website and the publishing digitisation project will require further investment and therefore funds have been set aside in order to continue with these innovations.

Bicentenary Meeting Fund

The Society hosted a three-day meeting in September 2007, in order to celebrate its bicentenary. As at 31 December 2007 this fund is no longer required and is therefore reversed during the year.

Educational Outreach Fund

The Geological Society of London has set aside funds with respect to educational outreach activities, which commenced in the bicentenary year and which will continue in subsequent years.

Alan and Charlotte Welch Fund

The creation of the fund is to recognise the legacy of Mr Alan and Mrs Charlotte Welch. The purpose of this legacy is to fund geological research.

Restricted funds

Where income is received for purposes specified by the donor or the terms of appeal under which it was raised, that income is shown as restricted in the statement of financial activities. This includes income arising from endowment funds which is restricted in use. Expenditure for the specified purposes is shown as restricted fund expenditure. Any unexpended balance at the balance sheet date is carried forward as a restricted income fund.

The restricted funds are for the following purposes

- i) Bicentenary
For activities relating to the Society's Bicentenary.
- ii) Coke
For general purposes other than the purchase of property
- iii) Fermor
To further research into the origins of Precambrian rocks, ores and mineral deposits
- iv) Pool C
To finance memoirs, publications and other general purposes.
- v) Trust Funds
For medals and awards
- vi) Distinguished Geologists' Memorial Fund
To support professional training
- vii) Mike Coward Memorial fund
To support fieldwork in structural and tectonic geology

Endowments

Where funds are given to be held by the Society as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of capital to income under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income. The value of the capital held in endowment funds is maintained by allocation of investment gains to the fund. Gains are allocated to increase the fund by the increase in the Retail Price Index for the year under review. The endowment fund is held as follows:

Fermor

To further research into the origins of Precambrian rocks, ores and mineral deposits

Tangible Fixed assets

Tangible fixed assets are capitalised at cost and depreciated at the following rates calculated to write off the cost of each asset evenly over its expected useful life.

Leasehold properties	2% per annum
Leasehold improvements	10% per annum
Office equipment, fixtures & fittings	15% per annum
Warehouse equipment	20% per annum
Computer equipment	25-33 $\frac{1}{3}$ per annum

Library books, archives and journals have been capitalised at their market value as at 31 December 2000. All subsequent additions are stated at cost. The library is reviewed for impairment on an annual basis. As at 31 December 2007 there is no material change in the valuation of the library contents.

Investments

Fixed asset investments are stated at market valuation, where market value represents the mid market value at the cost on the last trading day before the year end. Investments

purchased as part of treasury management, which are intended to be held for less than one year are shown as current assets; investments held to generate longer term income and capital growth are shown within fixed assets. Any unrealised or realised gains arising from investments are taken to the fund for which the investments are held.

Publications stock

The value of unsold publications is included in the balance sheet at the lower of cost and net realisable value less provision, which is charged against stock that is greater than one year old, to ensure that the stocks are fully written off within a thirty seven month period.

Pension costs

The Society makes contributions to a group personal pension scheme. The pension cost charge represents contributions payable by the Society to the scheme. Any difference between amounts charged in the Statement of Financial Activities and paid to the pension scheme is shown in the balance sheet as a liability or asset.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

Irrecoverable Value Added Tax

Value added tax on purchases and expenses disallowed under the regulations dealing with partially exempt schemes has been charged against management and administration costs during the year.

Intangible income

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

Deferred income

Income received in the year which relates to activities and benefits that occur in the following year is excluded from the Statement of Financial Activities and is included as deferred income in the Balance Sheet. All income of this nature will be released to the Statement of Financial Activities in the financial year that the activities and benefits occur.

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

2 Donations, legacies, gifts and similar incoming resources

	2007 £	2006 £
Donations and gifts	2,232	2,299
Bicentenary donations	101,292	169,128
Legacy income	190,000	-
	<u>293,524</u>	<u>171,427</u>

3 Incoming resources from charitable activities

	Publishing £	Conferences £	Fellowship £	Bicentenary £	2007 £	2006 £
Publishing	1,669,655	-	-	-	1,669,655	1,547,627
Conferences and meetings	-	62,850	-	-	62,850	299,404
Fellowship income	-	-	1,073,425	-	1,073,425	940,736
Corporate Affiliation	-	124,087	-	-	124,087	122,800
Library	-	-	31,208	-	31,208	29,559
Constituted and Regional Groups	-	275,384	-	-	275,384	340,937
Accreditation	-	-	7,600	-	7,600	5,850
Bicentenary income	-	-	-	1,682,357	1,682,357	-
Continuing Professional Development	-	1,550	-	-	1,550	3,960
Other	-	-	1,246	-	1,246	4,199
	<u>1,669,655</u>	<u>463,871</u>	<u>1,113,479</u>	<u>1,682,357</u>	<u>4,929,362</u>	<u>3,295,072</u>

4 Investment income

	2007 £	2006 £
Listed investments: UK and overseas	157,986	151,029
Interest received: UK	116,684	74,302
	<u>274,670</u>	<u>225,331</u>

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

5 Resources Expended

	Publishing	Conferences	Fellowship	Bicentenary	2007	2006
	£	£	£	£	£	£
<i>Charitable activity costs</i>						
Direct publishing costs	660,642	-	113,758	224,729	999,129	721,190
Scientific meetings	-	50,552	-	-	50,552	225,039
Education & committees	-	-	38,196	12,593	50,789	29,790
Library	-	-	36,025	-	36,025	32,786
Annual report	-	-	3,534	-	3,534	6,101
Constituted and Regional Groups	-	159,745	19,060	-	178,805	237,016
- Staff recharge	-	32,000	-	-	32,000	32,000
Grants, donations, awards and scholarships	-	-	37,681	-	37,681	27,187
Bicentenary costs	-	-	-	547,409	547,409	37,459
Staff costs						
- Library	-	-	180,818	-	180,818	163,146
- Scientific meetings	-	88,391	-	-	88,391	84,824
- Bicentenary	-	-	-	33,297	33,297	9,076
- Lyell Centre project	-	-	-	211,402	211,402	-
	<u>660,642</u>	<u>330,688</u>	<u>429,072</u>	<u>1,029,430</u>	<u>2,449,832</u>	<u>1,605,614</u>
<i>Support costs</i>						
Staff costs – publishing	422,734	-	-	-	422,734	391,093
Publishing	159,849	-	-	18,167	178,016	149,069
Staff costs - Burlington House	-	86,776	421,056	-	507,832	491,501
Burlington House establishment costs	-	69,503	131,788	4,485	205,776	156,351
Burlington House establishment costs - refurbishment	-	6,987	14,848	-	21,835	196,063
Operating and computer	-	82,683	149,796	4,855	237,334	216,584
	<u>582,583</u>	<u>245,949</u>	<u>717,488</u>	<u>27,507</u>	<u>1,573,527</u>	<u>1,600,661</u>
<i>Management and administration</i>						
Establishment	-	27,766	59,002	20,986	107,754	45,056
Operating and computer	11,323	63,766	83,217	74,214	232,520	142,894
Legal and professional	-	219	1,973	34,490	36,682	8,320
	<u>11,323</u>	<u>91,751</u>	<u>144,192</u>	<u>129,690</u>	<u>376,956</u>	<u>196,270</u>
	<u><u>1,254,548</u></u>	<u><u>668,388</u></u>	<u><u>1,290,752</u></u>	<u><u>1,186,627</u></u>	<u><u>4,400,315</u></u>	<u><u>3,402,545</u></u>

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

6 Governance Costs	2007	2006
	£	£
Audit and accountancy	15,552	15,900
Trustees' expenses	9,994	11,519
	<hr/>	<hr/>
	25,546	27,419
	<hr/> <hr/>	<hr/> <hr/>
Included within expenditure are the following		
Auditors' remuneration – audit (included within governance costs)	15,552	15,900
Auditors' remuneration – audit (included within publishing costs)	8,000	5,100
Trustees' indemnity insurance (as permitted by bye-law 13.2)	1,575	1,575
	<hr/> <hr/>	<hr/> <hr/>

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

7 Staff costs

	2007 £	2006 £
Wages and salaries	1,209,027	965,546
Temporary and agency staff	28,603	12,982
Social security costs	125,060	98,977
Pension contributions	79,262	64,734
Insurance contributions	17,459	13,805
Recruitment costs	17,063	15,596
	<u>1,476,474</u>	<u>1,171,640</u>
<i>Staff costs by committee:</i>		
Management and Finance	507,832	491,501
Library	180,818	163,146
Conferences	120,391	116,824
Publications	422,734	391,093
Bicentenary	33,297	9,076
Lyell Centre	211,402	-
	<u>1,476,474</u>	<u>1,171,640</u>

During the year employees earning in excess of £40,000 per annum, including taxable benefits, fell into the following ranges:

	Number	Number
£80,000 - £89,000	1	1
£70,000 - £79,999	-	-
£60,000 - £69,999	-	-
£50,000 - £59,999	2	1
£40,000 - £49,999	1	2
	<u>1</u>	<u>2</u>

The average number of employees was as follows:

Burlington House	19	19
Publishing House	12	11
Library	5	4
Temporary project staff	4	4
	<u>40</u>	<u>38</u>

No member of Council received remuneration during the current and previous year. Expenses reimbursed for out of pocket expenditure totalled £8,419 (2006: £11,519) paid to 23 Council members.

The pension cost charged represents employer's contributions paid over to the Society's group personal scheme during the year. There was £8,510 outstanding to the scheme at 31 December 2007 (2006: £NIL).

Contributions are made to the scheme by employees at a minimum rate of 5% and by the Society at 10%.

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

8 Tangible fixed assets – Group and Charity

	Library books, journals & maps £	Leasehold properties & improvements £	Equipment, fixtures & fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2007	13,804,573	925,171	446,220	1,028,855	16,204,819
Additions	94,769	231,256	99,504	280,616	706,145
At 31 December 2007	13,899,342	1,156,427	545,724	1,309,471	16,910,964
Depreciation					
At 1 January 2007	-	227,727	308,326	780,959	1,317,012
Charge for year	-	74,223	36,828	126,385	237,436
At 31 December 2007	-	301,950	345,154	907,344	1,554,448
Net book value					
At 31 December 2007	13,899,342	854,477	200,570	402,127	15,356,516
At 31 December 2006	13,804,573	697,444	137,894	247,896	14,887,807

The contents of the library were re-valued at 31 December 2006 by an antiquarian bookseller who is also a Fellow of the Society.

9 Fixed asset investments – Group and Charity

	2007		2006	
	Cost £	Market value £	Cost £	Market value £
UK Equities	1,645,472	1,793,937	1,538,840	2,147,070
UK Fixed interest	1,285,351	1,256,380	1,510,127	1,336,930
Overseas equities	917,696	939,885	188,177	237,918
	3,848,519	3,990,202	3,237,144	3,721,918
			2007	2006
			£	£
Market value at 1 January 2007			3,721,918	3,465,113
Net additions in the year			289,093	49,165
Net (loss)/gains on revaluation at 31 December 2007			(20,809)	207,640
Market value at 31 December 2007			3,990,202	3,721,918

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

9 Fixed asset investments – Group and Charity (continued)

Individual assets, and their market values at 31 December 2007, representing over 5% of the investment portfolio are as follows:

Treasury 8% Stock 2013	£212,667
Overlook Performance Fund Unit Trust	£427,385
Opus Fund Unit Trust	£295,755

10 Debtors

Amounts falling due within one year	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Trade debtors	377,116	758,388	368,689	735,397
Sundry debtors	128,517	110,804	185,216	130,914
Prepayments	134,056	163,433	134,056	163,433
	<u>639,689</u>	<u>1,032,625</u>	<u>687,961</u>	<u>1,029,744</u>

11 Creditors: amounts falling due within one year

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Trade creditors	222,168	278,305	221,312	275,911
Sundry creditors and accruals	207,069	311,000	207,069	309,500
Taxation and social security costs	34,028	32,138	34,028	29,336
	<u>463,265</u>	<u>621,443</u>	<u>462,409</u>	<u>614,747</u>

12 Deferred income

	Group		Charity	
	2007 £	2006 £	2007 £	2006 £
Fellowship fees	715,951	662,623	715,951	662,623
Journal subscriptions	324,066	336,926	324,066	336,926
Income contributions on unpublished books	11,867	29,098	11,867	29,098
Meetings and events	106,537	59,540	106,537	59,540
Bicentenary activities	-	1,124,555	-	1,124,555
Continuing Professional Development	-	875	-	875
	<u>1,158,421</u>	<u>2,213,617</u>	<u>1,158,421</u>	<u>2,213,617</u>

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

13 Unrestricted funds

	At 1 Jan 2007 £	Incoming resources £	Outgoing resources £	Gains/ (losses) and transfers £	At 31 Dec 2007 £
General purposes	1,669,591	5,259,494	(4,310,854)	(920,867)	1,697,364
<i>Designated funds</i>					
Revaluation Reserve - library	13,208,312	-	-	-	13,208,312
Constituted and regional groups	192,121	275,384	(210,805)	(55,200)	201,500
Burlington House Redecoration Fund	289,456	-	-	129,092	418,548
Bicentenary Project Fund	-	-	-	559,364	559,364
Lyell Centre Fund	150,000	-	-	100,000	250,000
Bicentenary Meeting Fund	200,000	-	-	(200,000)	-
Educational Outreach Fund	25,000	-	-	150,000	175,000
Alan and Charlotte Welch Fund	-	-	-	190,000	190,000
	<u>15,734,480</u>	<u>5,534,878</u>	<u>(4,521,659)</u>	<u>(47,611)</u>	<u>16,700,088</u>

14 Restricted income funds

	At 1 Jan 2007 £	Incoming resources £	Outgoing resources £	Gains/ (losses) and transfers £	At 31 Dec 2007 £
Bicentenary Fund	156,718	101,292	-	-	258,010
Fermor Fund	673,527	27,748	(16,674)	(16,488)	668,113
Coke Fund	1,023,831	43,019	(10,296)	(10,182)	1,046,372
Pool C	181,818	7,639	(1,828)	(1,808)	185,821
Trust funds	399,155	16,772	(36,461)	(3,969)	375,497
Distinguished Geologists' Memorial Fund	57,375	2,411	(577)	(571)	58,638
Mike Coward Memorial Fund	39,543	1,662	(398)	(393)	40,414
	<u>2,531,967</u>	<u>200,543</u>	<u>(66,234)</u>	<u>(33,411)</u>	<u>2,632,865</u>

The purposes for which the restricted funds are held are set out in the accounting policies on page 14.

15 Endowment funds

	At 1 Jan 2007 £	Incoming resources £	Outgoing resources £	Gains/ (losses) and transfers £	At 31 Dec 2007 £
Fermor Fund	984,522	-	-	41,921	1,026,443

The purposes for which endowment funds are held are set out in the accounting policies on page 14.

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)

16 Analysis of net assets over funds	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Total funds £
Unrestricted funds	15,314,519	851,294	534,275	16,700,088
Restricted income funds	41,997	2,332,859	258,009	2,632,865
Endowment funds	-	1,026,443	-	1,026,443
	<u>15,356,516</u>	<u>4,210,596</u>	<u>792,284</u>	<u>20,359,396</u>

17 Reconciliation of surplus of income to net cash inflows from operating activities	2007 £	2006 £
Net movements in funds in the year	1,147,528	326,349
Less – investment income	(274,670)	(225,331)
Add – depreciation in the year	237,436	101,156
(Increase)/decrease in stock	(15,731)	9,692
Decrease/(increase) in trade debtors	381,272	(623,854)
Decrease/(increase) in other debtors	11,664	(32,919)
(Decrease)/increase in trade creditors	(56,137)	85,359
(Decrease)/increase in other creditors	(102,040)	177,826
(Decrease)/increase in deferred income	(1,055,196)	1,193,001
	<u>274,126</u>	<u>1,011,279</u>

18 Analysis of net cash resources	At 1 Jan 2007 £	Movement £	At 31 Dec 2007 £
<i>Cash at bank</i>			
Cash at bank and in hand	1,130,931	(219,167)	911,764
Held by specialist and regional groups	117,223	(4,353)	112,870
	<u>1,248,154</u>	<u>(223,520)</u>	<u>1,024,634</u>
<i>Cash held as liquid resources</i>			
Monies held on short-term deposit	796,000	(251,525)	544,475
	<u>2,044,154</u>	<u>(475,045)</u>	<u>1,569,109</u>

Notes forming part of the financial statements for the year ended 31 December 2007 (Continued)
19 Geological Trading Limited

Geological Trading Limited, registered in England, company number 3522033, is a wholly owned trading subsidiary of the Geological Society of London, offering room hire and catering services. The company's results for the year ended 31 December 2007 are shown below:

	2007 £	2006 £
Profit and Loss Account		
Turnover	198,450	50,390
Cost of sales	(177,931)	(23,694)
Selling and distribution costs	(4,195)	-
Administrative expenses	(1,282)	(2,000)
	-----	-----
Operating profit	15,042	24,696
Amount transferred to the Geological Society of London under gift aid	(15,042)	(24,696)
	-----	-----
	-	-
	=====	=====

	2007 £	2006 £
Balance Sheet		
Debtors	8,427	22,991
Cash at bank	49,130	2,817
Creditors	(57,555)	(25,806)
	-----	-----
	2	2
	=====	=====
Share Capital – 2 ordinary shares of £1 each, allotted and called up	2	2
	-----	-----

20 Capital Commitments

As at 31 December 2007 the Society was committed to making the following payments under contractual obligations within the next twelve months.

	2007 £	2006 £
Other – (website build)	40,310	-
	-----	-----

The pages which follow do not form part of the audited financial statements.

Supplementary information to the financial statements for the year ended 31 December 2007

Summarised Accounts

	2006 Out-turn	2007 Out-turn	2008 Core Budget	2009 Core Forecast	2010 Core Forecast
	£ (000's)	£ (000's)	£ (000's)	£ (000's)	£ (000's)
Income					
Book Sales	633	761	711	732	754
Other Publications	914	909	918	986	1,090
Fellowship fees	941	1,073	1,148	1,205	1,265
Corporate Affiliation, legacies and donations	294	418	147	133	133
Dividends and Interest	225	275	248	257	269
Conferences, events and other income	314	73	108	154	120
Bicentenary Income	-	1,682	-	-	-
Specialist and regional groups	341	275	344	361	379
Room hire and catering	175	238	204	216	229
Library	29	31	18	19	20
	3,866	5,735	3,846	4,063	4,259
Expenditure					
Direct Publication costs	722	774	756	787	819
Staff Costs - Publishing House	391	423	501	526	552
Staff Costs - Burlington House	749	777	895	940	1,000
Staff Costs - Bicentenary	-	245	-	-	-
Library	33	36	43	47	50
Conferences and events	364	173	175	185	195
Bicentenary costs	-	847	-	-	-
Education, committee costs & Annual Report	48	52	55	58	61
Grants, donations and awards	28	38	36	48	40
Establishment costs	352	223	202	180	218
Overheads	483	552	682	710	693
Depreciation	101	142	101	108	114
Depreciation - Bicentenary activities	-	95	183	183	183
Specialist and regional groups	269	211	241	253	266
	3,540	4,588	3,870	4,025	4,191
Net Surplus/(Deficit)	326	1,147	(24)	38	68
Realised & unrealised gains/(losses) on investments ¹	255	(39)	-	-	-
Net Surplus/(Deficit) after investment gains	581	1,108	(24)	38	68
Less/Add: Applied to Redecoration Fund	210	(129)	(129)	(129)	(129)
Less: Lyell Centre Fund	(150)	(100)	-	-	-
Less: Bicentenary Projects Fund	-	(559)	-	-	-
Less: Bicentenary Meeting Fund	(200)	200	-	-	-
Less: Educational Outreach Fund	(25)	(150)	-	-	-
Less: Alan & Charlotte Welch Fund	-	(190)	-	-	-
Less: Transfer of constituted and regional group funds	-	(9)	-	-	-
Net Surplus/(Deficit) after designations	416	171	(153)	(91)	(61)

¹ (losses)/gains relating solely to investments which unrealised amount to £21,000 loss (2006: £207,000 gain)

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)
Publishing House income and expenditure

Income	2007	2006
	£	£
Book sales	760,815	633,307
Journal sales	623,302	596,993
Other	254,713	294,830
	<u>1,638,830</u>	<u>1,525,130</u>
Expenditure		
Cost of book sales	186,094	174,990
Journal costs	292,948	270,512
Other	76,073	72,919
	<u>555,115</u>	<u>518,421</u>
Gross surplus	1,083,715	1,006,709
Staff costs	422,734	391,093
Building costs	24,040	24,901
Operating costs	127,809	116,493
Marketing and distribution	105,527	88,187
Audit and legal costs	8,000	7,675
	<u>688,110</u>	<u>628,349</u>
Support surplus	395,605	378,360
Management and administration		
Operating and Computer costs	11,323	3,371
Net surplus before Fellowship re-charge	384,282	374,989
Publishing House charge for supplying Fellows with journals	97,923	97,119
Net surplus after Fellowship re-charge	482,205	472,108

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)

Conference office income and expenditure

Income	2007 £	2006 £
Corporate affiliation	124,087	122,800
Conference and meetings	62,850	299,404
Petroleum Group meetings and conferences	242,136	308,944
Continuing Professional Development	1,550	3,960
Hire of rooms	94,857	54,232
Catering income	143,008	120,095
	668,488	909,435
 Direct expenditure		
Catering costs	122,493	101,494
Scientific meeting costs	50,552	225,039
Staff costs	88,391	84,824
Petroleum Group meetings and conferences costs	147,503	170,634
Petroleum Group staff re-charge	32,000	32,000
	440,939	613,991
Gross surplus	227,549	295,444
 Support costs		
Staff costs - Burlington House	86,776	83,369
Establishment costs	69,503	55,864
Establishment costs - refurbishment	6,987	62,740
Operating and computer	82,683	72,436
	245,949	274,409
 Management, administration and governance costs		
Establishment	27,766	14,418
Operating and computer	63,766	59,062
Legal and professional	219	832
Audit and accountancy	7,552	8,400
	99,303	82,712
Net deficit	(117,703)	(61,677)

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)
Specialist Group Income and Expenditure (excluding Petroleum Group)

	2007	2006
	£	£
Meeting and Conference Income	9,593	25,379
Meeting and Conference Expenditure	12,242	51,657
Net deficit	<u>(2,649)</u>	<u>(26,278)</u>
 Bicentenary activities		
	2007	2006
	£	£
Donations Received	101,292	169,128
Sponsorship Income	1,682,357	-
	<u>1,783,649</u>	<u>169,128</u>
 Direct expenditure		
Direct publishing costs	224,729	-
Education and committee costs	12,593	-
Bicentenary meeting and other event costs	547,409	37,459
Staff costs - Bicentenary	33,297	9,076
Staff costs - Lyell Centre Project	211,402	-
	<u>1,029,430</u>	<u>46,535</u>
Gross Surplus	754,219	122,593
 Support costs		
Publishing	18,167	-
Establishment costs	4,485	-
Operating and computer	4,855	-
	<u>27,507</u>	<u>-</u>
 Management and administration		
Establishment	20,986	-
Operating and computer	74,214	-
Legal and professional	34,490	-
	<u>129,690</u>	<u>-</u>
Net Surplus	<u>597,022</u>	<u>122,593</u>

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)

Fellowship Income and expenditure	2007	2006
	£	£
Income		
Fellowship Income	1,073,425	940,736
Donations	2,232	2,299
Contribution of costs from the Library	31,208	29,559
Accreditation	7,600	5,850
Geoscientist (included within publishing income)	30,825	22,497
Other income	1,246	4,199
Income arising from Regional Groups	23,655	6,614
	<u>1,170,191</u>	<u>1,011,754</u>
Costs of activities in furtherance of the charity's objects		
Geoscientist (included within direct publishing costs)	113,758	114,582
Education and committees	38,196	41,309
Library	36,025	32,786
Annual report	3,534	6,101
Grants, donations and awards (excluding Fermor)	5,234	10,492
Staff costs - library	180,818	163,146
Expenditure arising from Regional Groups	19,060	14,725
	<u>396,625</u>	<u>383,141</u>
Support costs		
Staff costs - Burlington House	421,056	408,132
Establishment costs	131,788	100,487
Establishment costs - refurbishment	14,848	133,323
Operating and computer	149,796	144,148
	<u>717,488</u>	<u>786,090</u>
Management, administration and governance costs		
Establishment	59,002	30,638
Operating and computer	83,217	80,461
Legal and professional	1,973	7,488
Audit and accountancy	8,000	7,500
Trustees expenses	9,994	-
	<u>162,186</u>	<u>126,087</u>
Deficit before Publishing House re-charge	<u>(106,108)</u>	<u>(283,564)</u>
Publishing House costs relating to providing Fellow Journal copies	(97,923)	(97,119)
Deficit for the year	<u>(204,031)</u>	<u>(380,683)</u>

The figures above do not include the annual cost of purchasing books and periodicals of the Library. These costs amount to £94,769 (2006 - £97,882).

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)

Bye-laws instruct the Society to publish financial information relating to thematic meetings and to Chartered Geologists.

Thematic meetings held during 2007 (Bye-law 9.23)
Meetings – marginal costs ¹

	Income	Expenditure	Surplus/ (deficit)
	£	£	£
William Smith	25	753	(728)
Lyell	1,120	3,217	(2,097)
Fermor	5,800	-	5,800
	<u> </u>	<u> </u>	<u> </u>

¹ No allowance has been made for internal staff costs

Chartered Geologists
Income

	2007
	£
Validation fee @ £50 (Bye-law 3.1)	3,000
Annual registration fee @ £25 (Bye-law 3.2)	52,200
	<u> </u>
	55,200

Costs

24,300

Surplus

30,900

Supplementary information to the financial statements for the year ended 31 December 2007 (Continued)
Analysis of Fund Balances

Unrestricted funds	At 01 January 2007 £	Incoming resources £	Outgoing resources £	Gains/ (losses) & transfers £	At 31 December 2007 £
General purposes	(523,645)	5,149,832	4,305,100	(862,576)	(541,489)
Dennis Curry Fund	1,740,503	87,025	5,754	(58,291)	1,763,483
Albert Curry Fund	452,733	22,637	-	-	475,370
<i>Designated funds</i>					
Revaluation reserve - library	13,208,312	-	-	-	13,208,312
Specialist & regional groups	192,121	275,384	210,805	(55,200)	201,500
Burlington House Redecoration Fund	289,456	-	-	129,092	418,548
Bicentenary Project Fund	-	-	-	559,364	559,364
Bicentenary Fund	150,000	-	-	100,000	250,000
Lyell Centre Fund	200,000	-	-	(200,000)	-
Educational Outreach Fund	25,000	-	-	150,000	175,000
Alan and Charlotte Welch Fund	-	-	-	190,000	190,000
	15,734,480	5,534,878	4,521,659	(47,611)	16,700,088
Restricted income funds					
Bicentenary Fund	156,718	101,292	-	-	258,010
Fermor	673,527	27,748	16,674	(16,488)	668,113
Coke	1,023,831	43,019	10,296	(10,182)	1,046,372
Pool C	181,818	7,639	1,828	(1,808)	185,821
Trust funds (see below)	399,155	16,772	36,461	(3,969)	375,497
Distinguished Geologists' Memorial Fund	57,375	2,411	577	(571)	58,638
Mike Coward Memorial Fund	39,543	1,662	398	(393)	40,414
	2,531,967	200,543	66,234	(33,411)	2,632,865
Endowment funds					
Fermor	984,522	-	-	41,921	1,026,443
Total Fund Balances	19,250,969	5,735,421	4,587,893	(39,101)	20,359,396
Analysis of Trust Funds					
Barlow Jameson	3,338	140	305	(33)	3,140
Bigsby	13,529	568	1,236	(135)	12,726
Blandford	2,042	86	187	(20)	1,921
E Eastwood	3,484	146	318	(35)	3,277
W G Fearnside	31,733	1,334	2,899	(316)	29,852
E J Garwood	18,355	771	1,677	(183)	17,266
Gloyne Outdoor Geological Research	18,280	768	1,670	(182)	17,196
Annie Greenly	16,433	690	1,501	(163)	15,459
Bernard Hobson	7,860	330	718	(78)	7,394
Lyell Geological	26,689	1,122	2,438	(265)	25,108
E Matthews	47,218	1,985	4,312	(468)	44,423
Murchison Geological	23,723	997	2,167	(236)	22,317
Daniel Pidgeon	17,371	730	1,587	(173)	16,341
Prestwich	15,170	637	1,386	(151)	14,270
Thomas Jefferson	21,585	907	1,972	(215)	20,305
Sue Tyler Friedman	8,697	365	794	(86)	8,182
J B Tyrrell	33,610	1,413	3,070	(334)	31,619
Wollaston Donation	22,947	964	2,096	(228)	21,587
R G H Worth	43,027	1,808	3,930	(428)	40,477
The Gill Harwood Fund	9,634	405	880	(96)	9,063
British Sedimentary Research Group	14,430	606	1,318	(144)	13,574
	399,155	16,772	36,461	(3,969)	375,497

Bicentennial sponsors:



The Geological Society, Burlington House, Piccadilly, London W1J 0BG
Tel: +44 (0)20 7434 9944 (Office) Fax: +44 (0)20 7439 8975 Email: enquiries@geolsoc.org.uk
Tel: +44 (0)20 7734 5673 (Library) Fax: +44 (0)20 7439 3470 Email: library@geolsoc.org.uk
Society Web Site: www.geolsoc.org.uk

