

BRITISH ACADEMY

ANNUAL  
REPORT  
2009/10



BRITISH  
ACADEMY



THE UK'S NATIONAL  
ACADEMY FOR THE HUMANITIES  
AND SOCIAL SCIENCES

BRITISH ACADEMY

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ANNUAL  
REPORT  
2009/10



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# STATUTORY INFORMATION

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Registered Office:

The British Academy  
10-11 Carlton House Terrace  
London SW1Y 5AH

Registered Charity Number:

233176

Registered Auditors:

PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London EC1M 3AP

Bank:

The Royal Bank of Scotland plc  
Western Branch  
60 Conduit Street  
London W1R 9FD

Solicitors:

Macfarlanes  
10 Norwich Street  
London EC4A 1BD

Property Advisors:

Churston Heard  
7 Hanover Square  
London W1S 1HQ

Investment Fund Manager:

Barclays Global Investors Limited  
Murray House  
1 Royal Mint Court  
London EC3N 4HH

# OBJECTIVES AND ACTIVITIES

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The British Academy was founded in 1899 and received its Royal Charter in 1902. For more than 100 years it has been Britain's national academy for scholarship and research in the humanities and social sciences.

In 2008 the Academy agreed a five year Strategic Framework for the period 2008 to 2013. The Academy's fundamental purpose was re-stated as being 'to inspire, recognise and support excellence and high achievement in the humanities and social sciences, throughout the UK and internationally, and to champion their role and value'.

## ROLES

In fulfilling this fundamental purpose, the Academy combines several roles:

- as a *Fellowship* composed of distinguished scholars elected by their peers, it takes a lead in representing the humanities and social sciences, facilitating international collaboration, providing an independent and authoritative source of advice, and contributing to public policy and debate.
- as a *learned society*, it seeks to foster and promote the full range of work that makes up the humanities and social sciences, including inter- and multi-disciplinary work.
- as a *funder*, it supports excellent ideas, individuals and intellectual resources in the humanities and social sciences, it enables UK researchers to work with scholars and resources in other countries, sustains a British research presence in various parts of the world and helps attract overseas scholars to the UK.
- as a *national forum* for the humanities and social sciences, it supports a range of activities and publications (print and electronic), which aim to stimulate curiosity, to inspire and develop future generations of scholars, and to encourage appreciation of the social, economic and cultural value of these disciplines.

## STRATEGIC PRIORITIES

The Academy has identified its strategic priorities for the medium term (2008-13) under the following four main headings:

- *Ideas, Individuals and Intellectual Resources*: Advance the humanities and social sciences by providing distinct career and research opportunities for outstanding scholars at all levels – including those at an early career stage. Support long-term scholarly infrastructural projects, which create the resources on which future research can be built.
- *International Engagement*: Promote UK humanities and social sciences internationally and build international collaboration; create opportunities for UK researchers overseas, and help attract outstanding international talent to the UK; support a British research presence overseas and facilitate dialogue and understanding across cultural and national boundaries.
- *Communications and Advocacy*: Increase the scope and impact of communications and policy work; create and support events and publications that communicate new research and perspectives; encourage public debate and demonstrate the value of humanities and social science scholarship to a wide range of audiences.
- *Fellowship*: Strengthen opportunities and structures by which Fellows can contribute their expertise to the intellectual life of the Academy and the country.

In 2010 the Academy produced a booklet, *Past, Present and Future*, setting out the public value of the humanities and social sciences and how they contribute to the UK's cultural, social and economic success. For further information about this booklet, the Strategic Framework or any other aspect of the Academy's work, please visit our website: [www.britac.ac.uk](http://www.britac.ac.uk)

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*President  
Sir Adam Roberts  
introducing the  
Academy's Literature  
Week event on  
T S Eliot  
(October 2009)*



# FOREWORD

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This has been a challenging year for the subject-areas that the British Academy exists to champion – the humanities and social sciences. At a time of increasing financial constraints, all areas of higher education, science and research are inevitably more scrutinised than ever. The achievements of non-science disciplines are all too easily overlooked in this debate – despite the fact that in the increasingly interdisciplinary world of modern research there is a notable mutual dependency between the natural sciences on the one hand, and the humanities and social sciences on the other. It is important that we move beyond the sterile and outdated notion of a society of “two cultures”, and achieve wider recognition of the enormous reservoir of public value residing in the humanities and social sciences. This can only be achieved through strong and effective partnerships between universities, research councils, learned societies and other bodies. There has never been a more important time for the Academy to demonstrate leadership in the vital enterprise of championing our disciplines.

Much of our work in 2009/10 has been geared to ensuring that the achievements and needs of the humanities and social sciences are recognized in government and by the public. This report refers to many Academy activities that had this aim. I will single out just one here. In 2009 the Higher Education Funding Council for England proposed a new system for assessing the contributions of UK higher education institutions to academic research – the Research Excellence Framework. We knew that this would be a difficult issue for the Academy. Council accepted the challenge that all subjects could reasonably be asked to demonstrate their public value, but at the same time we led the way in urging that assessment of the impact of research is a complex, subtle and largely untried business, which does not work in the same manner for all subjects, cannot be narrowly economic in character, and must never supplant the first requirement of research, which is that it must be rigorous and of the highest quality. This broad approach, which universities supported virtually unanimously, is having a significant influence in the ongoing consideration of this key matter by HEFCE and other bodies. We continue to be seized of the issue.

It is heartening for me to report the Academy’s decisive progress on many related fronts in the past year. With support from the Economic and Social Research Council (and, from April 2010, also from the Arts and Humanities Research Council) the Academy has set up a Policy Centre. The Centre enables the Academy to address two key challenges:

- championing the interests of the humanities and social sciences in all areas of higher education, science and research policy; and
- spearheading significant contributions by Fellows and other leading academic experts that shed light on some of the major social, economic and cultural challenges in our society.

The first two outputs from the Centre at the beginning of 2010, research reports on *Social Science and Family Policies* and *Choosing an Electoral System*, (available at [www.britac.ac.uk/policy](http://www.britac.ac.uk/policy)) were impressive responses to these challenges, and could scarcely have been more topical on the eve of the General Election.

Other important developments during the year include completing the transfer of all grant applications onto the new eGAP electronic platform, which raised a number of issues, especially for referees and assessors, which are in process of being addressed; and planning the exciting move into enlarged premises across both 10 and 11 Carlton House Terrace, including the keenly anticipated prospect of a larger and more modern auditorium. The Academy has also taken significant strides forward in strengthening and expanding its public events programme. Highlights have ranged from lectures, discussions and readings on Shakespeare, Donne, T S Eliot and modern theatre, attracting packed houses for the Academy’s first ever Literature Week, to conferences exploring the nature of the modern day Muslim world and ways of leveraging the acknowledged expertise of the UK’s world leading Islamic Studies departments.

The British Academy Forums, launched last year, have proved an invaluable vehicle for bringing together some of the country’s most senior policymakers, civil servants, politicians and journalists with Fellows and other leading

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academics. Issues addressed have ranged from human rights legislation and constitutional reform to green energy and the global financial crisis. And the Academy's own profile has grown significantly in the past year in national papers and the broadcast media, not least through sending two high-profile letters to The Queen, sharing the fruits of Forums on the recession.

*The British Academy Review*, now published three times a year, has been transformed into a vehicle for accessible, high quality articles which relay the fruits of new research, highlight policy interventions and demonstrate the power of scholarship and research in the humanities and social sciences (much of it funded by the Academy), to learn from the past, uncover the unexpected and illuminate the present.

One lesson I have learned in the past year is the vital importance of maintaining the Academy's independent funding capacity, especially the Academy Development Fund. It is crucial to our ability to act independently, and promptly, in relation to buildings, meetings, publications, policy issues and a host of other matters. The Academy has been actively developing its plans for fundraising to support not only our current work on 10 and 11 Carlton House Terrace, but also to sustain the Academy's independent role in the future.

I should like to close by thanking the many hundreds of Fellows who so generously give up their time to work on behalf of the Academy; the Academy's staff, who have worked tirelessly in an especially busy and challenging year; and finally my predecessor as President, Baroness Onora O'Neill, who led the Academy with such distinction from 2005 and 2009. She has made my task both easier and more difficult, by being such an assiduous mentor and by being such a hard act to follow.

A large number of Fellows received honours and prizes during the past year. Knighthoods went to Professor David Hendry, Professor Christopher Ricks, Professor Paul Mellars and Professor Ian Brownlie QC (who sadly died shortly afterwards in a car accident). Major prize winners have included

Professor Margaret McGowan (Wolfson History Prize), Professor Terence Cave (Balzan Prize for Literature), Professor Tony Judt (Special Orwell Prize for Lifetime Achievement), Professor Nicholas Boyle (Friedrich Gundolf Prize), Dr Margaret Bent (Claude Palisca Award), Sir Lawrence Freedman (Lionel Gelber Prize), Professor Christopher Frith (Fyssen International Prize) and Professors Uta Frith and Christopher Frith jointly (European Latsis Prize). Congratulations to them all.

*The Council, as Trustee of the British Academy, hereby submits its annual report for the year ended 31 March 2010. In preparing the report, the Council has complied with the Charities Act 1993, the Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005), applicable accounting standards, and the Academy's Royal Charter.*



**ADAM ROBERTS**  
President

# OFFICERS AND COUNCIL MEMBERS

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AS AT 31 MARCH 2010

<i>President</i>	Professor Sir Adam Roberts KCMG *	
<i>Vice-Presidents</i> (ex-officio)	Professor Roger Kain * Professor Duncan Gallie CBE * Dame Hazel Genn * Professor Chris Wickham * Professor Albert Weale * Professor Nigel Vincent * Professor Michael Fulford *	<i>Treasurer</i> <i>Foreign Secretary</i> <i>Chair of CAC</i> <i>Publications Secretary</i> <i>Vice-President, Public Policy</i> <i>Vice-President, Research &amp; HE Policy</i> <i>Chair of BASIS</i>
<i>Vice-Presidents</i> (Bye-law 14)	Professor Karin Barber * Professor Susan Mendus *	
<i>Ordinary Members</i>	Professor Joseph Bergin Professor Tim Besley Professor Nicholas Boyle Rev Canon Professor David Brown Professor Nicholas Cook Professor Ian Diamond Professor Sir Roy Goode Professor Marian Hobson Professor Geraint Jenkins Professor April McMahon Professor Linda Newson Professor John Sloboda Professor Megan Vaughan	
<i>Group Chairmen</i>	Professor Hugh Williamson Professor Paul Edwards	<i>Chair of the Humanities Group</i> <i>Chair of the Social Sciences Group</i>
<i>Chief Executive and Secretary</i>	Dr Robin Jackson *	

\* Member of the Management Advisory Committee

## **Audit Committee**

<i>Chairman</i>	Professor Sir Roderick Floud
<i>Ordinary Members</i>	Ms Jacqueline Burke Professor Ian Diamond Sir Peter North Mr Ashley Thomas

## **Senior Management**

<i>Chief Executive and Secretary</i>	Dr Robin Jackson
<i>Director of Programmes</i>	Dr Birgit Brandt
<i>Director of Communications &amp; External Relations</i>	Mr Tim Brassell
<i>Director of Finance &amp; Corporate Services</i>	Ms Paola Morris (to April 2010) Mr Robert Hopwood (from June 2010)

Dr Robin Jackson  
(Chief Executive &  
Secretary) announcing  
the creation  
of the new  
British Academy  
Policy Centre  
(September 2009)



Officers and  
Council members  
(left to right)  
John Sloboda,  
Linda Newson,  
Michael Fulford,  
Geraint Jenkins,  
Chris Wickham (back),  
David Brown,  
Paul Edwards,  
Sir Adam Roberts,  
Nicholas Boyle,  
Marian Hobson,  
Roger Kain,  
Sue Mendus,  
Nigel Vincent,  
Albert Weale (back),  
Duncan Gallie,  
Huw Williamson,  
Tim Besley,  
Megan Vaughan  
and Ian Diamond



# INTRODUCTION

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The past year has, as the President says in his Foreword, been one of substantial development and real progress for the Academy on many fronts.

The Academy now receives £25m annually from government to invest in supporting research and researchers across the humanities and social sciences. A wide range of schemes support projects and fellowships across the UK, and international activities and partnerships across the world. In all it does, the Academy seeks to identify and support the very best research and researchers. Research funding is reinforced by the Academy's policy and communications activities, ranging from lectures, panel discussions and conferences to policy reports, academic publishing and our magazine, the *British Academy Review*.

A major development was the introduction of the Academy's online grant processing system, eGAP, starting in August 2009, which now has over 16,000 registered users. All our funding schemes are now managed through this system. Despite some teething problems, now being addressed, the system releases substantial savings in administrative time, photocopying and postage. It also allows scholars to track the progress of their applications online.

The Academy's Postdoctoral Fellowship awards remain our flagship scheme, supporting early career scholars, with 43 new fellowships awarded this year. A further 13 fellowships were awarded to international scholars across the humanities and social sciences through the new Newton International Fellowships scheme, jointly run with the Royal Society and the Royal Academy of Engineering, which is designed to attract the brightest overseas postdoctoral talent to the UK.

In this year we made the first awards under the new Research Professorship scheme generously funded by the Wolfson Foundation; continued the Leverhulme Research Fellowship awards; and awarded the Leverhulme Prize in the Humanities, and the first Wiley prize in Psychology, sponsored by Wiley-Blackwell. Another publisher, Sage, also sponsored a workshop and panel discussion on the value and benefits of social science research.

During 2009/10 the Academy has contributed to several government and other formal reviews, including submissions to the Department for

Business, Innovation and Skills' Review of Postgraduate Provision, the Government's consultation on Guidelines on Scientific Analysis in Policy Making, the House of Lords Science and Technology Committee on Research Funding Priorities and HEFCE's consultations on the proposed new Research Excellence Framework and Review of Foreign Language Provision.

A major opportunity for the Academy arrived in the summer with the departure of the Foreign Press Association, our long-standing tenants in 11 Carlton House Terrace, former home of Prime Minister William Gladstone. Thanks to a generous capital grant from the Department for Business, Innovation and Skills, we have now embarked on a major project to integrate and modernise both buildings, expand considerably the range of meeting and conference rooms and create a new 140-seat auditorium. We are in discussion with other parties who have indicated an interest in supporting the project, and aim to complete this work by the late autumn of 2010.

Following consultation with Fellows, the Academy introduced the category of Emeritus Fellowship for those Fellows over the age of 70 who no longer wished to play an active part in the work of the Academy. We also introduced a new series of Fellows Seminars to coincide with the regular meeting of all disciplinary sections, with speakers including Steve Smith, Vice-Chancellor of the University of Exeter and President of Universities UK, who talked about the importance and value of the humanities and social sciences within British universities; and Corresponding Fellow Ted Marmor, discussing the great debate on American healthcare reform and the role that evidence-based research did and did not play in that debate.



**ROBIN JACKSON**  
Chief Executive and Secretary

# REVIEW OF THE YEAR

# RESEARCH PROGRAMMES

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“The main focus for research funding remains ideas, individuals and intellectual resources. In the past year the Academy continued to invest in more than a thousand individual award-holders, thus enabling innovative and exciting research to be achieved by outstanding scholars. We have worked, and will continue to work, with other national bodies to ensure the most appropriate mechanisms for the evaluation of research in the humanities and social sciences.”

**Professor Nigel Vincent**

Vice-President,  
Research and Higher Education Policy  
Professor of Comparative Philology,  
University of Manchester

## ONLINE GRANT ADMINISTRATION

The Academy launched its new online electronic grant administration processing system, eGAP, in August 2009. All of our funding schemes are now administered through this system. Interest in the research awards offered by the Academy is reflected by the registration of more than 16,000 users of the system – applicants, referees, university approvers, assessors and others – by the end of March 2010. The first rounds of the main research awards competitions offered using this online system attracted more than 2,500 applications.

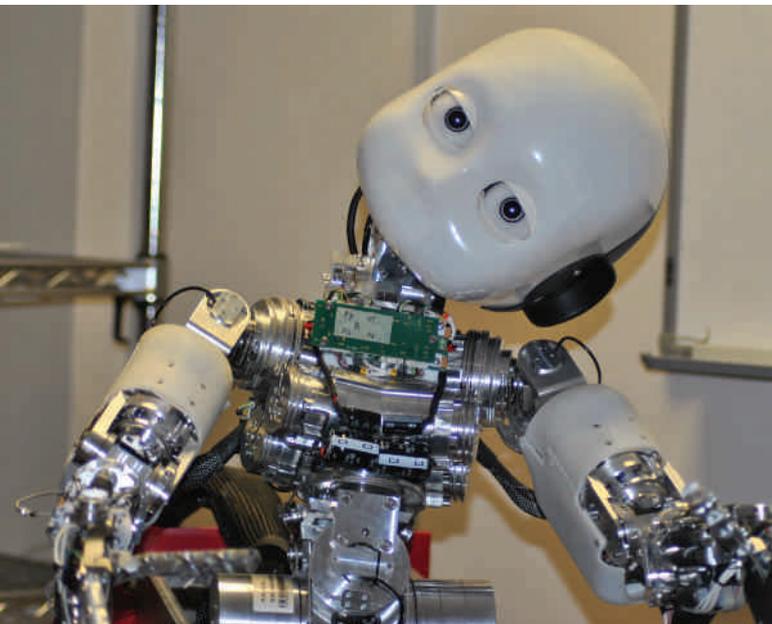
Research grants and fellowships are awarded to individuals based in over 120 different Higher Education Institutions across the UK, and around 1,000 new awards were made in total over the course of the year 2009/10.

## RESEARCH POSTS

### POSTDOCTORAL FELLOWSHIPS

One of the most prestigious and popular schemes the Academy offers is the Postdoctoral Fellowship, offering a three-year career development opportunity to outstanding early career scholars. It attracted over 700 applicants for award in 2009, and 43 new appointments were confirmed. For example, Dr Sonia Exley (Institute of Education, University of London) will be investigating the rise of ‘choice advisers’ in the fabric of English state secondary schooling, who advise parents on the schools they should choose for their children, and exploring how this new policy infrastructure, managed by a network of private sector organisations, indicates a changing role for the state in public service governance. Dr Josephine Kane (University of Westminster) will examine *British Entertainment Architecture and the Problem of Pleasure*, investigating Edwardian entertainment complexes, exhibition sites, cinemas, and theme parks; and Dr Kathleen Richardson (University College London) will produce the first anthropological monograph, *Socially Assistive Robots and Autism Spectrum Disorders*, focusing exclusively on sociable, socially assistive and therapeutic robotics and the reimagining of machines as social artefacts.

Postdoctoral Fellowships (PDFs) have been awarded annually since 1986 and the Academy is committed to keeping in touch with all alumni of the scheme, now numbering more than 700. This year saw a renewed drive to provide them with opportunities for networking and maintaining greater involvement in the life of the Academy. Spearheading this was a thorough update of the online Postdoctoral Fellowship Directory of Interests ([www.britac.ac.uk/funding/pdfdir/](http://www.britac.ac.uk/funding/pdfdir/)), containing current contact details, research interests and more than 3,000 publication listings for PDFs and alumni. It is an invaluable resource, both as a networking tool – allowing anyone who visits it to search for current and past PDFs in their institution and/or area of interest – and as a monument to the scholarship that has been accomplished by these



One of the robots being used by Postdoctoral Fellow Dr Kathleen Richardson as part of her research on 'Socially Assistive Robots and Autism Spectrum Disorders'

award holders. The response by previous PDFs was overwhelmingly positive, with many reporting that receiving the fellowship was instrumental in kick-starting their subsequent academic careers.

For the first time in 2009, special grants were made to Postdoctoral Fellows for training and professional development. Among the many inventive uses to which these grants were put, Dr Kathryn Asbury (King's College London) undertook a course accredited by the British Psychological Society on psychometric testing; Dr Alexander Aisher (University of Sussex) obtained dedicated training in the use of Multi-Criteria Mapping software; and Dr Matilde Nardelli (University College London) used part of the funding to attend practical film workshops at No.w.here Lab on 16mm film-making and optical printing (the experience adding invaluable to the analysis and understanding of cinematic works which lie at the core of her research).

Postdoctoral Fellows have made many media appearances across the world during the past year, including countries such as Turkey and Bosnia and Herzegovina. Dr Morgan Clarke (now Research Fellow at the University of Manchester) was interviewed in September 2009 on Iranian television (reported in *Insight* on Channel 4) about

his research into Islamic medical ethics. Dr Katharine Olson (Bangor University) was a historical consultant and an interviewee on S4C's three-part television series *Y Cleddyf* (The Sword) broadcast in Autumn 2009, while Dr Kathleen Riley (University of Oxford), whose main research focus is on Greek tragedy and modernist culture, was an expert guest on BBC Radio 4's *Great Lives* discussing Fred Astaire.

The results of PDFs' research continue to impress. Dr Ralf Martin (London School of Economics) worked with international colleagues to complete the first firm level evaluation of the UK Climate Change Levy – their findings were that this levy significantly reduced energy consumption and thereby firms' greenhouse gas emissions, and had a positive effect on innovation. On average a firm that has to pay the climate change levy has a 10% higher probability to patent than a firm that does not. This research was detailed in a CEP discussion paper (CEPDP0917) and in a report for the OECD. He was also co-author of a report for the ESRC and the Scottish Government on 'The implications of the economic slowdown for greenhouse gas emissions and targets', published in October 2009.

Dr John Coggon (University of Manchester) works on bioethics and, in particular, on making laws in public health. He is currently helping to draft guidance for the European Heart Rhythm Association (a branch of the European Society of Cardiology) on the deactivation of cardiac devices in end-of-life patients. He is also now an International Associate Editor for the *Journal of Bioethical Inquiry*.

A new initiative, run for the first time in March 2010 as a collaboration between the British Academy and the National School of Government, saw 15 current and recent Postdoctoral Fellows participate in a policy training course. The main aim of this three day event was to provide attendees with the necessary skills to contribute successfully to the development of public policies and strategies, with particular emphasis placed on the importance of engaging in an effective dialogue with policy makers. This successful pilot course was a great

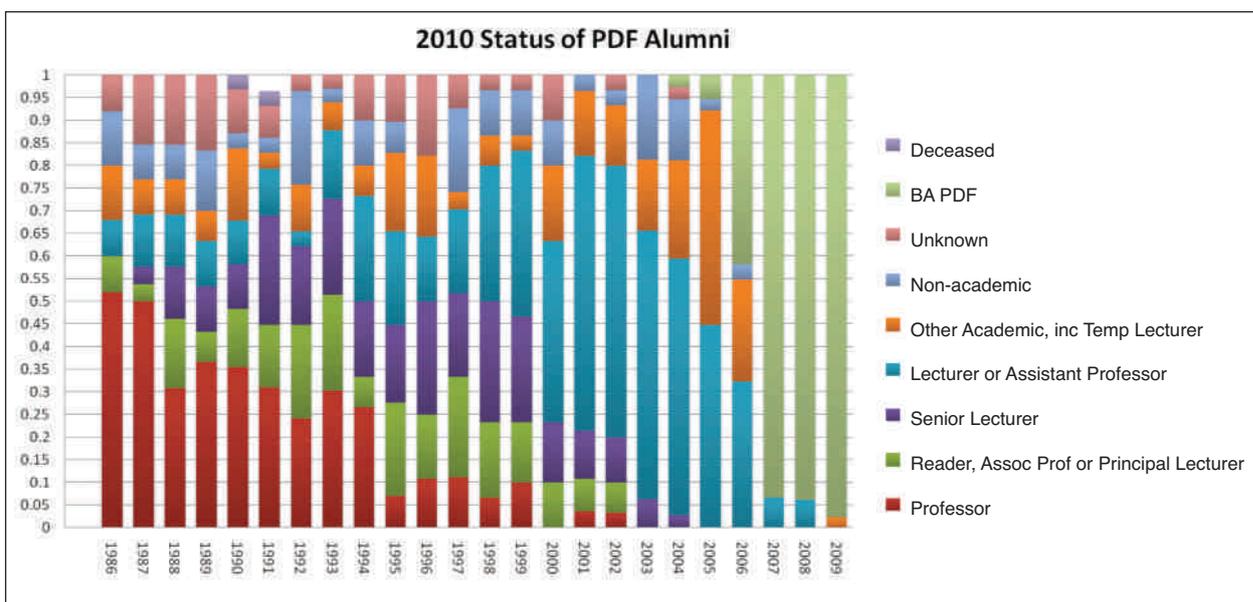
success, with much positive feedback from the attendees, and will now become a regular feature of the PDF programme in future.

### BRITISH ACADEMY RESEARCH DEVELOPMENT AWARDS

35 new British Academy Research Development Awards (BARDA) were made in 2009/10, to enable established scholars to develop a significant research project by providing a flexible package of support for individual time buy-out and research expenses. Among awards completed during 2009/10, Dr Joanne Cook (University of Stirling) conducted research on *Exploring Migration and Intergenerational Relations amongst African Migrants to Britain and France*. This study investigated how different colonial histories and migration regimes shaped the experiences and lives of African migrants, drawing on the multidisciplinary expertise of three national teams (the project website is at <http://lssi.leeds.ac.uk/projects/12>). Dr Jane Garnett (Wadham College, Oxford) explored the experience of migration from a different perspective in her work on *Sources of the Sacred: Migration, Modernity and Religious Identity in Global London* ([www.history.ox.ac.uk/sourcesofthesacred](http://www.history.ox.ac.uk/sourcesofthesacred)). Her research explored the different ways in which

membership of a church community helped people negotiate the experience of migration – through the formation of new communities, access to material, social and/or emotional support, and the practising of familiar devotions and customs. The significance of this research is that it contributes an overarching historical dimension and perspective to current debates about migration and diaspora.

BARDA replaced the Academy’s previous Larger Research Grants scheme in 2008. The last of these awards are now reaching their completion, including that to Professor Gill Hague from the Violence Against Women Research Group (University of Bristol) for research on ‘Bride-Price’ in Uganda. This, the first study to explore connections between the traditional cultural practice of bride-price, and poverty and domestic violence in Uganda, was conducted in response both to the growing interest in the practice and moves for its reform in Uganda and other African countries.



This table shows in percentage terms the current status of all previous British Academy Postdoctoral Fellows

New research  
by Dr Clare Wood  
on children's use of  
'text language'  
attracted widespread  
media coverage



## RESEARCH GRANTS

### SMALL RESEARCH GRANTS

The most popular of the Academy's awards schemes is the Small Research Grants programme, which offers a flexible package of small-scale funding up to £7,500 to individual scholars for work on their own research or in small-scale networks. 600-700 applications were received for each round of competition, and more than 500 new awards confirmed in the year 2009/10. Awards can be held over for up to two years and the research supported by the Academy through this scheme results in the publication of hundreds of books, articles and reports every year. Examples include:

- Dr Adam Burgess (University of Kent) received widespread media coverage with the findings of his research on drug facilitated sexual assault among female students, as did Dr Katharine Sarikakis (University of Leeds) for her research on the impact of sexually explicit imagery on young people, which contributed to a major independent report for the Home Office ([www.homeoffice.gov.uk/documents/Sexualisation-young-people.pdf](http://www.homeoffice.gov.uk/documents/Sexualisation-young-people.pdf))

- Dr Clare Wood (Coventry University) attracted significant attention for her study of "text language" used by young children and its association with literacy development. The research, carried out on a sample of 8-12 year olds over an academic year, revealed that children who are heavy users of mobile phone text abbreviations such as LOL (laugh out loud), plz (please), l8ter (later) and xxx (kisses), are unlikely to be problem spellers and readers, and that levels of "textism" use could even be used to predict reading ability and phonological awareness in each pupil by the end of the year.

- Dr Richard Grayson (Goldsmiths, University of London) researched the controversial history of men from West Belfast in military service in 1914-1918. His book, *Belfast Boys: How Unionists and Nationalists Fought and Died Together in the First World War*, was published by Continuum in August 2009, and on the basis of this project, Dr Grayson was invited by the BBC to appear as an expert in the series *My Family at War*, in which TV presenter Eamonn Holmes investigated his Belfast grandmother and other ancestors.

### CONFERENCE GRANTS

The Academy continues to promote the dissemination of advanced research through two schemes of conference support. The Conference Support Grant scheme enables conference convenors to apply for financial assistance, including speakers' travel and accommodation expenses, and venue costs. In addition, convenors may apply for free use of the British Academy as a venue or subsequent publication of proceedings by the Academy. The Overseas Conference Grants scheme offers contributions to the travel costs of scholars making presentations at conferences overseas, benefiting around 300 individuals during 2009/10.

Conferences supported by the Academy in the past year included *The Plantation of Ulster, 1609-2009: A Laboratory for Empire* (Dr Éamonn Ó Ciardha, University of Ulster), marking the 400th anniversary of the Plantation. The conference featured accessible keynote addresses directed at a wide, non-specialised

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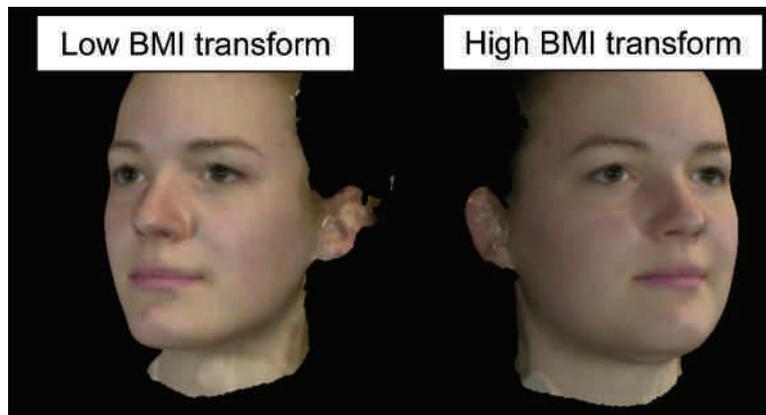
audience. Over three hundred participants attended the event and it was widely featured in national and local media outlets, including the BBC, UTV, RTÉ and the *Belfast Telegraph*.

Dr Bin Wu (University of Nottingham) convened a conference at Nottingham on *Beyond Revolution and Reforms: The People's Republic Looks Forward at 60* ([www.nottingham.ac.uk/chinese/2009-ifccs-conference/index.aspx](http://www.nottingham.ac.uk/chinese/2009-ifccs-conference/index.aspx)), which attracted over 200 delegates representing 18 countries or regions, including China, Hong Kong, Macau, Singapore, USA, Germany and South Africa.

Professor Julian Swann (Birkbeck, University of London) convened a conference on *The Crisis of the Absolute Monarchy* in which particular attention was paid to the impact of diplomatic, political and financial issues with the intention of understanding how practical political problems affected the conduct of government, and how they in turn were influenced by the emergence of public opinion. The papers will now be published in a volume expected to stimulate fresh debate about the causes of the French Revolution of 1789.

#### PRIVATE FUNDS

In addition to the main research schemes operated by the Academy using public funds, a number of awards are funded through generous donations. The British Academy-Wolfson Research Professorship scheme offered research funding to four outstanding senior scholars for three years from the autumn of 2009. One of its main emphases was on public engagement and the communication of ideas and findings from their research to the wider academic community and beyond. At a successful public launch event held in December 2009, the four professors – Roy Foster (University of Oxford); Robert Frost (University of Aberdeen); Mary Morgan (London School of Economics) and David Perrett (University of St Andrews) – addressed the issue of who the audiences for their research were, and what the benefits and challenges associated with being given an award of this kind were, enabling them to broaden or deepen their communication



with those audiences. For instance, Professor Perrett's research on *Perceptions of Health* involved the audience indicating which of a series of faces, differentiated by carotenoid pigment colour (facial yellowness), appeared to be the most healthy.

The Leverhulme Trust continued to support the annual award of seven Senior Research Fellowships. New awards from the autumn of 2009 included Professor Susanne Marten-Finnis (University of Portsmouth) for her research on *Soviet and Émigré Publishing in 1920s Berlin*. The 2009 Thank-Offering to Britain Fellowship (funded from money originally donated by the Association of Jewish Refugees) was made to Dr Alexander Lingas (City University) whose work on Byzantine Chant music represents the first book-length study of this important tradition for more than half a century.

Grants from private funds generously donated by the Sino-British Fellowship Trust and the Sir Ernest Cassel Educational Trust have enabled individual scholars to build links with China (SBFT), and to travel overseas in relation to their research programme (Cassel). Other grants are administered by the Academy from the Elie Kedourie Memorial Fund, the Neil Ker Memorial Fund, the Albert Reckitt Archaeological Fund and the Stein-Arnold Exploration Fund.

*New research by British Academy-Wolfson Research Professor David Perrett on 'Perceptions of Health' analyses what body weight makes a face look most healthy and attractive and seeks to define the role the media and culture play in relation to weight issues*

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## ACADEMY RESEARCH PROJECTS

Support has continued for around 50 major long-term collaborative research projects within the British Academy Research Projects programme. Significant new activities during the past twelve months have included:

- The collaboration of Professor Robert Bickers (University of Bristol) and his colleagues working on the *Archive for China: Photographs in British Collections* with the Hong Kong Museum of History and Shanghai History Museum on two exhibitions in Hong Kong – *Modern Metropolis Material Culture of Shanghai and Hong Kong* (April–August 2009) and on *A Century of China* (September 2009–January 2010)
- *The Romano-British Writing-Tablets* project, directed by Professor Alan Bowman, FBA (University of Oxford), has seen the preparation of texts from Vindolanda completed in an online corpus (<http://vindolanda.csad.ox.ac.uk>). This material has been used extensively in broader research projects funded by JISC and the AHRC (the Virtual Research Environment for the Study of Documents and Manuscripts)
- Various projects, including the *Beazley Archive* and the *Lexicon of Greek Personal Names* (LGPN), are involved in the CLAROS initiative ([www.clarosnet.org/](http://www.clarosnet.org/)) which has achieved the virtual integration of over 2 million records relating to classical art objects held in databases in Oxford, Cologne, Berlin and Paris. The participation of the British projects in this initiative has been crucial. For example, the LGPN offers a bridge between classical art resources and the large online documentary community, with which significant collaborations have already been established (<http://epidoc.sourceforge.net>).

The leveraging of additional funding from a wide range of other sources, both in the UK and abroad, to support Academy Research Projects is a notable feature of the scheme. The Academy's investment of around £350,000 (of which around half was

devoted to the support of the Centenary Research Project, *From Lucy to Language: The Archaeology of the Social Brain*), has helped to generate further investment of around £10 million from sources including the EU, Research Councils, Universities (including Oslo, Trondheim and Toronto), the Packard Humanities Institute, the Mellon Foundation of New York; the Leverhulme Trust, the Royal Collection Trust, the Esmée Fairbairn Foundation, the Aurelius Trust, the Voltaire Foundation and the US National Endowment for the Humanities.

Links also exist between the new Newton International Fellowships and some Academy Research Projects. For example, Dr Xiaobo Zhai is working at University College London with Professor Philip Schofield on the *Bentham Project* and Dr Guillaume St-Guillain at King's College London on the prosopography of Latins in the Aegean with Professor Charlotte Roueché, directly benefiting the *Prosopography of the Byzantine World* project. The *Occupational Structure of Britain* project, directed by Dr Leigh Shaw-Taylor (University of Cambridge), also benefited from the award of a ten month Visiting Professorship (funded by Leverhulme) to Japan's most distinguished economic historian and historical demographer, Professor Osamu Saito.

Publications arising from Academy Research Projects over the past year have included *Charters of Peterborough Abbey* (volume 14 of the Anglo-Saxon Charters, the first to relate to the territory of the 'Danelaw' and the vicinity of the Fens); the *Book of Privileges of the Merchant Adventurers* by Anne Sutton and Livia Visser-Fuchs (volume 42 of the *Records of Social and Economic History*); the *Medieval Stained Glass of Lancashire* by Penny Hebgin-Barnes (volume 8 of the *Corpus Vitrearum Medii Aevi*); the *West Nile Delta Regional Survey* by Dr P Wilson and D Grigoropoulos (Egypt Exploration Society publication); volume 37 of the *Carlyle Letters*; the *Records of Early English Drama* for Lincolnshire, edited by James Stokes; six more volumes of the Complete Works of Voltaire; three volumes (73–75) of *Oxyrhynchus Papyri*; and two more fascicules of the *Medieval Latin Dictionary*.

“The integration of the Academy’s international activities has continued to gather pace. Collaboration has increased between area panels and sponsored institutes and societies across a wide range of activities, from writing workshops for early-career scholars in Nairobi to the initiation of a significant debate on approaches to poverty in South Asia. In a wider sphere, the Academy is strengthening its role as the UK representative for the humanities and social sciences in a number of different forums, is playing a significant part in two international consortia concerned with research relations between Europe and Asia, and is working with a range of UK-based and international partners, on questions of research policy, research support and the promotion of humanities and social science disciplines.”

**Professor Duncan Gallie**

Foreign Secretary  
Official Fellow, Nuffield College,  
University of Oxford

The Academy’s international work forms a central part of its strategic activities. During the year, the Academy has been working to achieve closer integration of the different aspects of its international work, bringing together members of its two international committees – the International Policy Committee and the Committee for British Academy Sponsored Institutes and Societies (BASIS) – with our seven Area Panels, and representatives of the institutes and learned societies. This process is exploring new ways to draw on the wealth of expertise in these various forums, and take advantage of shared synergies.

## INTERNATIONAL RELATIONS

International relations activities fall under four key priority areas:

- Representing the UK
- Partnerships
- Research facilitation and funding
- Communication

During 2009/10, the Academy has furthered these priorities in a variety of ways, working with partners in the UK and overseas, and focusing on a range of different activities and disciplines. Examples of the year’s highlights follow.

### REPRESENTING THE UK

In 2009, the Academy launched *The Nairobi Report: Frameworks for Africa-UK Research Collaboration in the Social Sciences and Humanities*. The report, circulated widely in Africa and in the UK, attracted considerable interest from university vice-chancellors, academics and funding bodies, and has begun to influence thinking on the various recommendations. The term “Nairobi process” – a process of thinking through issues in different contexts and aligning action accordingly – has begun to enter the language in African institutions. The Academy promoted the report through a further meeting in Nairobi, at the British Institute in Eastern Africa, drawing in a range of key participants from across East Africa, and now plans further meetings elsewhere in the continent. The report’s publication was not the end, but the beginning of a journey to nurture and support both UK-Africa partnerships and social science and humanities research in Africa.

The Academy’s involvement with the CO-REACH ERANET (the Coordination of Research between Europe and China) entered its fifth and final year with the award of 14 grants for collaborative social science projects. The majority included UK involvement, such as:

- *Europe and China: Addressing New International Security and Development Challenges in Africa* – University of Nottingham (PI), Sciences Po Bordeaux, CASS



*'What Muslims Really Think'* was the title of a major public lecture by Dr Dalia Mogahed, advisor to US President Barack Obama (March 2010)

- *Cultural Heritage in China: Changing Trajectories, Changing Tasks* – University of Westminster (PI), German Archaeological Institute, CASS
- *Internal mobility and integration in China and the European Union* – University of Plymouth (PI), Hamburg Institute of International Economics, CASS, Wuhan University, University of Salford, Manchester Metropolitan University.

An external evaluation of the ERANET's progress highlighted a number of substantial achievements over the previous four years, and drew particular attention to the successful collaboration with the Chinese Academy of Social Sciences. A bid was made to the European Commission for further funding to enable the expansion of the consortium and the consolidation of existing relationships in future funding calls. While the Academy cannot make major contributions to funding, it will continue to share in the provision of policy advice and the formulation of major research themes.

The Academy's support for the European Consortium for Asian Field-study (ECAAF) since 2007 has led to it becoming a partner in a successful application to the European Commission Framework Programme 7 to fund a 30-month project to strengthen European engagement with

Asian area studies. The €1.2 million proposal will be funded under a 'Coordination and Support' action, whose aim is to create structures and networks that enable scholars to work more effectively with each other across the European Research Area. Project partners include École Française d'Extrême-Orient, the Universities of Hamburg and Turku, the Hungarian Academy of Sciences and the Istituto Italiano per l'Africa e l'Oriente. Under the acronym of 'IDEAS' (Integrating and Developing European Asian Studies), the project objective is to develop European understanding of geopolitics in Asia by coordinating the work of interdisciplinary research teams and strengthening engagement with policymakers – as well as developing a network of 22 European-owned field research centres across Asia as research enablers. The role specified for the Academy is to be a work-package leader, and to coordinate UK involvement in other packages, thereby effectively extending the reach of the BASIS programme and improving facilities for UK scholars working in and on Asia.

## PARTNERSHIPS

A great deal of work during the year has focused on reshaping and reforming the Academy's portfolio of agreements with partner bodies, in order to fit current needs. Formal programmes which allow support for research visits and joint projects are extremely valuable for countries where there remain either significant political or cultural barriers; examples include China, Japan and Taiwan, where agreements help to overcome language and societal differences. But for many other countries, particularly in Europe, the need is less for support for research visits than for sharing information and expertise on policy questions, developing shared priorities for pan-European programmes such as the EC's Framework Programme, and engaging together on the nature and purpose of involvement with European organisations. Detailed negotiation with long-standing European partners has resulted in the formulation of new types of agreement, and similar engagement with policy questions is now envisaged with countries further afield, such as Australia, as past experience suggests that the problems and the solutions there are similar.

## RESEARCH FACILITATION AND FUNDING

Foremost among the special international programmes which the Academy administers is the flagship Newton International Fellowships programme, run jointly with the Royal Society and the Royal Academy of Engineering. In the second round in 2009, awards were made to 13 Fellows in the humanities and social sciences, out of a total of 51 Fellowships. Their research topics range from *The Postcoloniality of African Theatre and Performance* to *Social Influence on the Diffusion of Cultural Innovation: The Case of Modern Contraception*. The second round saw a noticeable increase in the number of applications within the Academy's remit and a third competition was opened in December 2009. In February the three academies celebrated the work of the award-holders from the first two rounds.

The Academy's own international partnerships scheme (three-year awards promoting institutional partnerships between the UK and Africa, the Middle East and South Asia) again attracted a wide range of strong applications, as did the popular two-year UK-Latin American/Caribbean Link Programme. Nine awards were made in the first category and four in the second, for research topics ranging from *Brazil and the Cold War in Latin America* to *Language Practices and Values among Young People in Ghana*, and from *Economic, Social and Cultural Rights in the West Bank* to *Religion, Conflict and Peace in Sri Lanka*.

## COMMUNICATION

In response to a request from the (then) Prime Minister to investigate the idea of setting up in Britain a "European Centre for Excellence for Islamic Studies", the Academy organised, in partnership with the Higher Education Funding Council for England, a very successful conference in March 2010 on Islamic Studies in Europe, with the aim of facilitating inter-disciplinary connections across the European Islamic Studies community, and raising awareness and the profile of Islamic Studies in the UK. The conference was addressed by the Minister for Higher Education, David Lammy MP, and its themes included unity and diversity in Islam, adapting Islam to the modern world, and issues of Muslim identity.



A particular highlight was the public lecture by Dr Dalia Mogahed, a key adviser to President Obama, and Executive Director of the Gallup Center for Muslim Studies in Washington DC, who explored and analysed how Muslims around the world have responded to terrorism and extremism.

*'Motezuma's Feast', a British Academy event jointly funded with the Mexican Embassy, united some of the world's leading experts to discuss the history and culture of Mexican Food at the British Museum, London (November 2009)*

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## BRITISH ACADEMY SPONSORED INSTITUTES AND SOCIETIES (BASIS)

“During the year the Academy’s six sponsored institutes and seven learned societies have faced difficult challenges, shaping their structures and activities to ensure that in future years they are in a stronger position to address pressures caused by major currency fluctuations. Yet despite these financial pressures, all of them have continued to initiate and support a stimulating and exciting range of interdisciplinary and multinational research projects, and to broaden access to the institutes for UK and local researchers, in particular for early-career scholars.”

### **Professor Michael Fulford**

Chair of BASIS

Professor of Archaeology, University of Reading

The BASIS programme sponsors, shapes and develops a set of research institutes and learned societies that:

- facilitate, conduct and promote original international research and fieldwork by UK scholars across a wide range of humanities and social science disciplines

- build bridges and stimulate collaboration between UK and local overseas scholars and institutes, with British universities, between British and other foreign overseas research institutes, and amongst the sponsored organisations themselves
- maintain local facilities and networks, and provide financial, academic and logistical support to UK scholars, so that research is facilitated, capacity is developed and the next generation of researchers is encouraged
- provide channels of publication for, and public engagement with, the research they support.

During 2009/10, the following 12 organisations were sponsored:

#### ***Institutes with premises overseas:***

British Institute at Ankara (BIAA)

British Institute in Eastern Africa (BIEA)

British Institute of Persian Studies (BIPS)

British School at Athens (BSA)

British School at Rome (BSR)

Council for British Research in the Levant (CBRL)

#### ***UK-based learned societies***

African Studies Association UK (ASAUK)

Research Committee, Association of South East Asian Studies in the UK (ASEASUK)

British Association for South Asian Studies (BASAS)

British Society for Middle Eastern Studies

(BRISMES)

Joint Initiative for the Study of Latin America and the Caribbean (JISLAC)

Society for Libyan Studies (SLS)

*A collapsing road in the Bengal Delta – researchers from the British Association for South Asian Studies (BASAS) have been examining issues related to water management and sustainable development in the region*



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A thirteenth, the Council for British Archaeology, whose outreach and advocacy work in the UK does much to raise and underpin interest in archaeology and the humanities in general, also received support. For example, their annual Festival of British Archaeology, launched each year by the Culture Minister, actively involved 160,000 people in 2009. All have rich websites that explain their programmes and opportunities in more detail.

2009/10 proved a highly challenging and exceptional year as the organisations struggled to absorb losses of between 15 and 30% in the value of their grants from BASIS because of the severe weakening of the pound against all the major currencies in which they operate, and because of some high local inflation rates. All the institutes had to make significant savings in their operating budgets, and this required major restructuring to help them make the necessary adjustments, given the likelihood of continuing unfavourable exchange rates and lower grants in future years. This led to research awards to learned societies being reduced and some inevitable reductions in the programmes of activity that could be undertaken. Despite that, all the sponsored organisations again delivered rich programmes of activity during 2009/10, supporting and leading wide-ranging research projects, publishing a varied suite of journals and monographs, and running a series of outreach events in the UK and overseas. Some 1,400 UK scholars and students were supported by the organisations, and the final reported figures are expected to show that the Academy's grants leveraged several million pounds of additional external funding.

Research priorities during the year have included: 'The Frontiers of the Ottoman World', 'Cultures of authority and governance in Eastern Africa', and 'History, myth and literature in modern Iran' through to important collaborative archaeological projects in Mamasani and the Kashan Plain with Iranian national agencies, the 'Knossos urban landscape project' and 'Long-term landscape, environment and climate change studies in the Levant'. BASIS continued its support for two major three-year collaborative projects on different aspects of Islamic studies, one contemporary and one historical.



*This ancient marble head was one of the major new archaeological finds made at Portus in 2009, involving scholars based at the British School at Rome*

Cultural heritage has been an important and recurring focus over the past year, and one where the UK has a distinct competitive advantage, as demonstrated by for example:

- the continuing and major programme of conservation at Herculaneum, co-directed by the British School at Rome
- the Turkish Ministry of Culture selecting project work supported by the British Institute at Ankara at the world-famous Çatalhöyük site as the first model for heritage site management planning in the country
- the multi-partner project funded by the Association of South East Asian Studies UK to work with UNESCO on the management of World Heritage Sites in the region
- the successful rescue from developers of a complex of important amphora kilns west of Tripoli by the Society for Libyan Studies
- and the major international conference on cultural tourism in Amman organised by the Council for British Research in the Levant.

There has been a varied and significant suite of projects to expand the digital resources available to support international scholarship, with many of the sponsored organisations having unique collections or other contributions to make in this regard. Examples include: the digitization of unique photographic archives at the British School at Rome, the progress made by the British School at Athens in presenting its complete museum and archive collections online, innovative e-publishing initiatives by the Council for British Archaeology, and the development of INDOLOGY, the main website and discussion forum for university-level news and discussion about all aspects of pre-modern South Asian language and culture.

# COMMUNICATIONS AND EXTERNAL RELATIONS

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“In 2009/10 the Academy has systematically developed a more strategic approach to all its communications and external relations activities, resulting in a significant strengthening of the Academy’s profile among policymakers, the media, the academic community and general audiences. The development of British Academy Forums, the strengthening of the British Academy Review, the continuing overhaul and expansion of our public events programme and the appointment of the Academy’s first press and public relations manager have all been landmarks in a year of sustained and impressive progress.”

## **Dame Hazel Genn**

Chair of the Communications and Activities Committee  
Dean and Professor of Socio-Legal Studies,  
University College London

## EVENTS

### **LECTURES AND CONFERENCES**

A total of 18 lectures and 16 conferences were held during the year. Highlights included

#### **Positive Psychology and Positive Education**

In September 2009 the world renowned psychologist and best-selling author of self-help books, Professor Martin Seligman, drew one of the largest audiences ever for an Academy event (over 400) for this year’s British Academy/British Psychological Society Lecture. where he spoke of the impact of positive psychology. In a lively and insightful lecture he discussed the “four modes of happiness”: positive emotion, engagement, meaning and positive relationships – and on a dull autumnal evening, the audience certainly left in a positive mood!



#### **British Academy Literature Week**

Leading writers, academics and practitioners came together in October 2009 in a series of linked events for the Academy’s first ever Literature Week, held in partnership with the Institute of English Studies, University of London. As a new departure, three of the Academy’s established literary lectures (Chatterton, Warton and Sarah Tryphena Phillips) were brought together with additional panel discussions and “In Conversation” events, together with a special edition of the *Josephine Hart Poetry Hour* featuring Charles Dance, Kenneth Cranham and Elizabeth McGovern performing a specially chosen selection of poetry. The Week achieved its twin objectives of linking literary research to literary practice, and attracting large numbers of new and younger audience members to an Academy event.

*Dominic Grieve MP leading a British Academy Forum on human rights legislation (March 2010)*

#### **Writing the History of the Global**

This conference, in May 2009, convened by Professor Maxine Berg FBA (University of Warwick), explored how new global historical perspectives have, over the past decade, challenged national histories and area studies, and stimulated a recasting of imperial and Atlantic world history.

#### **Contemporary Perspectives on Darwin**

A multi-disciplinary conference was held in Cambridge in June 2009, jointly organised with the

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Royal Society and the American Philosophical Society, bringing together a range of Fellows from both academies and other leading authorities on Darwin's work from many different fields of science and the humanities in both Britain and America, to mark the occasion of two anniversaries: the 200th of Darwin's birth and the 150th of the publication *On the Origin of Species*.

### **Ethics and Politics Beyond Borders: The Work of Onora O'Neill**

A conference in September 2009 brought together philosophers and political theorists to address the central themes in Baroness O'Neill's scholarship. Speakers explored the philosophical and political topics on which she has made her most significant contributions, including her original reinterpretation of Immanuel Kant's ethical and political theory; her contributions to the exploration of the ethical status of children and the family; her approach to problems of global justice; and her refinement and elaboration of the conceptual resources available to theorists working in applied ethics and applied political theory, most notably through her work on trust, autonomy, and consent.

### **TALKS AND DISCUSSIONS**

During 2009/10 a total of 12 panel discussions and 5 seminars and workshops were held. Highlights included:

#### **New Greek Texts from Oxyrhynchus**

A daytime workshop for 17 scholars from around the world, followed by a packed evening public discussion, took place in June 2009, convened by Professor Eric Handley FBA and Dr Dirk Obbink. Just over 100 years ago, on a site some 100 miles south of Cairo, two Oxford archaeologists working with the Egypt Exploration Society excavated some 50,000 pieces of ancient books and documents that had been discarded in the city dump, and had survived for centuries in the dry climate. The workshop allowed the scholars to examine some of these texts and then to present them to a wider audience in the evening, considering such questions as: did Euripides write two versions of his play *Medea*? And how do modern methods of image-making work to recover

an unknown classical text? A display of papyri, photographs, and other relevant material was also on view.

#### **Addiction Research: The Next Steps**

A well-attended public discussion in January 2010 was held in partnership with the Medical Research Council and the Academy of Medical Sciences, chaired by Professor Sir Michael Marmot FBA. The MRC is leading a major programme of new research into addiction and substance misuse, which are posing not just increasing medical problems, but also major social and economic challenges, for the UK. The speakers included Sir Leszek Borysiewicz, Professor David Leon and Professor David Nutt.

#### **Towards a Better Tomorrow? The Crucial Role of Social Science**

A public evening panel discussion in March 2010 was organised jointly with SAGE Publications, and Times Higher Education (media partner), chaired by Sir Roger Jowell. Speakers included Professor Ian Diamond FBA (Chief Executive of the ESRC), Lord Newby (Liberal Democrat Science spokesman in the Lords), Professor Harvey Goldstein FBA and Professor Sir Michael Rutter FBA. They examined how social science research could provide sound evidence-based analysis of numerous different social challenges and policy dilemmas the UK faces, and ways in which involvement in policymaking might be strengthened. The event attracted an audience of over 170 people.

*Actors Elizabeth McGovern and Charles Dance taking part in a special Poetry Hour as part of British Academy Literature Week (October 2009)*



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## BRITISH ACADEMY FORUMS

Since their inception in March 2009, British Academy Forums have offered an increasingly valued setting for frank, informed discussion of topical policy-related issues. Across nine separate events, a wide range of politicians, civil servants and other experts have engaged with academics, to help frame the terms of public debates and clarify policy options. Several, unsurprisingly, have charted the economic situation – analysing what went wrong, how future crises might be avoided, and where we go from here; two of these occasions resulted in the convenors, Professor Tim Besley FBA and Professor Peter Hennessy FBA, penning letters to The Queen, attracting considerable media attention.

In July, the outgoing Minister for Africa, Asia and the UN, Lord Malloch-Brown, contributed to a candid discussion of the legal, moral and practical issues surrounding military intervention. There have also been two Forums on constitutional issues, with MPs Nick Clegg, Tony Wright and Dominic Grieve playing leading roles. David Willetts MP participated in a Forum on the economics of undergraduate tuition fees and maintenance support. And in an engrossing session on political decision-making during a crisis, Charles Clarke MP explained his experience as Home Secretary of the 7/7 London bombings in 2005.

## PRESS AND PUBLIC RELATIONS

Media work has significantly increased during the past year with the appointment of the Academy's first dedicated press and public relations manager last summer. All elements of the Academy's work, from pioneering research projects to the events programme to policy engagement, have benefitted from a raised media profile – as well as letters to newspapers, placed articles and opinion pieces by Fellows.

A Small Research Grant for research into the link between text messaging and literacy, for example, received national and international attention, giving not only the Academy, but the research itself a high profile – resulting in valuable engagement from education communities. The British Academy's

Literature Week led to further attention around the world as Sir Brian Vickers uncovered the secret authorship of *King Edward III* – demonstrating, thanks to new plagiarism technology, that the play was written by both Shakespeare and Thomas Kyd. Similarly, many media broadcast interviews have been achieved for speakers at Academy lectures, discussions and conferences, and with journalists now regularly attending events.

Outputs from the Policy Centre, especially the report on Electoral Systems, led to a flurry of coverage in advance of the General Election in May, and in its aftermath, with all three of the report's authors featuring as experts in print and broadcast media. Notable international stories included new research into the culture of “bride-price” in Uganda and on new finds from the archaeological dig at Portus, the ancient port of Rome, where the Academy-funded British School at Rome worked in collaboration with the University of Southampton and received worldwide attention.

## WEB-BASED ACTIVITIES

The Academy places great emphasis on maintaining and developing its website ([www.britac.ac.uk](http://www.britac.ac.uk)) as a primary source of information about the Academy and its activities – for example, details of research grants and awards available, latest information on the Academy's events programme and details of policy-related and academic publications. The site also provides links to a wide range of scholarly bodies and resources, nationally and internationally, spanning the humanities and social sciences.

Usage of the site has risen steadily since its relaunch in 2008. During 2009/10, we have concentrated on further developing its accessibility and improving the user experience, and design and navigation features will be upgraded in line with the best web practice during 2010. During 2009 we launched the Media Library as a repository of text, audio files and podcasts from Academy events, to enrich multimedia across the site.

We are keen to receive feedback from Fellows, researchers, students and the general public on any ways in which they think the site might be improved.

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## PUBLICATIONS

“As the new Publications Secretary, I was invited by Council as my first task to undertake a comprehensive review of the rationale and economic health of the Academy’s academic publishing; I submitted this at the end of 2009. I am pleased to report that Council accepted the ‘clear rationale for the Academy’s publications programme and the resources allocated to its support’. Academy publications have an important role to play in disseminating scholarship that has been supported by the Academy.”

### **Professor Chris Wickham**

Publications Secretary  
Chichele Professor of Medieval History,  
University of Oxford

The British Academy produced 19 new publications in 2009/10.

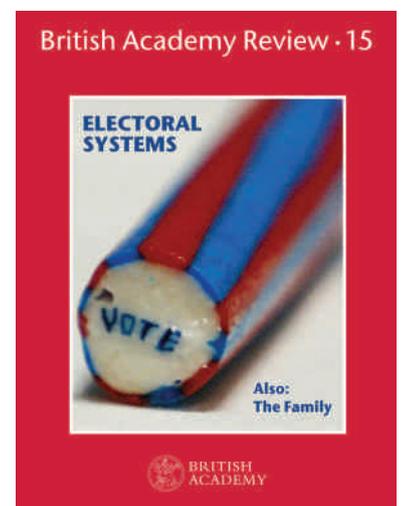
The programme includes publishing the proceedings of selected Academy conferences. Five such titles appeared, covering a wide range of periods, but all with an international dimension. There were scholarly volumes on relations between the Anglo-Saxon and the Irish, on the frontiers of the Ottoman world, on the origins of British imperial thought and, most recently, on diversity and change in modern India. A popular paperback introduction to the history and culture of Mexico City was launched at the Mexican Ambassador’s residence in July 2009.

The British Academy Postdoctoral Fellowship Monographs series provides early-career scholars with an opportunity to publish the fruits of their research and help establish their reputation. Three new volumes were published in the year, with subjects covering the circulation of political discourse in the late 17th century, the place of women in 19th-century political culture, and the political use that competing cultural visions were put to during the last decade of French imperial rule in Syria and Lebanon.

The Academy publishes research resources arising from its longstanding Academy Research Projects. Five new volumes published primary source material on different aspects of medieval England: a catalogue of the stained glass of Lancashire; and editions of the Anglo-Saxon charters of Peterborough Abbey, the Acta of the bishops of Hereford, the ‘Book of Privileges’ of the Merchant Adventurers of England, and the 15th-century York Masses.

Most of the Academy’s academic publications are currently only available in print. The Academy’s Council has approved preliminary proposals for the text publications to be made available electronically, starting with an initial tranche of over 130 titles published from 2003 onwards. It is hoped that the service will be launched in early 2012.

The Academy also seeks to demonstrate to a non-specialist readership the value of humanities and social sciences scholarship – in general, and in particular in matters of topical debate. The *British Academy Review*, now published three times a year, is a key vehicle for this. The 2009/10 issues have contained articles contributing to current political and economic concerns – drawing on the British Academy Forums, and the first fruits of the new British Academy Policy Centre. The *British Academy Review* also offers timely coverage of Academy events, linking with complementary materials in the new Media Library on our website. But the *Review* has a particular strength in illustrating the range and importance of the research that the Academy supports. For example, three articles headed ‘Politics of Peace’ showed British Academy-funded researchers engaging with some of the most sensitive areas of conflict in the world, and offered valuable perspectives for those trying to broker peaceful settlements.



# POLICY ENGAGEMENT

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“The humanities and social sciences have an indispensable role to play in enabling intelligent and successful public, private and philanthropic action on the major problems that societies face, whether they be climate change, the protection of cultural heritage, enhancement of the quality of life, the promotion of inter-cultural understanding or economic and social development. By strengthening the policy engagement capacity located at the Academy, we can give leadership and develop a powerful voice on behalf of our disciplines.”

**Professor Albert Weale**

Vice-President, Public Policy  
Professor of Political Theory and Public Policy,  
University College London

“In the past year the British Academy has continued its programme of higher education policy reports and statements, focusing on the condition and health of the humanities and social science research base. The challenge has been to anticipate, and respond to, a changing agenda for research funding priorities. The debate about the impact of the UK research base on economic, cultural and social well-being has been a key feature of the activities that the Academy has undertaken. While the Academy has some reservations about the robustness of some of the methodologies proposed to assess impact, it remains determined to engage with this debate and to offer constructive advice on how impact might best be defined in the humanities and social sciences.”

**Professor Nigel Vincent**

Vice-President, Research and Higher Education Policy  
Professor of Comparative Philology,  
University of Manchester

2009/10 has been an important year for policy engagement at the British Academy. The Academy has long engaged with matters of public concern, nationally and internationally. It has regularly contributed to national consultations, and commissioned research-related reviews. While the focus of these activities has been on contributing to policy on Higher Education, Science and Research matters, the Academy has been considering ways in which it might develop this role and facilitate public policy engagement. The Academy's 2008 report, *Punching our Weight*, was an important milestone and demonstrated to the Academy's stakeholders within both government and the wider research community that the Academy recognised that it was uniquely placed and committed to playing a significant role in informing and influencing the development of public policy.

September 2009 saw the formation of a new Policy Centre, with partial funding from the ESRC and subsequently also the AHRC. The Policy Centre has a number of objectives, including:

- Leadership and a powerful voice on behalf of humanities and social science disciplines
- Fostering interaction and collaboration between the humanities and social sciences, parliamentarians and senior policymakers, both within the UK and internationally
- Developing a network of stakeholders committed to evidence-based policy
- Increasing awareness of the public value and social, cultural and economic impact generated through humanities and social science research
- Facilitating and incentivising policy engagement and impact generation.

The Policy Centre quickly identified an ambitious programme of work, which in the first year of establishment involves: a mix of events – public and by invitation only; liaison with, and facilitation of discussion among learned societies and Higher Education institutions; substantive policy studies (alone and in partnership with, for example, sister academies); topical research overviews; and promotional work on impact and profile.

Early in 2010, the Policy Centre published two pieces of work – *Social Science and Family Policies* and *Choosing an Electoral System*.



Dr Tony Wright MP (speaking) with Lord Tyler and Peter Riddell (*The Times*) at the launch of the British Academy policy report, 'Choosing An Electoral System' (March 2010)

### ***Social Science and Family Policies***

The first study by the Policy Centre, chaired by Professor Sir Michael Rutter FBA, focuses on the contribution that good social science research can make to family policy. While government may decide the values that they want to advocate, social science evidence is essential in guiding policy making and measuring the efficiency of policies. The report was successfully launched in February 2010, with speakers Michael Rutter, Sharon Witherspoon and Jill Kirby, and Polly Toynbee as Chair.

### ***Choosing an Electoral System***

This shorter study reviews the scholarship on different electoral systems and analyses their relative benefits and drawbacks. The authors, Professors Iain McLean FBA, Simon Hix and Ron Johnston FBA, assisted by Angela Cummine, produced a clear synthesis of equal value to policymakers and politics students. The report's launch, in March 2010, featured a distinguished panel: Dr Tony Wright MP, Lord Paul Tyler and Lord Geoffrey Howe. Professor Ron Johnston also gave an entertaining introduction to the publication on behalf of the authors and Peter Riddell of *The Times* chaired the event.

Prior to the creation of the Policy Centre, the Academy published *Language Matters* in June 2009. This major report discussed the decline of language skills in the UK and how this affects, and will continue to affect, negatively, the UK research base and the UK's ability to engage in global markets. The launch event attracted a high profile panel, most notably David Lammy MP, Minister for Higher Education.

The British Academy also works to represent the interests of the humanities and social sciences. It continued during the year to draw attention to the parlous nature of foreign language learning in the UK (following the publication of *Language Matters*) and there was extended discussion of future plans for the assessment of research in the UK.

The Academy contributed to a number of important consultations in 2009/10, including:

- *Future Directions: A response to the AHRC consultation* (May 2009)
- *International Development Select Committee Inquiry: DFID's Programme in Nigeria* Submission by the Association of Commonwealth Universities and the British Academy (May 2009)

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Lord Howe also spoke at the launch of 'Choosing An Electoral System' (March 2010)



- *HEFCE Review of Modern Foreign Language Provision* (July 2009)
- *Setting Science and Technology Research Funding Priorities - A Submission from the British Academy to an Inquiry by the House of Lords Science and Technology Committee* (September 2009)
- *The Fruits of Curiosity: Science, Innovation and Future Sources of Wealth - A Submission from the British Academy to the Royal Society's call for evidence* (September 2009)
- *RCUK Consultation - Large Facilities Roadmap 2010* (November 2009)
- *Research Excellence Framework: The British Academy's Contribution to HEFCE's consultation* (November 2009)
- *BIS postgraduate review: contribution to call for evidence* (December 2009)
- *Guidelines on Scientific Analysis in Policy Making: Contribution to the Consultation* (February 2010)

The British Academy now convenes the UK Strategic Forum for the Social Sciences, which brings together public bodies, including government departments, and other associations with an involvement in funding and supporting the social sciences, to create a stronger, more united voice in speaking for the social sciences in policymaking and education. The Forum had previously been convened by the ESRC. This year the Academy also established a twice-yearly forum for humanities and social science learned societies and subject associations, in order to promote collectively the value of research across all relevant disciplines.

All Academy policy publications and submissions are available on the Academy's website ([www.britac.ac.uk/policy](http://www.britac.ac.uk/policy)).

# FELLOWSHIP PROGRAMMES

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The Fellowship of the British Academy is organised into two Groups (Humanities and Social Sciences), each led by a designated Vice-President, and eighteen Sections by academic discipline. Each of the Sections appoints a Standing Committee, typically composed of the chair and five other members, to prepare business and act for the Section where appropriate. Sections also appoint officers to deal with assessing particular aspects of the Academy's grant-giving activities.

The Sections met as normal twice during the year, in January and March, to transact electoral business and to consider various policy issues and aspects of the Academy's activities. In future, Sections will meet in September and March – a change driven by both electoral and other considerations..

The twice-yearly assembly of Fellows addresses academic and policy matters as well as conducting electoral business, and Section agendas are structured accordingly. January saw the first of what is planned as a regular series of Fellows Seminars, when Professor Ted Marmor, newly elected Corresponding Fellow from Yale University, led a discussion on academic engagement in policy advice, using the healthcare reforms of President Obama as a case study. The March Seminar saw Professor Steve Smith, President of Universities UK and Vice-Chancellor of Exeter University, discussing ways of making the case for the humanities and social sciences.

The Annual General Meeting in 2009 agreed to replace the title 'Ordinary Fellow' with 'Fellow'. The Academy's charter does not mention 'Ordinary' Fellows, but only 'Fellows' and 'Corresponding Fellows'. At some time the term 'Ordinary' crept into the Bye-Laws, but it seems an inappropriate label for recognizing what is an *extraordinary* level of achievement. Due to the increasing importance of the Corresponding Fellowship, AGM also agreed to increase the number of Corresponding Fellowship elections each year to 15. The upper limit of 20 on the number of Honorary Fellowships was also abolished, and a Bye-Law established that states that up to two Honorary Fellows can be elected each year.

Following consideration of the question of age, AGM also agreed to discontinue the electoral route of three places for candidates over the age of 70

(Senior Fellowship). There will therefore now be up to 38 places available for election to the Fellowship each year. AGM also agreed to the creation of a new category of 'Emeritus Fellows' (who will not attend Sections or AGM) for those Fellows over the age of 70 who have reached the point where they wish to withdraw from contributing to the work of the Academy. Emeritus Fellows will continue to enjoy FBA status, and the other rights of Fellowship. The new category has proved popular and, while some Fellows continue to work and remain engaged for many years after retirement, others welcome the opportunity to shed obligations that have become difficult to fulfil.

In addition to the Sections, the Humanities and Social Science Groups meet twice a year. They perform electoral and other functions, making recommendations to Council regarding elections to the Fellowship and advising on matters to do with the particular interests of scholarship across their disciplines.

The Fellowship and Structures Committee meets twice a year, to recommend to Council any structural changes appropriate for the Fellowship; to monitor the process of election to the Fellowship; and to consider the claims of persons whose work does not sufficiently fall within the purview of any one Section.

At the July 2009 AGM, 35 candidates were elected to Ordinary, three to Senior, and 10 to Corresponding Fellowship of the Academy. Of the 35 candidates, 10 are female, and the average age is 57, with those from the social sciences slightly younger. Professor Fiona Steele (age 38) was the fifteenth Fellow in the history of the Academy to be elected under the age of 40, and the second youngest social scientist.

Newly elected  
Academy Fellows  
pictured with  
President Sir Adam  
Roberts, right  
(September 2009)



## ELECTIONS AT THE AGM, JULY 2009

### ORDINARY AND SENIOR FELLOWSHIPS

**Professor Simon Baron-Cohen** Professor of Developmental Psychopathology and Director, Autism Research Centre, University of Cambridge

**Professor William Beinart Rhodes** Professor of Race Relations, University of Oxford; Professorial Fellow, St Antony's College

**Professor Martin Bell** Professor of Archaeology, University of Reading

**Mr Robin Briggs** Senior Research Fellow, All Souls College, University of Oxford

**Professor Bruce Campbell** Professor of Medieval Economic History, Queen's University, Belfast

**Professor Christine Chinkin** Professor of International Law, London School of Economics

**Professor Paul Cloke** Professor of Human Geography, University of Exeter

**Dr Jean Dunbabin** Senior Research Fellow, St Anne's College, University of Oxford

**Professor John Duncan** Assistant Director, MRC Cognition and Brain Sciences Unit, Cambridge

**Professor Richard English** Professor of Politics, Queen's University, Belfast

**Professor Philip Ford** Professor of French and Neo-Latin Literature, University of Cambridge

**Professor Michael D Freeman** Professor of English Law, University College London

**Professor Graham Furniss** Professor of African Language Literature, School of Oriental and African Studies, University of London

**Professor Malcolm Godden** Rawlinson and Bosworth Professor of Anglo-Saxon, University of Oxford

**Professor Rachel Griffith** Deputy Research Director, Institute for Fiscal Studies; Professor of Economics, University College London

**Professor Peter Hammond** Marie Curie Professor, Department of Economics, University of Warwick

**Professor Colin Haselgrove** Professor of Archaeology and Head of School of Archaeology and Ancient History, University of Leicester

**Professor Jonathan Haslem** Professor of the History of International Relations, University of Cambridge

**Professor Patsy Healey** Professor Emeritus, School of Architecture, Planning and Landscape, Newcastle University

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**Dr Wilfred Hodges** Formerly Professor of Mathematics, Queen Mary, University of London

**Professor Glyn Humphreys** Professor of Cognitive Psychology, University of Birmingham

**Professor Mary Jacobus** Professor of English and Director, Centre for Research in the Arts, Social Sciences and Humanities, University of Cambridge

**Professor Ruth Lister** Professor of Social Policy, Loughborough University

**Professor John Mack** Professor of World Art Studies, University of East Anglia

**Dr John Marenbon** Senior Research Fellow, Trinity College, Cambridge

**Professor Roger Pearson** Professor of French, University of Oxford; Fellow and Praelector, The Queen's College

**Professor Christopher Pelling** Regius Professor of Greek, University of Oxford

**Professor Geoffrey Pullum** Professor of General Linguistics and Head of Linguistics and English Language, University of Edinburgh

**Professor Susan Rankin** Professor of Medieval Music, University of Cambridge; Fellow, Emmanuel College

**Professor Michael Silk** Professor of Classical and Comparative Literature, King's College London

**Professor David M Smith** Emeritus Professor of Geography, Queen Mary, University of London

**Professor Margaret J Snowling** Professor of Psychology, University of York

**Professor Fiona A Steele** Professor of Social Statistics, University of Bristol

**Professor Peter Taylor-Gooby** Professor of Social Policy, University of Kent; Honorary Co-Director, Risk Research Centre, Beijing Normal University

**Professor Alexandra Walsham** Professor of Reformation History, University of Exeter

**Professor Reg Ward** Formerly Professor of Modern History, University of Durham

**Professor David Womersley** Thomas Warton Professor of English Literature, University of Oxford

**Professor Sarah Worthington** Pro-Director and Professor of Law, London School of Economics

## CORRESPONDING FELLOWS

**Professor Pierre Briant** Professeur au Collège de France, Paris

**Professor Harold C Brookfield** Emeritus Professor and Visiting Fellow, Department of Anthropology, The Australian National University

**Professor John Y Campbell** Morton L. and Carole S. Olshan Professor of Economics, Harvard University

**Professor Antoine Compagnon** Professeur au Collège de France, Paris; Blanche W. Knopf Professor of French and Comparative Literature, Columbia University, New York

**Professor Philip Gossett** Robert W. Reneker Distinguished Service Professor, University of Chicago

**Professor Theodore R Marmor** Professor of Public Policy & Management, Emeritus, Yale University School of Management

**Professor Donald B Rubin** John L. Loeb Professor of Statistics, Harvard University

**Professor Elizabeth Traugott** Professor of Linguistics and English, Emeritus, Stanford University, California; Visiting Professor, University of Stockholm

**Professor Anne Treisman** James S. McDonnell Distinguished University Professor of Psychology, Princeton University

**Professor Josef Van Ess** Emeritus Professor of Islamic Studies and Semitic Languages, University of Tübingen, Germany

# GOVERNANCE AND MANAGEMENT

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AS AT 31 MARCH 2010

The Academy is a charity, registered with the Charity Commission for England and Wales under number 233176. The Officers and Council Members, the Audit Committee and Senior Executives are listed above. The principal place of business (the registered office at 10 Carlton House Terrace) and professional advisors of the charity are listed on page X.

The British Academy, an independent corporation, was established by Royal Charter in 1902, from which it derives its legal status. Its Objects were redefined in a Supplemental Charter granted in its Centenary year as: 'the promotion of the study of the humanities and the social sciences'. The British Academy is thus the UK's national academy for the humanities and the social sciences, the counterpart of the Royal Society, the UK's national academy of science. Its objectives, powers and framework of governance are set out in the Charter and its supporting Bye-Laws, as approved by the Privy Council. In the course of the year, the Privy Council approved a number of changes to the Academy's Bye-Laws, designed to streamline the conduct of its affairs.

The Academy is a private, independent, self-governing body, composed of almost 900 Fellows elected in recognition of their distinction as scholars and researchers in a branch of the humanities or social sciences. Up to 38 new Fellows are elected each year. In all, including Corresponding (i.e. overseas) and Honorary Fellows, there are more than 1,100 Fellows of the British Academy.

Under the terms of the founding Charter, 'The Government of the Academy shall be vested in the Council and in the Fellows assembled in General Meeting'. Council is the governing body responsible for the finance, property, investments and general business of the Academy, and for setting its strategic direction. It is chaired by the President and composed of seven other Honorary Officers, elected annually at the General Meeting of Fellows, and fifteen Ordinary Members, of whom five are elected each year at the same meeting to serve for a three-year term. None of the Officers or Members of Council receives any payment apart from the reimbursement of expenses for the work that they do for the Academy. Council is responsible, through the Chief Executive and Secretary, for the

administration and management of the affairs of the Academy and is required to present audited financial statements for each financial year.

New members of Council initially receive a range of documents issued by such bodies as the Charity Commission and the Cabinet Office (Office of Public Service) regarding their responsibilities as Charity Trustees and guidance on good practice for board members of public bodies. Subsequently they also attend a meeting with the Academy's Officers to receive presentations concerning the accountability of Trustees, their responsibilities as custodians of public funds, the annual cycle of Council meetings and the regular business to be transacted, and the means of raising issues for the attention of the management and Council. These induction procedures are reviewed annually by Council.

The Council meets at least five times in each academic year. It is assisted by the Management Advisory Committee, which provides a forum for discussion of all matters to do with the strategy, direction, organisation and financial management of the Academy. It also has formal responsibilities relating to management of the Academy's affairs: to advise the Treasurer and the Chief Executive and Secretary on the conduct and management of the Academy's administrative and financial business, and to report on them to Council.

The Treasurer is the Honorary Officer principally responsible for the Academy's financial affairs. The principal Executive Officer of the Academy is the Chief Executive and Secretary, who is responsible, in conjunction with the Treasurer, for conducting and managing the Academy's business in accordance with the policies and procedures from time to time prescribed by Council. Under the terms of the Financial Memorandum between the Academy and the Department for Business, Innovation and Skills (BIS), the Chief Executive and Secretary is the designated Accounting Officer for the Government's financial support.

The Academy has for many years received annual grants from public funds. This support comes from the Science and Research budget, as allocated by the Department for Business, Innovation and Skills.

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The British Academy endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership) and with the Guidance on Codes of Practice for Board Members of Public Bodies, issued by the Cabinet Office (Office of Public Service).

Specialist committees oversee each of the areas of principal activity, mapped to the organisation's objectives and strategic priorities:

- Research Programmes, co-ordinated by the Research Committee with separate components for research grants, research projects and research posts;
- International and Institutional Programmes, which are overseen by the International Policy Committee (IPC) and the Board for Academy-Sponsored Institutes and Societies (BASIS);
- Communications and External Relations, which are overseen by the Publications Committee and the Communications and Activities Committee (CAC);
- Fellowship Programmes, supervised and shaped by the 18 Sections of the Academy (representing the different disciplines) and the two Groups of Humanities and Social Sciences.

In addition, there is an Audit Committee, made up of three Fellows and two external members, and an Investment Management Committee, which supplies advice on investment strategy and management.

## PUBLIC BENEFIT REPORTING

The Council, as formal Trustees of the Academy, operate in accordance with the Charities Act 2006 and this Annual Report meets the requirement in the Act to set out the public benefits of the Academy's work. The Council is also satisfied that it has complied with the duties set out in Section 4 of the Act to have due regard to the public benefit guidance published by the Charity Commission.

## RISK MANAGEMENT

The Council has identified and reviewed the major risks to which the British Academy is exposed and is satisfied that systems are in place to mitigate them. A risk register is monitored by senior management and the Audit Committee, and reviewed and formally adopted by the Council annually. The review of risk management is included in the terms of reference of the Audit Committee.

## GRANT MAKING POLICY

The Academy's grant making policy and procedures are set out in its Code of Practice for Consideration of Research Proposals. The Academy issues guidelines on the information to be supplied by applicants, details of the criteria against which applications are assessed, and the process and timescale for the assessment of applications. Applications are judged on their academic merit through a stringent process of peer review by appropriately qualified experts.

Recommendations are passed to the relevant awarding committee for the final decision on awards. All applications receive careful scrutiny by assessors, who are normally drawn from subject-specific experts within the Academy's Fellowship. Appeals may not be made against the academic judgement of the Academy's assessors, panels, or committees. An appeal may be made on the sole ground of improper procedure. Assessors are required to declare actual or potential conflicts of interest. Fellows of the Academy who wish to apply for a grant during the period in which they are serving in any capacity as an assessor must abstain from any involvement in the competition to which they are applying. The Code of Practice is reviewed annually.

# FINANCIAL REVIEW

# FINANCIAL REVIEW OF THE YEAR

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The Statement of Financial Activities shows a planned net surplus (all funds) of £469,687 (2009: £431,061) for the year. There is in addition a net recognised gain on investments of £2.107m (2009: £1.780m loss), bringing the total net movement in funds, a gain for the year, to £2.577m (2009: £1.349m loss), £1.825m of which pertains to Restricted Funds. Of the Total Funds balance of £12.763m at 31 March 2010, £147,856 (2009: £146,608) relates to public funds. This amount has been spent and is tied up in capitalised fixed assets.

## INVESTMENT POLICY

The Academy's primary aim is to achieve growth of capital and an annual income set by Council. It achieves this by applying a proportion of its funds in equity and/or equity related investments balanced by an element of lower risk, stable income generating investments such as fixed-interest gilts. Performance is assessed over the longer term. A period of five years is considered appropriate. Council is advised on investment matters by an Investment Management Committee comprised of the Treasurer as Chair and at least one member external to the Academy with professional fund management experience. The bulk of the funds, £7.540m of the total invested (£8.035m at 31 March 2010), has been invested in three tracker funds managed by Black Rock Advisors (UK) Ltd: in the ChariTrak UK Equity Income Fund (29.9%), the BLK Index Selection Funds (overseas equities funds, 51.1%) and the UK Corporate Bond Fund (18.2%). The Black Rock portfolio is invested to generate interest and dividend income of at least £150,000 per annum; actual Black Rock income for the year ending 31 March 2010 was £213,430. The actual performance of the Black Rock funds in total was a gain of 42.24% for the year ending 31 March 2010; the benchmark for investment returns was 42.53%. Additionally, the Marc Fitch Fund, which is invested and managed separately by Lombard Odier, generated an income of £12,264. Funds are also invested in bank and money market accounts, to provide some liquidity; this generates additional investment income.

In 2008/09, an investment of £229,527 into a tracker deposit fund held at Kaupthing, Singer and Friedlander Bank was written off as the bank went into administration in October 2008. This was recovered in full, together with interest, in 2009/10.

## RESTRICTED FUNDS

The majority of the Academy's income comes from the BIS grant which was £25.062m in 2009/10 as compared with £22.540m in 2008/09, an increase of 11.2%. During the year grants awarded of £263,839 were returned, compared with £348,758 in 2008/09. Incoming 'funds administered' on behalf of other organisations amounted to £795,142 compared to £449,973 in 2008/09. There were in addition grants totalling £293,116 received from ESRC, AHRC, ACU and HEFCE funding joint interest activities. During the year the Academy received a capital grant from BIS totalling £285,112.

The cost of generating funds was £282,992 in 2009/10 (£338,593 in 2008/09).

Resources expended on Grants, Awards and Activities amounted to £25.706m in 2009/10 compared with £22.900m in 2008/09, an increase of £2.8m or 12.2%, primarily relating to awards in research development and research posts. There were three principal strands of expenditure:

- **Research programmes** – research and conference grants, research projects and research posts, and policy studies, which amounted to £16.826m, or 65.5% of this expenditure and an increase of 7.6% on 2008/09;
- **International and institutional programmes** – the Academy's overseas exchanges and activities, and support for Academy-sponsored Schools, Institutes and Societies and the Council for British Archaeology, which totalled £7.418m or 28.8% of this expenditure and an increase of 29.0% compared with 2008/09 (the increase reflects the introduction of the Newton International Fellowship awards);
- **Communications and related activities** – lectures, conferences and other events and policy work contributing to greater public understanding of the humanities and social sciences, which totalled £1,132m or 4.4% of this expenditure and an increase of 37% compared with 2008/09.

Other grants and prizes from the Academy's private funds and funds administered on behalf of other organisations amounted to £815,339, 3.2% of this

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expenditure, compared with £715,349 in 2008/09, 3.1% of the 2008/09 expenditure.

The depreciation of leasehold improvements amounts to £100,463 each year, and in 2009/10 that was 0.4 % of this expenditure.

Governance costs are those related to external and internal audit, Council and AGM meetings, and related staff costs. Total governance costs in 2009/10 were £187,301 compared with £226,016 in 2008/09, a decrease of 17.1%.

Support costs for charitable activities, including those for governance, amounted to £801,938 in 2009/10, 3.0% of total resources expended on charitable activities of £26.604m compared with £669,945 in 2008/09, which was 2.9% of resources expended of £23.248m. Support costs in total increased, from £822,321 in 2008/09 to £998,093 in 2009/10, 21.4%. This was mainly due to a reduction on rent and room hire income. Total Academy support costs are allocated to all programme activities based on head count.

Core staff costs amounted to £1.742m in 2009/10, 6.3% of total resources expended of £27.670m, compared with £1.644m in 2008/09, 6.7% of total resources expended of £24.620m. The actual increase of £98,000 or 5.9% was primarily due to the costs of a voluntary severance scheme undertaken as part of delivering better value for money.

## GENERAL FUNDS

Income of £558,213 was generated from room hire and office rent and fees, including the reimbursement of related expenses, compared to £739,557 in 2008/09. Total expenses in 2009/10 were £546,346 compared with £710,275 in 2008/09. There was a surplus of £11,867 in 2009/10 compared with £28,282 in 2008/09. The Academy also earned bank interest of £28,996 bringing the General Fund balance to £338,247 at 31 March 2010.

## DESIGNATED FUNDS

The Academy Development Fund (ADF) had incoming resources of £282,518 including investment income of £74,973 and subscriptions of £81,738. Resources expended amounted to £269,474 mostly for costs related to Fellowship activities, library support and the Pictures, Portraits and Decorations programme. Last year this included enhanced severance costs of £163,564. In 2009/10 a net recognised gain of £643,254 arose (loss of £553,799 in 2008/09).

The Academy's Publications Fund had income of £187,159 and direct production costs of £174,358 in 2009/10 compared with £185,028 and £148,868 respectively in 2008/09. The fund balance was £275,803 at 31 March 2010, and is reviewed annually.

The Academy's lease with the Crown Estate requires that the external redecoration of the building be carried out every five years. The net interim cost of scheduled redecoration in 2009/10 was £83,620 and the net total cost is not expected to exceed the provision for it. The Fund for Building Repairs and Maintenance was kept to the same level of provision as in 2008/09. The Fund is a contingency, to cover extraordinary capital repairs; the annual budget for premises is then reduced in order to free up funds for programme activities. A Fund was also set up in 2006/07 to accumulate sufficient funds to finance a major overhaul of the Academy's website within the following five years; £10,000 has been set aside in 2009/10. A Fund has been set aside to accumulate sufficient funds to finance the Organisational Development Programme, £65,000 has been set aside in 2009/10. A Fund has also been set up to accumulate resources to finance the IT development programme including Fellows database, Online Grants and IT service desk systems, £222,167 has been set aside in 2009/10. The BASIS Transition Fund (with a balance at 31 March 2010 of £87,847) was set up in 2008/09 to assist BASIS organisations to adjust to financial constraints.

In total, investment income for the Designated Funds (ADF) was £74,973 in 2009/10 compared with £105,623 in 2008/09.

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## RESTRICTED FUNDS

Depreciation of £100,463 was applied against the Carlton House Property fund in the year. Depreciation will continue to be applied until the leasehold property improvements are fully depreciated and the Carlton House Property fund reduced to nil.

## ENDOWMENT FUNDS

The Webster Fund had net recognised gains of £88,054 in 2009/10 compared to net recognised losses of £75,808 in 2008/09.

The Rose Mary Crawshay Prize for English Literature had net recognised gains of £5,218 in 2009/10.

## RESERVES POLICY

The Unrestricted Funds (General and Designated Funds) have a combined balance at 31 March 2010 of £4.743m. The largest Designated Fund, balance of £3.322m, relates to the Academy Development Fund (ADF), established in 1991, which is made up primarily of donations (a significant proportion of which are from the Academy's Fellows), Fellows' subscriptions, and investment income less some operating costs related to the Academy's Fellowship. The Academy is free to devote the income of the ADF to whatever object it deems fit. Council has decided to allow the Fund to grow in order to strengthen the Academy's financial independence. The intention in creating the Fund was to enable the Academy to take new initiatives at its unfettered discretion. Proposals for the use of the Fund are reviewed annually by Council.

Additional reserves have been set aside (1) for the Publications Fund, to cover the direct costs associated with the work in progress for one year, £275,803, so as to make no claim on public/restricted funds for direct production costs, (2) the balance of External Redecoration Fund kept to £156,380 with an aim to increase it over the next 5 years, when the next redecoration is due (3) to cover any extraordinary capital repairs related to the building, £265,000 (4) £10,000 for the website (5) £65,000 for the Organisational

Development Programme and (6) £222,167 for the IT Development programme.

Council agreed that the General Fund balance of £338,247 at 31 March 2010, will also be invested to build up the Academy's private funds, to help reduce reliance on public funds.

## VOLUNTEERS

The Academy is critically dependent on the voluntary services of its Fellows who, whether as Officers, Chairmen or members of the Sections, Committees and Sub-committees, or as referees and assessors, perform a range of tasks for which they are wholly unremunerated outside the recovery of their direct expenses. The Academy also consults external academic experts and relies extensively on the services and goodwill of numerous referees and assessors outside its Fellowship and external members of the Investment Management and Audit Committees. All this constitutes an unquantifiable voluntary contribution without which the Academy would be unable to fulfil its objectives.

## AUDITORS

A resolution for the reappointment of PKF (UK) LLP for the ensuing year will be proposed at the annual general meeting.

## R J P Kain

Honorary Treasurer  
2010

# STATEMENT OF COUNCIL'S RESPONSIBILITIES

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Council is responsible, through the Chief Executive and Secretary, for the administration and management of the affairs of the Academy and is required to present audited financial statements for each financial year.

Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Academy and enable it to ensure that the financial statements are prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (revised 2005) ('SORP') and other relevant accounting standards. In addition, within the terms and conditions of a Financial Memorandum agreed between the Department for Business, Innovation and Skills and the Council of the Academy, Council is required, through the Chief Executive and Secretary as Accounting Officer, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Academy and of the surplus or deficit and cash flows for that year.

In causing the financial statements to be prepared, Council has ensured that:

- suitable accounting policies have been selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- financial statements are prepared on the going concern basis.

Council has taken steps to:

- ensure that funds from the Department for Business, Innovation and Skills are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Department for Business, Innovation and Skills and any other conditions which the Department for Business, Innovation and Skills may from time to time prescribe;
- ensure that there are appropriate financial

and management controls in place to safeguard public funds and funds from other sources;

- safeguard the assets of the Academy and prevent and detect fraud;
- secure the economical, efficient and effective management of the Academy's resources and expenditure.

# INDEPENDENT AUDITORS' REPORT

## TO THE TRUSTEES OF THE BRITISH ACADEMY

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**W**e have audited the financial statements of the British Academy for the year ended 31 March 2010 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees as a body (Council of the Academy), in accordance with regulations made under section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE COUNCIL AND AUDITORS**

The Council's responsibilities for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of Council's responsibilities.

We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under that Act.

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

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Charities Act 1993.

We also report to you if, in our opinion, the information given in the Council's annual report is not consistent with those financial statements, if the charity has not kept sufficient accounting records, if the charity's financial statements are not in agreement with those accounting records, or if we

have not received all the information and explanations we require for our audit.

The relationship between the British Academy and the Department for Business Innovation and Skills (BIS) and the terms upon which BIS provides funds to the Academy are governed by a Financial Memorandum. Our responsibility includes a requirement to report our opinion on whether the funds provided by BIS have been applied in accordance with this Financial Memorandum.

We read other information contained in the annual report and consider whether it is consistent with the audited financial statements. This other information comprises only the Foreword by the President and the Introduction by the Chief Executive and Secretary. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

### **BASIS OF AUDIT OPINION**

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

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

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## **OPINION**

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.

### **PKF (UK) LLP**

Registered Auditors, London, UK,  
2010

# STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2010

	Notes	General Funds	Designated Funds	Restricted Funds	Endowment Funds	2010 Funds	2009 Funds
		£	£	£	£	£	£
<b>Incoming Resources</b>							
Incoming resources from generated funds							
Voluntary income – donations		-	20,663	-	-	20,663	23,976
Activities for generating funds	2	558,213	187,159	-	-	745,372	924,586
Investment income	3	28,996	74,973	176,335	-	280,304	455,801
Incoming resources from charitable activities							
Grants receivable	4	-	-	26,699,148	-	26,699,148	23,432,079
Other incoming resources	5	-	186,882	207,239	-	394,121	214,330
<b>Total incoming resources</b>		<b>587,209</b>	<b>469,677</b>	<b>27,082,722</b>	<b>-</b>	<b>28,139,608</b>	25,050,772
<b>Resources Expended</b>							
Cost of generating funds							
Investment management fees	6	-	2,616	10,076	-	12,692	12,196
Other		546,346	234,404	272,916	-	1,053,666	1,359,744
Total cost of generating funds		546,346	237,020	282,992	-	1,066,358	1,371,940
<b>Total incoming resources available for charitable application</b>		<b>40,863</b>	<b>232,657</b>	<b>26,799,730</b>	<b>-</b>	<b>27,073,250</b>	23,678,832
Charitable activities							
Grants and awards	6	-	709,980	25,706,282	-	26,416,262	23,021,755
Governance costs	7	-	-	187,301	-	187,301	226,016
Total charitable activities		-	709,980	25,893,583	-	26,603,563	23,247,771
<b>Total resources expended</b>	6	<b>546,346</b>	<b>947,000</b>	<b>26,176,575</b>	<b>-</b>	<b>27,669,921</b>	24,619,711
<b>Net incoming (outgoing) resources before transfers</b>							
		40,863	(477,323)	906,147	-	469,687	431,061
Net transfers between funds	15	-	451,920	(451,920)	-	-	-
<b>Net incoming (outgoing) resources before other recognised gains and losses</b>							
		40,863	(25,403)	454,227	-	469,687	431,061
Other recognised gains and losses							
Net gains (losses) on investments	11	-	643,254	1,371,036	93,272	2,107,562	(1,779,788)
<b>Net movement in funds</b>		<b>40,863</b>	<b>617,851</b>	<b>1,825,263</b>	<b>93,272</b>	<b>2,577,249</b>	<b>(1,348,727)</b>
Fund balances brought forward at 1 April 2009	15	297,384	3,786,945	5,846,402	254,829	10,185,560	11,534,287
<b>TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2010</b>		<b>338,247</b>	<b>4,404,796</b>	<b>7,671,665</b>	<b>348,101</b>	<b>12,762,809</b>	10,185,560

All of the above results are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

# BALANCE SHEET

31 MARCH 2010

	Notes	2010 Total £	2009 Total £
<b>FIXED ASSETS</b>			
Tangible assets	10	1,172,728	986,830
Investments	11	8,034,997	5,932,969
		<b>9,207,725</b>	6,919,799
<b>CURRENT ASSETS</b>			
Debtors	12	788,152	466,801
Cash at bank and in hand		7,018,001	6,150,280
		<b>7,806,153</b>	6,617,081
<b>CREDITORS</b>			
Amounts falling due within one year	13	(4,093,099)	(2,900,537)
		<b>3,713,054</b>	3,716,544
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(157,970)	(450,783)
		<b>12,762,809</b>	10,185,560
<b>NET ASSETS</b>			
Represented by:			
<b>General funds</b>			
Other general funds	15	338,247	297,384
<b>Designated funds</b>			
Academy development fund	15	3,322,599	2,666,301
Publications		275,803	263,002
Repairs and maintenance		265,000	265,000
External redecoration		156,380	240,000
Website development		10,000	10,000
Organisation development		65,000	65,000
IT development		222,167	227,642
BASIS transition		87,847	50,000
		<b>4,404,796</b>	3,786,945
<b>Restricted funds</b>			
BIS grant	15	147,856	146,608
Grants from previous years not taken up		263,839	348,758
Carlton House Terrace property		1,024,872	840,223
Funds administered		214,185	86,949
Restricted investment funds		5,358,481	3,947,445
Restricted income funds		662,432	476,419
		<b>7,671,665</b>	5,846,402
<b>Endowment funds</b>			
	15	348,101	254,829
		<b>12,762,809</b>	10,185,560

The Financial Statements on pages 41-57 were approved and authorised for issue on 22 June 2010 and signed by:

Honorary Treasurer

Chief Executive and Secretary

# CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2010

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	2010	2009
	£	£
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>		
Operating surplus for the year	469,687	431,061
Investment income and KS&F refund	(509,831)	(455,801)
Leasehold improvements grant	(285,112)	-
Depreciation charges	145,887	178,282
Increase in debtors	(212,944)	(65,088)
Increase in creditors	861,686	2,476,803
<b>Net cash inflow from operating activities</b>	<u>469,373</u>	<u>2,565,257</u>
<b>Cash flow statement</b>		
Net cash inflow from operating activities	469,373	2,565,257
Returns on investments	280,304	455,801
Capital expenditure and financial investment	147,256	(303,259)
Capital lease payments	(28,744)	-
Increase in cash and liquid resources	<u>868,189</u>	<u>2,717,799</u>
<b>Reconciliation of net cash inflow to movement in net funds</b>		
Change in cash and liquid resources	868,189	2,717,799
Cash and liquid resources at 1 April 2009	<u>6,232,144</u>	<u>3,514,345</u>
Cash and liquid resources at 31 March 2010	<u>7,100,333</u>	<u>6,232,144</u>

	2010 £	2009 £	
<b>Notes to Cash Flow Statement</b>			
<b>Note (i) Gross cash flows</b>			
<b>Returns on investments</b>			
Investment income	<u>280,304</u>	<u>455,801</u>	
<b>Capital expenditure and financial investment</b>			
Kaupthing, Singer & Friedlander refund	229,527	(229,527)	
Payments for leasehold improvements and to acquire tangible fixed assets	(264,978)	(25,939)	
Grant received for leasehold improvements	176,705	-	
Payments to acquire investments	(1,161,268)	(2,046,199)	
Receipts from sales of investments	1,167,270	1,998,406	
	<u>147,256</u>	<u>(303,259)</u>	
<b>Note (ii) Analysis of change in net funds</b>			
	At 1 April 2009 £	Cash Flows £	At 31 March 2010 £
Cash in hand, at bank	6,150,280	867,721	7,018,001
Cash held with investment managers	81,864	468	82,332
	<u>6,232,144</u>	<u>868,189</u>	<u>7,100,333</u>

# NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2010

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## 1. ACCOUNTING POLICIES

### a. Basis of Preparation of the Accounts

The annual report, incorporating the financial statements for the year ended 31 March 2010, has been prepared in accordance with the Academy's Royal Charter, and in compliance with the Charities Act 1993, the Statement of Recommended Practice 'Accounting and Reporting by Charities' ('SORP 2005'), and with applicable accounting standards

### b. Historical Cost Convention

The financial statements have been prepared under the historical cost convention, as modified for the inclusion of investment assets.

### c. Incoming Resources

The specific bases for accounting for income are described below. In general terms, income is accounted for on a receivable basis, gross of related expenditure. Income is only recognised where there is evidence of entitlement, where it is virtually certain that income will be received, and there is reasonable certainty of the amount.

- Voluntary income includes donations which are accounted for in the year in which they are received
- Activities for generating funds include income receivable from the rent and hire of rooms.
- Investment income is included in the Statement of Financial Activities in the year in which it is receivable
- Grants receivable are recognised when entitlement to the grant is confirmed, and also include returned grants which are accounted for on receipt
- Other incoming resources consist of subscriptions, including income tax recoverable.

### d. Resources Expended

Expenditure is recognised on an accruals basis, gross of any related income. Where costs cannot be directly attributed to particular categories, they have been allocated to activities on a headcount basis.

- Costs of generating funds include expenditure directly incurred in generating income from the publications programme, room hire, office rental and investments
- Grants are charged to the statement of financial activities when a constructive obligation exists notwithstanding that they may be paid in future periods
- Governance costs include those associated with the management of the Academy's assets

and with constitutional and statutory requirements.

### e. Operating Leases

Rental costs under operating leases are charged to the Statement of Financial Activities, as the charges are incurred, over the lease periods.

### f. Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

- Furniture and Equipment at cost of up to £2,000 is fully written off within the year of purchase
- Furniture and equipment - over 5 years
- Leasehold improvements - over the life of the lease
- Items which are fully depreciated are treated as disposals
- Assets under construction are depreciated when they are made available for use
- Items under finance leases are capitalised and written off over the term of the lease.

### g. Investments

Listed investments are included in the financial statements at market value at the balance sheet date.

Gains/losses on disposal of investments and revaluation of investments are recognised in the year of gain or loss and are allocated to the funds to which the investments relate in accordance with their percentage share of the investments.

### h. Stocks of Publications

Costs of publications are written off in the Statement of Financial Activities when incurred. Stocks of books donated to the Academy for its library are not valued within the accounts.

At 31 March 2010 the estimated value of stocks of publications not included in the balance sheet was £33,384 (2009: £94,616), being the lower of cost and net realisable value

### i. Pensions

The Academy participates in the Super-annuation. Arrangements of the University of London ('SAUL'), which is a funded defined benefit scheme. The scheme is contracted-out of the Second State Pension. The scheme is valued formally every three years by

professionally qualified and independent actuaries using the Projected Unit method. Informal reviews of the scheme's position are carried out between formal valuations.

**j. Liquid Resources**

Liquid Resources are represented by fixed term bid deposits, Tracker deposits and National Savings Bonds.

**k. Funds**

General Funds are those which are available for use at the Council's discretion in the furtherance of the Academy's objects.

Designated Funds are unrestricted funds set aside for unrestricted purposes and which would otherwise form part of General Funds. Details of the nature and purpose of each designated fund are set out in note 15.

Restricted Funds are funds that are subject to restrictions imposed by donors and are applied in accordance with these restrictions. Details of the nature and purpose of each restricted fund are set out in note 15.

Endowment funds represent those assets which must be held permanently by the Academy. Income arising from Endowment funds is allocated to the corresponding named individual restricted funds in accordance with their percentage share of the investments and applied for the purposes for which they were originally given.

1. Government grants on fixed assets are recognized in the year in which they are received and are accounted for in a separate fund.

<b>2. ACTIVITIES FOR GENERATING FUNDS</b>	<b>2010</b>	2009
	<b>£</b>	£
Rents and hire of rooms	<b>558,213</b>	739,558
Publications	<b>187,159</b>	185,028
	<u><b>745,372</b></u>	<u>924,586</u>
Rental income fell due to the departure of a tenant during the year. This space could not be re-let owing to subsequent building works.		
<b>3. INVESTMENT INCOME</b>	<b>2010</b>	2009
	<b>£</b>	£
Investment income	<b>226,952</b>	287,793
Bank interest	<b>53,352</b>	168,008
	<u><b>280,304</b></u>	<u>455,801</u>
	<b>2010</b>	2009
	<b>£</b>	£
UK		
Bonds	<b>1,264</b>	12,147
Equities	<b>163,282</b>	174,479
Bank and deposit interest	<b>53,352</b>	168,008
	<u><b>217,898</b></u>	<u>354,634</u>
Overseas		
Equities	<b>62,406</b>	100,563
Bonds	<b>-</b>	604
	<u><b>280,304</b></u>	<u>455,801</u>
<b>4. GRANTS RECEIVABLE</b>	<b>2010</b>	2009
	<b>£</b>	£
Department for Business, Innovation and Skills Main Grant	<b>25,061,939</b>	22,539,790
Grants returned awarded in prior years	<b>263,839</b>	348,758
Department for Business, Innovation and Skills Fixed Asset Grant	<b>285,112</b>	-
Other grants received	<b>293,116</b>	93,558
	<u><b>25,904,006</b></u>	<u>22,982,106</u>
Grants received for funds administered by the Academy	<b>795,142</b>	449,973
	<u><b>26,699,148</b></u>	<u>23,432,079</u>
<b>5. OTHER INCOMING RESOURCES</b>	<b>2010</b>	2009
	<b>£</b>	£
Subscriptions	<b>81,738</b>	65,775
Sundry income and recharges	<b>82,856</b>	65,442
Kaupthing, Singer & Friedlander refund	<b>229,527</b>	-
Other income	<b>-</b>	83,113
	<u><b>394,121</b></u>	<u>214,330</u>

**6. TOTAL RESOURCES EXPENDED**

	<b>Grants/ Awards/ activities</b>	<b>Staff costs</b>	<b>Depreciation</b>	<b>Other direct costs</b>	<b>Support costs</b>	<b>Total 2010</b>	<b>Total 2009</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost of generating funds</b>							
Investment managers' fees	-	-	-	12,692	-	12,692	12,196
Other:							
Rent and hire of room costs	-	124,748	4,133	326,644	90,821	546,346	709,879
Publications	-	162,788	4,794	174,358	105,334	447,274	487,588
Academy Development Fund	-	-	-	60,046	-	60,046	162,277
<b>Total cost of generating funds</b>	<b>-</b>	<b>287,536</b>	<b>8,927</b>	<b>573,740</b>	<b>196,155</b>	<b>1,066,358</b>	<b>1,371,940</b>
<b>Charitable activities</b>							
<b>Grants, awards and activities</b>							
<b>Research programmes</b>							
Grants	6,327,015	221,039	5,944	30,272	130,619	6,714,883	7,205,027
Projects	360,749	65,035	1,427	30,272	31,366	488,849	432,135
Posts	9,065,742	84,530	2,045	30,272	44,942	9,227,531	7,780,866
Policy studies	168,520	145,693	3,494	-	76,776	394,483	214,554
International/Institutional							
BASIS	4,340,260	99,000	2,067	30,272	45,411	4,517,010	4,252,199
IPC	2,336,344	330,664	8,885	30,272	195,218	2,901,383	1,495,293
Communications and activities	447,351	438,906	10,717	-	235,479	1,132,453	825,929
Grants and prizes							
Restricted funds	147,483	-	-	-	-	147,483	280,921
Funds administered	667,856	-	-	-	-	667,856	434,428
Property depreciation	-	-	100,463	123,868	-	224,331	100,463
<b>Total grants awards and activities</b>	<b>23,861,320</b>	<b>1,384,867</b>	<b>135,042</b>	<b>275,228</b>	<b>759,805</b>	<b>26,416,262</b>	<b>23,021,755</b>
<b>Governance costs</b>	<b>-</b>	<b>108,902</b>	<b>1,918</b>	<b>34,348</b>	<b>42,133</b>	<b>187,301</b>	<b>226,016</b>
<b>Total charitable activities</b>	<b>23,861,320</b>	<b>1,493,769</b>	<b>136,960</b>	<b>309,576</b>	<b>801,938</b>	<b>26,603,563</b>	<b>23,247,771</b>
<b>Total resources expended</b>	<b>23,861,320</b>	<b>1,781,305</b>	<b>145,887</b>	<b>883,316</b>	<b>998,093</b>	<b>27,669,921</b>	<b>24,619,711</b>

**6. TOTAL RESOURCES EXPENDED (CONTINUED)****GRANTS PAID TO INSTITUTIONS**

The largest 50 total grants payable to institutions in 2009/10 were as follows:

<b>INSTITUTION</b>	<b>£</b>
University of Oxford	3,445,474
University of Cambridge	1,717,207
University College London	1,275,568
British School at Rome	1,180,000
British School at Athens	793,000
London School of Economics	712,885
University of Edinburgh	692,230
Council for British Research in the Levant	525,000
British Institute at Ankara	520,000
Royal Holloway, University of London	486,750
University of Manchester	473,897
King's College London	471,837
School of Oriental and African Studies	466,492
British Institute in Eastern Africa	410,900
University of Exeter	400,193
Council for British Archaeology	342,400
University of Nottingham	319,556
Birkbeck College, University of London	269,842
University of Leeds	262,344
University of Warwick	259,178
University of Birmingham	251,702
University of Durham	239,463
University of Sheffield	237,835
University of Sussex	229,671
University of Essex	221,644
University of Reading	215,578
University of Glasgow	214,242
University of Kent	213,204
University of Leicester	210,353
University of Cardiff	201,978
University of Bristol	191,897
Imperial College London	170,621
University of St Andrews	152,308
University of York	150,267
University of Southampton	135,770
University of Aberdeen	133,900
Bangor University, Wales	133,259
Goldsmiths, University of London	132,444
Aberystwyth University	128,825
University of Liverpool	126,342
Brunel University	113,178
University of Plymouth	109,369
University of Portsmouth	107,553
British Institute for Persian Studies	105,000
Queen's University, Belfast	104,535
University of London	97,042
Queen Mary, University of London	93,920
Newcastle upon Tyne University	93,402
Warburg Institute	75,626
University of Lancaster	75,470
University of Stirling	74,271

<b>7. GOVERNANCE COSTS</b>	<b>2010</b>	2009
	<b>£</b>	£
External audit	<b>15,245</b>	15,245
Internal audit	<b>6,987</b>	9,299
Council and AGM travel	<b>12,116</b>	18,643
Staff costs	<b>108,902</b>	135,256
Support costs	<b>42,133</b>	43,460
Depreciation	<b>1,918</b>	4,113
	<b>187,301</b>	226,016

<b>8. STAFF COSTS</b>	<b>2010</b>	2009
	<b>£</b>	£
Staff costs:		
Salaries	<b>1,484,002</b>	1,373,856
Social security costs	<b>116,259</b>	116,275
Pension costs - SAUL	<b>142,093</b>	153,658
Other staff costs	<b>38,951</b>	16,508
	<b>1,781,305</b>	1,660,297

The average number of full time equivalent permanent employees (all administrative staff) during the year was 34.3 (2009: 37).

Remuneration of higher paid staff greater than £60,000 is:	<b>2010</b>	2009
	<b>£</b>	£
£60,000-£70,000	<b>2</b>	2
£70,000-£80,000	<b>1</b>	-
£100,000 - £110,000	<b>1</b>	1

Total employer pension contributions for the higher paid staff above were £39,294 compared to £29,359 in 2008/09.

No members of the Council received any remuneration from the Academy for the year ended 31 March 2010 (2009: £Nil). Council members are reimbursed in respect of travel and other expenses necessarily incurred by them in the furtherance of the Academy's activities. During the year ended 31 March 2010 such reimbursement to 23 Council members (2009: 23) for Council and AGM meetings amounted to £11,217 (2009: £18,643).

<b>9. NET INCOMING (OUTGOING) RESOURCES ARE AFTER CHARGING:</b>	<b>2010</b>	2009
	<b>£</b>	£
Auditors' – remuneration	<b>15,245</b>	15,245
– other services	<b>17,587</b>	20,886
Investment management fees	<b>12,692</b>	12,196
Operating leases		
– land and buildings	<b>565,000</b>	565,000
Hire of equipment	<b>9,176</b>	10,605

**10. TANGIBLE FIXED ASSETS**

	Leasehold improvements £	Furniture and equipment £	Leased assets £	Total £
<b>Cost</b>				
At 1 April 2009	2,009,267	399,584	33,525	2,442,376
Additions	285,112	5,735	40,938	331,785
Disposals	-	(106,313)	-	(106,313)
At 31 March 2010	<u>2,294,379</u>	<u>299,006</u>	<u>74,463</u>	<u>2,667,848</u>
<b>Depreciation</b>				
At 1 April 2009	1,169,044	286,502	-	1,455,546
Charge for the year	100,463	32,884	12,540	145,887
Disposals	-	(106,313)	-	(106,313)
At 31 March 2010	<u>1,269,507</u>	<u>213,073</u>	<u>12,540</u>	<u>1,495,120</u>
<b>Net book value</b>				
<b>At 31 March 2010</b>	<u>1,024,872</u>	<u>85,933</u>	<u>61,923</u>	<u>1,172,728</u>
At 31 March 2009	840,223	113,082	33,525	986,830

The fixed assets are used to promote the direct charitable activities of the Academy. Leasehold improvements additions are part of the 10-11 Carlton House Terrace building renovation project. Where additions to leasehold improvements pertain to assets in the course of construction, no depreciation is provided until the building is brought into use.

**11. INVESTMENTS**

	2010 £	2009 £		
At 1 April	5,851,105	7,563,935		
Additions	1,161,268	2,065,364		
Disposal proceeds	(1,167,270)	(1,998,406)		
Net gain/(loss) in market value	2,107,562	(1,779,788)		
	<u>7,952,665</u>	5,851,105		
Bank balances	82,332	81,864		
At 31 March	<u>8,034,997</u>	5,932,969		
Fixed Interest and Equities at cost	<u>6,644,187</u>	6,424,346		
	UK £	Overseas £	Total 2010 £	Total 2009 £
Comprising:				
Commodities	-	48,739	48,739	41,084
Bonds	1,561,456	85,470	1,646,926	1,341,777
Equities	2,294,051	3,962,949	6,257,000	4,468,244
	<u>3,855,507</u>	<u>4,097,158</u>	<u>7,952,665</u>	5,851,105

Single investments representing more than 5% of the Academy's portfolio were: Charitrak UK Equity Fund 29.9%, BLK Europe Ex-UK ISF 19.2%, Black Rock UK Corporate Bond 18.2%, BLK N.American ISF 14.8%, Black Rock Japan ISF 8.8% and BLK Pacific Rim ISF 8.3%.

<b>12. DEBTORS</b>	<b>2010</b>	2009
	<b>£</b>	£
Debtors	<b>416,406</b>	138,364
Prepayments and accrued income	<b>343,553</b>	323,747
Recoverable VAT	<b>28,193</b>	4,690
	<b><u>788,152</u></b>	<u>466,801</u>

<b>13. CREDITORS: Amounts falling due within one year</b>	<b>2010</b>	2009
	<b>£</b>	£
Other creditors	<b>158,926</b>	128,446
Grants and awards (see below)	<b>3,426,186</b>	2,477,476
Accruals	<b>159,936</b>	63,666
Deferred income	<b>348,051</b>	230,949
	<b><u>4,093,099</u></b>	<u>2,900,537</u>
Lease Obligation included in creditors	<b><u>17,772</u></b>	<u>11,175</u>

**Grants and Awards included within creditors**

Grants and awards allocated, not yet paid comprise:

Research grants	<b>3,426,186</b>	2,477,476
	<b><u>3,426,186</u></b>	<u>2,477,476</u>

**Deferred income**

At 1 April 2009	<b>662,176</b>	839,360
Taken to income in the year	<b>(276,708)</b>	(191,178)
Taken to deferred income in the year	<b>78,850</b>	13,994
	<b><u>464,318</u></b>	<u>662,176</u>

<b>14. CREDITORS: Amounts falling due after more than one year</b>	<b>2010</b>	2009
	<b>£</b>	£
Amount falling due within one year (note 13)	<b>348,051</b>	230,949
Amount falling due after one year	<b>116,267</b>	431,227
	<b><u>464,318</u></b>	<u>662,176</u>
Lease obligation due after more than one year	<b>41,703</b>	19,556
Deferred income	<b>116,267</b>	431,227
	<b><u>157,970</u></b>	<u>450,783</u>

<b>15. NET MOVEMENT IN FUNDS</b>	<b>Balance 1 April 2009 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Net realised/ unrealised gains/(losses) £</b>	<b>Balance 31 March 2010 £</b>
<b>Unrestricted funds</b>						
General funds	297,384	587,209	(546,346)	-	-	338,247
<b>Designated funds</b>						
Academy development fund	2,666,301	282,518	(269,474)	-	643,254	3,322,599
Publications	263,002	187,159	(174,358)	-	-	275,803
Repairs and maintenance	265,000	-	-	-	-	265,000
Website development	10,000	-	-	-	-	10,000
External redecoration	240,000	-	(83,620)	-	-	156,380
Organisational development	65,000	-	(34,833)	34,833	-	65,000
IT development	227,642	-	(172,562)	167,087	-	222,167
BASIS	50,000	-	(212,153)	250,000	-	87,847
<b>Total designated</b>	<b>3,786,945</b>	<b>469,677</b>	<b>(947,000)</b>	<b>451,920</b>	<b>643,254</b>	<b>4,404,796</b>
<b>Total unrestricted funds</b>	<b>4,084,329</b>	<b>1,056,886</b>	<b>(1,493,346)</b>	<b>451,920</b>	<b>643,254</b>	<b>4,743,043</b>
<b>Restricted funds</b>						
BIS Grant	146,608	25,061,939	(24,957,529)	(103,162)	-	147,856
Grant from previous yrs not taken up	348,758	263,839	-	(348,758)	-	263,839
ESRC	-	86,418	(86,418)	-	-	-
ACU Joint project	-	24,885	(24,885)	-	-	-
HEFCE	-	30,000	(30,000)	-	-	-
Middle East and South Asia	-	-	-	-	-	-
Visiting Fellowships	-	103,539	(103,539)	-	-	-
Carlton House Terrace property	840,223	285,112	(100,463)	-	-	1,024,872
CO-REACH	-	48,274	(48,274)	-	-	-
	<b>1,335,589</b>	<b>25,904,006</b>	<b>(25,351,108)</b>	<b>(451,920)</b>	<b>-</b>	<b>1,436,567</b>
<b>Funds administered</b>						
Lexicon of Greek Personal Names	84,994	20,101	-	-	-	105,095
Leverhulme Senior Research	-	260,994	(260,994)	-	-	-
Medieval Latin Dictionary-Packard	-	166,279	(166,279)	-	-	-
Wolfson Research Fellowship	-	200,000	(104,791)	-	-	98,836
Other funds administered	1,955	147,768	(139,469)	-	-	10,254
	<b>86,949</b>	<b>795,142</b>	<b>(667,906)</b>	<b>-</b>	<b>-</b>	<b>214,185</b>
<b>Restricted Investment funds</b>						
Elisabeth Barker Fund	247,000	-	-	-	92,289	339,289
Browning Fund	98,644	-	-	-	36,857	135,501
Caton Thompson Fund	99,136	-	-	-	37,041	136,177
Neil Ker	225,380	-	-	-	84,211	309,591
Leopold Schweich	127,262	-	-	-	47,550	174,812
Stenton	274,031	-	-	-	102,390	376,421
Albert Reckitt	1,141,058	-	-	-	426,346	1,567,404
Stein Arnold	126,580	-	-	-	47,295	173,875
Thank Offering to Britain	608,068	-	-	-	227,199	835,267
S T Lee	90,971	-	-	-	33,990	124,961
Marc Fitch	421,197	-	-	-	53,480	474,677
Other restricted	488,118	40,000	-	-	182,388	710,506
	<b>3,947,445</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>1,371,036</b>	<b>5,358,481</b>
<b>Restricted Income funds</b>						
Elisabeth Barker Income	14,172	21,058	(12,375)	-	-	22,855
Browning Income	7,896	8,410	(4,650)	-	-	11,656
Caton Thompson Income	6,514	8,452	(4,651)	-	-	10,315
Neil Ker	39,212	19,215	(7,156)	-	-	51,271
Leopold Schweich	47,893	11,104	(11,104)	-	-	47,893
Webster	100,621	20,092	(18,122)	-	-	102,591
Stenton	45,151	23,998	(1,016)	-	-	68,133
Albert Reckitt	33,743	97,281	(24,201)	-	-	106,823
Stein Arnold	8,392	10,792	(6,192)	-	-	12,992
Thank Offering to Britain	60,054	51,841	(41,049)	-	-	70,846
S T Lee	11,798	7,756	(138)	-	-	19,416
Marc Fitch	15,106	12,272	(4,363)	-	-	23,015
Other restricted income	85,867	51,303	(22,544)	-	-	114,626
	<b>476,419</b>	<b>343,574</b>	<b>(157,561)</b>	<b>-</b>	<b>-</b>	<b>662,432</b>
<b>Total restricted funds</b>	<b>5,846,402</b>	<b>27,082,722</b>	<b>(26,176,575)</b>	<b>(451,920)</b>	<b>(1,371,036)</b>	<b>7,671,665</b>
<b>Endowment funds</b>						
Rose Mary Crawshay	19,165	-	-	-	5,218	24,383
Webster	235,664	-	-	-	88,054	323,718
	<b>254,829</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,272</b>	<b>348,101</b>
<b>TOTAL FUNDS</b>	<b>10,185,560</b>	<b>28,139,608</b>	<b>(27,669,921)</b>	<b>-</b>	<b>2,107,562</b>	<b>12,762,809</b>

**DESIGNATED FUNDS**

Designated funds have been set aside for the following purposes:

**Academy Development Fund:** Any donations received, unless otherwise specified, are added to this Fund established in 1991, of which a significant proportion was donated by Fellows themselves. This is the only fund whose income the Academy is free to devote to whatever object it deems fit. All the other private funds must be directed to specific ends. Council decided at the outset, and has continued to allow the Fund to accumulate. Its intention in creating it was to enable the Academy to take new initiatives at its unfettered discretion. Proposals for the use of the fund are reviewed annually.

**Publications:** This fund covers the estimated direct costs of work in progress for one year, to take into account the uncertainties of the income stream, and make no call on public funds for direct costs.

**Repairs and Maintenance Fund:** To cover unforeseen capital repairs relating to the building which will be reviewed annually.

**External Redecoration Fund:** To set aside sufficient public funds to enable the Academy to comply with its obligation, under the lease with the Crown Estate, to redecorate the exterior of its building every five years.

**Web Development Fund:** To cover the cost of redesigning and updating the website over five years. To be reviewed annually.

**Organisational Development Fund:** To develop a new human resource strategy, and related policies and procedures; to update corporate working practices; and to deliver the organisational staff development programme (three years). Reviewed annually.

**IT Development Fund:** To fund major IT development projects: the Fellows' Database, Online Grants and IT Service Desk system.

**BASIS Transition Fund:** To assist Academy sponsored institutes to adjust to financial constraints (rising costs, adverse exchange rate movements, local inflation rates).

**RESTRICTED FUNDS**

In addition to its BIS grant, the Academy received grants from other organizations to fund joint interest activities:

**The Economic and Social Research Council (ESRC)** contributing towards: the ESRC/British Academy China Exchange programme; the establishment and delivery of the British Academy

Policy Centre and the Middle East and South Asia Visiting Fellowships Competition.

**The Association of Commonwealth Universities (ACU)** contributing towards International Joint Project.

**Higher Education Funding Council for England (HEFCE)** contributing towards the Islamic Studies European Conference.

**The Arts and Humanities Research Council (AHRC)** contributing towards the Middle East and South Asia Visiting Fellowships Competition and the British Academy Policy Centre.

**European Commission** funding the Coordination of Research between Europe and China (CO-REACH).

The Academy also has at its disposal private funds arising from gifts and legacies, from contributions made by the Academy's Fellows, and from grants made by research foundations. These funds are applied for the following restricted purposes. Amounts included in restricted investment funds are the amounts set aside and invested from these contributions to generate income:

**Lexicon of Greek Personal Names:** Funds a project to provide researchers in all fields of classical studies with a comprehensive and authoritative compilation of ancient Greek personal names.

**Leverhulme Senior Research Fellowships:** Funds seven awards which allow established scholars to undertake or complete programmes of sustained research for the duration of one year.

**Medieval Latin Dictionary – Packard:** Funds a project to compile a dictionary recording the usage of Latin during the medieval period in the British Isles and charts the medieval developments of the language.

**Elisabeth Barker Fund:** Supports studies in recent European history, particularly the history of central and eastern Europe.

**Browning Fund:** Funds original research, or its publication, in the field of British history in the early modern period with particular reference to the seventeenth century.

**Caton Thompson Fund:** For the furtherance of archaeological research, whether in the field or in publication, by scholars selected preferably but not necessarily from the Fellows of the Academy.

**Neil Ker Fund:** Supports the promotion of the study of Western medieval manuscripts, in particular those of British interest.

**Leopold Schweich Fund:** Funds lectures, and their publication, on subjects relating to the

## 15. NET MOVEMENT IN FUNDS (CONTINUED)

archaeology, art, history, languages and literature of Ancient Civilisation with reference to Biblical Study.

**Stenton Fund:** Supports three undertakings: Syllogue of Coins of the British Isles, the Seldon Society, and the Pipe Roll Society.

**Albert Reckitt Fund:** Funds annual awards for the exploration and excavation of ancient sites and the preservation and exhibition of objects discovered, and the publication of results.

**Stein Arnold Fund:** Funds research on the antiquities, historical geography, early history or arts in parts of Asia.

**Thank Offering to Britain Fund:** Funds the equivalent of a Senior Research Fellowship

**Marc Fitch Fund:** Funds a fellowship allowing postdoctoral scholars to have three years to work on a major programme of research and gain teaching experience.

**S T Lee Fund:** Funds a visiting fellowship on a topic related to the humanities or social sciences.

**Other funds administered:** Four funds to support a few small awards for research, publication and education related to the promotion of the humanities and social sciences.

**Other restricted funds:** 24 funds to support awards for, and lectures on, scholarly research in the humanities and social sciences.

## ENDOWMENT FUNDS

The endowment funds shown represent assets which must be permanently held by the Academy. The purposes for which the income generating from these funds is to be applied is shown below.

**Rose Mary Crawshay:** For historical or critical work of sufficient value on any subject connected with English Literature.

**Webster Fund:** For entertaining and representation overseas, and the better administration of the Academy.

## 16. ANALYSIS OF NET ASSETS BY FUND

	Fixed assets	Investments	Net current assets	Long term liabilities	Total assets
	£	£	£	£	£
General	-	-	338,247	-	338,247
Designated	-	2,364,837	2,039,959	-	4,404,796
Restricted	1,172,728	5,322,059	1,334,848	(157,970)	7,671,665
Endowment	-	348,101	-	-	348,101
	<u>1,172,728</u>	<u>8,034,997</u>	<u>3,713,054</u>	<u>(157,970)</u>	<u>12,762,809</u>

## 17. PENSION SCHEME

The Academy participates in a centralised defined benefit scheme for all qualified employees with the assets held in separate Trustee-administered funds. The Academy has now adopted FRS17 for accounting for pension costs. It is not appropriate to identify the Academy's individual share of the Scheme assets and liabilities for the following reasons:

- For all purposes, including funding, the Employers share actuarial risks. Any funding exercise (i.e. determination of cash contribution requirements) does not separately identify assets and liabilities for individual Employers, and (with the exception of some new Employers joining SAUL and some Employers employing new groups of members) all Employers pay the same contribution rate;
- Some members have worked for more than one Employer within the scheme. Therefore it is difficult to determine the liability and assets attributable to successive periods of employment and hence allocate it appropriately to each Employer;
- The allocation of assets and liabilities relating to non-active members is very difficult as historical information relating to each member's service history with employers is not readily available. Contributions are therefore accounted for as if SAUL were a defined contributions scheme and pension costs are based on amounts actually paid (i.e. cash amounts) in accordance with paragraphs 8-12 of FRS17.

The scheme is subject to triennial valuation by professionally qualified and independent actuaries. The last available valuation, referring to SAUL's funding position as at 31 March 2009, is an update to reflect changes in market conditions and known cash flows, since the formal actuarial evaluation carried out as at 31 March 2008, using the projected unit credit method in which the actuarial liability makes allowance for projected earnings.

The following assumptions were used to assess the past service funding position and future service liabilities:

Valuation method	Projected unit	
	Past Service	Future Service
Investment return on liabilities		
- before retirement	7.00% p.a.	7.10% p.a.
- after retirement	4.90% p.a.	5.10% p.a.
Salary growth (excluding an allowance for promotional increases)	4.75% p.a.	4.75% p.a.
Pension increases	3.25% p.a.	3.25% p.a.

The actuarial valuation applies to the scheme as a whole and does not identify surpluses or deficits applicable to individual Employers. As a whole, the market value of the scheme's assets was £1,039 million representing 79% of the liability for benefits after allowing for expected future increases in salaries.

One of the key conclusions of the valuation was that, based on the strength of the Employer covenant and the Trustee's long term investment strategy, the Trustee and Employer agreed to maintain Employer and Member contribution at 13% of salaries and 6% of salaries respectively.

The Trustee also agreed to continue to monitor the position closely in light of market events since the valuation date. The pension cost relating to this scheme charged to the Statement of Financial Activities (page 50) for the year was £142,093 (2009: £153,658).

## 18. LEASES AND OTHER COMMITMENTS

The Academy has an annual commitment of £565,000 (2009: £565,000) under operating leases in respect of land and buildings, which expire in a period greater than five years.

The Academy has an annual commitment totalling £10,862 (2009: £10,605) in respect of photocopier lease. The lease is due to expire in 2012.

The Academy has commitments totalling £180,700 (2009: £184,846) in respect of work in progress on publications.

The Academy has two finance lease commitments: £19,556 in respect of the telephone system, expiring within two years (March 2012) and £39,919 in respect of a photocopier expiring within five years (February 2015).

## 19. LEASEHOLD IMPROVEMENTS COMMITMENT

The Academy has entered into a commitment to modernise the facilities at 10-11 Carlton House Terrace, with capital costs of the project mainly being funded by Department for Business Innovation and Skills. The main works commenced in May 2010 and are expected to continue for a period of 25 weeks. The estimated cost of remaining works until project completion are £2.428m.

# INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2010

**THIS PAGE DOES NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS**

	2010		2009	
<b>Income</b>	£	£	£	£
Core grant income				
BIS Grant	<b>25,061,939</b>		22,539,7902	
Grants returned in year	<b>263,839</b>		348,758	
Other grants	<b>293,116</b>		93,558	
		<b>25,618,894</b>		22,982,106
Grants received for funds administered by the Academy		<b>795,142</b>		449,973
BIS-Fixed Asset Grant		<b>285,112</b>		-
Donations		<b>20,663</b>		23,976
Rent and hire of rooms		<b>558,213</b>		739,558
Publications income		<b>187,159</b>		185,028
Investment income including bank interest receivable		<b>280,304</b>		455,801
Subscriptions		<b>81,738</b>		65,775
Other income		<b>312,383</b>		148,555
<b>Total income</b>		<b>28,139,608</b>		25,050,772
<b>Expenditure</b>				
Grants, awards and charitable activities		<b>23,861,320</b>		20,975,423
Staff costs		<b>1,781,305</b>		1,660,297
Depreciation		<b>145,887</b>		178,283
Other operating expenses		<b>1,881,409</b>		1,805,708
<b>Total expenditure</b>		<b>27,669,921</b>		24,619,711
<b>Net income before gains/losses on investments</b>		<b>469,687</b>		431,061
Net recognised gain/(loss) on investments		<b>2,107,562</b>		(1,779,788)
<b>Result for the year</b>		<b>2,577,249</b>		(1,348,727)





