



Registered Charity No.: 206888

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2011

The Royal Historical Society

Reference and Administrative Information

Members of Council:

Professor C D H Jones, BA, DPhil, FBA	President - Officer
Professor V A Harding, MA, PhD	Honorary Secretary – Officer
I W Archer, MA, DPhil	Literary Director - Officer
Professor R A Burns, MA, DPhil	Literary Director - Officer
Professor M J Hughes, BA, MSc, PhD	Honorary Treasurer (from November 2010)
Professor J P Parry, MA, PhD	Honorary Treasurer – Officer (to November 2010)
Professor M F Cragoe, MA, DPhil	Honorary Director of Communications – Officer (to November 2010)
E Griffin, BA, MA, PhD	Honorary Director of Communications – Officer (from November 2010)
Professor S J C Taylor, MA, PhD	Honorary Academic Editor - BBIH (from November 2010)
R Baldock, BA, PhD	Vice President (from November 2010)
Professor G W Bernard, MA, DPhil	Vice President
R K Fisher, MA	Vice-President (to November 2010)
Professor M C Finn, BS, PhD	Vice-President
J M Innes, MA	Vice President
Professor C C Kidd, BA, DPhil	Vice President (from November 2010)
Professor P Mandler, BA, AM, PhD	Vice President
Professor D M Palliser, MA, DPhil	Vice-President (to November 2010)
Professor S F Barton, BA, MA, DPhil	Councillor
Professor S Connolly, DPhil	Councillor (to November 2010)
Professor J M Cornwall, PhD	Councillor
Professor S Dixon, MA, PhD	Councillor
Professor D M Feldman, BA, PhD	Councillor (from November 2010)
Professor K C Fincham, MA, PhD	Councillor
Professor C Given-Wilson, MA, PhD	Councillor
Professor T Hitchcock, AB, DPhil	Councillor (to November 2010)
J J Lewis, BA, PhD	Councillor
Professor N A Miller, PhD	Councillor (to November 2010)
Professor A J Musson, BA, MusB, LLM, PhD	Councillor (from November 2010)
Professor M Ormrod, BA, DPhil	Councillor
A T Thacker, MA, DPhil, FSA	Councillor (from November 2010)
D Thomas, PhD	Councillor
Professor C A Whatley, BA, PhD	Councillor

Executive Secretary:

S E Carr, MA

Administrative Secretary:

M F M Ransom, BA

Registered Office:

University College London
Gower Street
London WC1E 6BT

Charity registration number:

206888

Auditors:

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

Investment managers:

Brewin Dolphin
12 Smithfield Street
London EC1A 9BD

Bankers:

Barclays Bank Plc
27 Soho Square
London W1A 4WA

The Royal Historical Society

Report of the Council (the Trustees)

For the year ended 30 June 2011

The members of Council present their report and audited accounts for the year ended 30 June 2011. The information shown on page 1 forms a part of these financial statements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society was founded on 23 November 1868 and received its Royal Charter in 1889. It is governed by the document 'The By-Laws of the Royal Historical Society', which was last amended in June 2010. The elected Officers of the Society are the President, six Vice-Presidents, the Treasurer, the Secretary, the Director of Communications, not more than two Literary Directors and the Honorary Academic Editor (BBIH). These officers, together with twelve Councillors constitute the governing body of the Society, and therefore its trustees. The Society also has two executive officers: an Executive Secretary and an Administrative Secretary.

Appointment of Trustees

The identity of the trustees is indicated above. All Fellows and Members of the Society are able to nominate Councillors; they are elected by a ballot of Fellows. Other trustees are elected by Council.

The President shall be *ex-officio* a member of all Committees appointed by the Council; and the Treasurer, the Secretary, the Director of Communications, the Literary Directors and the Honorary Academic Editor shall, unless the Council otherwise determine, also be *ex-officio* members of all such Committees.

In accordance with By-law XVII, the Vice-Presidents shall hold office normally for a term of three years. Two of them shall retire by rotation, in order of seniority in office, at each Anniversary Meeting and shall not be eligible for re-election before the Anniversary Meeting of the next year. In accordance with By-law XX, the Councillors shall hold office normally for a term of four years. Three of them shall retire by rotation, in order of seniority in office, at each Anniversary Meeting and shall not be eligible for re-election before the Anniversary Meeting of the next year.

At the Anniversary Meeting on 26 November 2010, the Vice-Presidents retiring under By-law XVII were Mr R Fisher and Professor D Palliser. Dr R Baldock and Professor C Kidd were elected to replace them. The Members of Council retiring under By-law XX were Professor S Connolly and Professor T Hitchcock. Professor N Miller retired in accordance with By-law XXII. In accordance with By-law XXI, Professor D Feldman, Professor A Musson and Dr A Thacker were elected in their place.

Trustee training and induction process

New trustees are welcomed in writing before their initial meeting, and sent details of the coming year's meeting schedule and other information about the Society and their duties. They are advised of Committee structure and receive papers in advance of the appropriate Committee and Council meetings, including minutes of the previous meetings. Trustees are already Fellows of the Society and have received regular information including the annual volume of *Transactions of the Royal Historical Society* which includes the annual report and accounts. They have therefore been kept apprised of any changes in the Society's business. Details of a Review on the restructuring of the Society in 1993 are available to all Members of Council.

MEMBERSHIP COMMITTEE:

Professor C Kidd – Chair (from November 2010)
Professor D Palliser – Chair (to November 2010)
Professor S Barton (from November 2010)
Professor C Given-Wilson
Professor C Whatley

RESEARCH SUPPORT COMMITTEE:

Professor M Finn – Chair
Professor S Barton (to November 2010)
Professor M Cornwall (from November 2010)
Dr D Feldman (from November 2010)
Professor K Fincham
Dr A Thacker (from November 2010)
Professor N Miller (to November 2010)

The Royal Historical Society
Report of the Council (the Trustees) (Continued)
For the year ended 30 June 2011

FINANCE COMMITTEE:

Professor G Bernard
Mr A Broadbent (from November 2010)
Professor S Connolly (to November 2010)
Professor S Dixon (from November 2010)
Dr N Draper
Mr P Firth (to November 2010)
Mr P folkes Davis (to November 2010)
Professor A Musson (from November 2010)
The seven officers (President – Chair)

PUBLICATIONS COMMITTEE:

Mr R Fisher – Chair (to November 2010)
Dr R Baldock - Chair (from November 2010)
Professor S Barton
Professor C Given-Wilson (to November 2010)
Dr J Lewis
Professor A Thacker (from November 2010)
Dr D Thomas (from November 2010)
The seven officers

GENERAL PURPOSES COMMITTEE:

Professor G Bernard – Chair
Professor S Dixon
Professor T Hitchcock (to November 2010)
Dr J Lewis (from November 2010)
Professor A Musson (from November 2010)
Professor M Ormrod
The seven officers

TEACHING POLICY COMMITTEE:

Professor P Mandler
Dr A Foster
Dr C Brooks (to November 2010)
Professor A Curry (to November 2010)
Professor K Fincham
Ms J Innes (from November 2010)
Professor C Whatley
The seven officers

RESEARCH POLICY COMMITTEE:

Ms J Innes – Chair
Professor S Connolly (to November 2010)
Professor M Cornwall
Dr D Feldman (from November 2010)
Professor C Kidd (from November 2010)
Professor P Mandler (from November 2010)
Professor M Ormrod (from November 2010)
Dr D Thomas
The seven officers

STUDIES IN HISTORY
EDITORIAL BOARD:

Professor J S Morrill – Convenor
Professor H Barker
Professor A Burns – Literary Director
Dr B Doyle (from 2011)
Professor N Goose
Dr R Hammersley
Professor M Hughes (from 2010)
Professor C Kidd
Dr J Lawrence (to 2010)
Dr J Parry – Honorary Treasurer (to 2010)
Professor D Power
Dr B Rieger
Professor A Walsham

The Royal Historical Society

Report of the Council (the Trustees) (Continued)

For the year ended 30 June 2011

Risk assessment

The trustees are satisfied that they have considered the major risks to which the charity is exposed, that they have taken action to mitigate or manage those risks and that they have systems in place to monitor any change to those risks.

OBJECTS, OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

The Society has referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Society remains the foremost society in Great Britain promoting and defending the scholarly study of the past. The Society promotes discussion of history by means of a full programme of public lectures and conferences, and disseminates the results of historical research and debate through its many publications. It also speaks for the interests of history and historians for the benefit of the public.

The Society offers grants to support research training, and annual prizes for historical essays and publications. It produces (in conjunction with Brepols Publishers and the Institute of Historical Research) the Bibliography of British and Irish History, a database of over 490,000 records, by far the most complete online bibliographical resource on British and Irish history, including relations with the empire and the Commonwealth. The Bibliography is kept updated, and includes near-comprehensive coverage of works since 1901 and selected earlier works.

The Society's specific new objectives for the year are set out in 'Plans for Future Periods' below.

The Society relies on volunteers from among its Fellows to act as its elected Officers, Councillors and Vice-Presidents. In many of its activities it also relies on the goodwill of Fellows and others interested in the study of the past. It has two salaried staff, and also pays a stipend to the Series Editor of Studies in History and to certain individuals for work on the Society's Bibliography.

ACHIEVEMENTS AND PERFORMANCE

Grants

The Society awards funds to assist advanced historical research, by distributing grants to individuals. A wide range of people

are eligible for these research and conference grants, including all postgraduate students registered for a research degree at United Kingdom institutions of higher education (full-time and part-time). The Society also considers applications from individuals who have completed doctoral dissertations within the last two years and are not yet in full-time employment. It operates five separate schemes, for each of which there is an application form. The Society's Research Support Committee considers applications at meetings held regularly throughout the year. In turn the Research Support Committee reports to Council. This year the grants budget was raised to £35,000, and this was fully allocated, though the accounts show a lower sum expended, as grants paid after last year's travel are also included.

The Society was also able to award its Centenary and Marshall Fellowships this year. Those eligible are doctoral students who are engaged in the completion of a PhD in history (broadly defined) and who will have completed at least two years' research on their chosen topic (and not more than four years full-time or six years part-time) at the beginning of the session for which the awards are made. Full details and a list of awards made are provided in the Society's Annual Report.

Lectures and other meetings

During the year the Society held meetings in London and at universities outside London at which papers are delivered. Lectures are open to the public and are advertised on the website. In 2010-11 it sponsored sessions at the University of York and Lancaster University. It continues to sponsor the joint lecture for a wider public with Gresham College. It meets with other bodies to consider teaching and research policy issues of national importance. Together with The National Archives, it organised the annual Gerald Aylmer seminar, between historians and archivists, in March. Full details are provided in the Annual Report.

The Royal Historical Society

Report of the Council (the Trustees) (Continued)

For the year ended 30 June 2011

Publications

This year, as in previous years, it has delivered an ambitious programme of publications – a volume of *Transactions*, two volumes of edited texts in the *Camden* Series and six further volumes in the *Studies in History* Series have appeared. It has increased its financial support for the Bibliography of British and Irish History, in its new format as a Brepols publication from January 2010. The Bibliography is offered to all universities at institutional rates, and made available free to members consulting it at the Institute of Historical Research.

Library

The Society continues to subscribe to a range of record series publications, which, with its other holdings, are housed either in the Council Room or in the room immediately across the corridor, in the UCL History Library. A catalogue of the Society's private library holdings and listings of record series and regional history society publications (Texts and Calendars) have been made available on the Society's website.

Membership services

In accordance with the Society's 'By-laws', the membership is entitled to receive, after payment of subscription, a copy of the Society's *Transactions*, and to buy at a preferential rate copies of volumes published in the *Camden* series, and the *Studies in History* series. Society Newsletters continue to be circulated to the membership twice annually, in an accessible format. The membership benefits from many other activities of the Society including the frequent representations to various official bodies where the interests of historical scholarship are involved.

Investment performance

The Society holds an investment portfolio with a market value of about £2.54 millions at 30 June 2011 (2010: £2.16 million)]. It has adopted a "total return" approach to its investment policy. This means that the funds are invested solely on the basis of seeking to secure the best total level of economic return compatible with the duty to make safe investments, but regardless of the form the return takes.

The Society has adopted this approach to ensure even-handedness between current and future beneficiaries, as the focus of many investments moves away from producing income to maximising capital values. The total return strategy does not make distinctions between income and capital returns. It lumps together all forms of return on investment – dividends, interest, and capital gains etc, to produce a "total return". Some of the total return is then used to meet the needs of present beneficiaries, while the remainder is added to the existing investment portfolios to help meet the needs of future beneficiaries.

During the year Brewin Dolphin plc continued to act as investment managers. They report all transactions to the Honorary Treasurer and provide regular reports on the portfolios, which are considered by the Society's Finance Committee which meets three times a year. In turn the Finance Committee reports to Council. A manager from Brewin attends two Finance Committee meetings a year.

The Society assesses investment performance against the FTSE APCIMS Balanced (Total Return) index. Investment returns on the Society's portfolio were well ahead of the benchmark in 2010-11 (against a slight underperformance in 2009-10). Fees are 0.5% of the portfolio. The Society has a policy of not drawing down more than 4% of the market value of the portfolio (valued over a 3-year rolling period). The drawdown in 2010-11 was less than 3.1% (measured against the portfolio value at year end).

FINANCIAL REVIEW

Results

The Society generated a surplus of £42,189 (£2009-10: 27,222). Income from the joint publishing agreement with Cambridge University Press remained very buoyant in 2010-11 and was well ahead of expectations due to ongoing sales of the new digital archive. Subscription income was slightly increased over the previous year. There was a slight decline in investment income compared with 2009-10. Expenditure in 2010-11 was slightly higher than the previous year. The Society continues to bear substantial costs for the production of the Bibliography of British and Irish History. The cost to the Society is estimated to average £25,000 per year over the next two years. The Society maintains a significant cash reserve as a result of the accumulated surplus of the previous few years. It is anticipated that the Society will use some of this money in future years in order to meet rising costs and potential new initiatives.

The Royal Historical Society

Report of the Council (the Trustees) (Continued)

For the year ended 30 June 2011

Fixed assets

Information relating to changes in fixed assets is given in notes 5 and 6 to the accounts.

Reserves policy

Council has reviewed the reserves of the Society. To safeguard the core activities in excess of the members' subscription income, Council has determined to establish unrestricted, general, free reserves to cover three years' operational costs (approximately £650,000). Unrestricted, general, free reserves at 30 June 2011 were around £2.5 million (after adjusting for fixed assets). Council is satisfied with this level.

The Society's restricted funds consist of a number of different funds where the donor has imposed restrictions on the use of the funds which are legally binding. The purposes of these funds are set out in notes 11-13.

PLANS FOR FUTURE PERIODS

Council plans to develop its website in order to improve communication with both Fellows and the General Public. Council will also continue to monitor closely how policy and funding changes at the national level are likely to impact on the work of historians. It will also continue to monitor the challenges currently faced by local archives in an uncertain funding environment. Council is also paying considerable attention to current policy initiatives that affect the teaching of History in schools and colleges. It will continue to offer support for wide-ranging seminar/lecture events outside London each year, some to be held at universities, and some run by consortia of local universities and other academic institutions. Council will continue to review the role, function, and membership of its committees, focusing first on the Teaching Policy and Research Policy Committees.

The Society intends to maintain the level of its current financial support to postgraduate and other young historians. It will continue to support the stipends for the Centenary and Marshall Fellowships (and will continue to be involved in the selection procedure for the Fellowships, organised by the Institute of Historical Research).

STATEMENT OF COUNCIL'S RESPONSIBILITIES

The Council members are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

The law applicable to charities in England & Wales requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. It is also responsible for

The Royal Historical Society
Report of the Council (the Trustees) (Continued)
For the year ended 30 June 2011

safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In determining how amounts are presented within items in the statement of financial activities and balance sheet, the Council has had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting policies or practice.

AUDITORS

Kingston Smith LLP were appointed auditors in the year. They have indicated their willingness to continue in office and a proposal for their re-appointment will be presented at the Anniversary meeting.

By Order of the Board



Honorary Secretary

Professor V Harding

23 September 2011

Independent Auditors' Report to the Trustees of The Royal Historical Society

We have audited the financial statements of The Royal Historical Society for the year ended 30 June 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable laws and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion:

- give a true and fair view of the state of the charity's affairs as at 30 June 2011 and of the charity incoming/outgoing resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Annual Report is inconsistent in any material respects with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

K.S. Smith LLP

Kingston Smith LLP
Statutory auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 24/10/2011

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Royal Historical Society
Statement of Financial Activities
For the year ended 30 June 2011

	Note	Unrestricted Funds £	Endowment Funds £	Restricted Funds £	Total funds 2011 £	Total funds 2010 £
Incoming Resources						
<i>Incoming resources from generated funds</i>						
Donations, legacies and similar incoming resources	2	15,545	-	1,000	16,545	10,792
Investment income	6	72,715	-	2,229	74,944	78,689
<i>Incoming resources from charitable activities</i>						
Grants for awards		-	-	11,000	11,000	10,000
Grants for publications		5,000	-	-	5,000	8,000
Subscriptions		106,657	-	-	106,657	103,146
Royalties		64,810	-	-	64,810	53,986
<i>Other incoming resources</i>		124	-	-	124	666
Total Incoming Resources		<u>264,851</u>	<u>-</u>	<u>14,229</u>	<u>279,080</u>	<u>265,279</u>
Resources Expended						
<i>Cost of generating funds</i>						
Investment manager's fees		11,184	-	346	11,530	10,779
<i>Charitable activities</i>						
Grants for awards	3	52,642	-	13,990	66,632	69,486
Lectures and meetings		12,336	-	-	12,336	14,900
Publications		74,038	-	-	74,038	71,643
Library		5,405	-	-	5,405	5,161
Membership services		48,271	-	-	48,271	47,781
<i>Governance</i>		18,679	-	-	18,679	18,309
Total Resources Expended	4a	<u>222,555</u>	<u>-</u>	<u>14,336</u>	<u>236,891</u>	<u>238,059</u>
Net Incoming/(Outgoing) Resources before transfers		42,296	-	(107)	42,189	27,221
Gross transfers between funds		(740)	-	740	-	-
Net Incoming / (Outgoing) Resources before gains		41,556	-	633	42,189	27,221
Other recognised gains and losses						
Net (loss) / gain on investments	6	377,237	11,668	-	388,905	202,705
Net Movement in Funds		418,793	11,668	633	431,094	229,926
Balance at 1 July		2,199,518	62,276	3,595	2,265,389	2,035,462
Balance at 30 June		<u><u>2,618,311</u></u>	<u><u>73,944</u></u>	<u><u>4,228</u></u>	<u><u>2,696,483</u></u>	<u><u>2,265,389</u></u>

The notes on pages 11 to 18 form part of these financial statements.

The Royal Historical Society

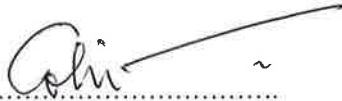
Balance Sheet at 30 June 2011

	Note	2011 £	2011 £	2010 £	2010 £
Fixed Assets					
Tangible assets	5		681		794
Investments	6		2,535,967		2,162,298
COIF Investments			<u>115,302</u>		<u>57,671</u>
			2,651,950		2,220,763
Current Assets					
Debtors	7	6,156		46,901	
Cash at bank and in hand		<u>82,646</u>		<u>30,916</u>	
		88,802		77,817	
Less: Creditors					
Amounts due within one year	8	<u>(44,269)</u>		<u>(33,191)</u>	
Net Current Assets			<u>44,533</u>		<u>44,626</u>
Net Assets			<u><u>2,696,483</u></u>		<u><u>2,265,389</u></u>
Represented By:					
<i>Endowment Funds</i>					
A S Whitfield Prize Fund	10		49,475		41,697
The David Berry Essay Trust			24,469		20,579
<i>Restricted Funds</i>					
A S Whitfield Prize Fund	11		1,806		1,551
P J Marshall Fellowship			-		-
The David Berry Essay Trust			1,422		1,044
The Martin Lynn Bequest			1,000		1,000
<i>Unrestricted Funds</i>					
Designated - E M Robinson Bequest	12		126,798		108,115
General Fund	13		<u>2,491,513</u>		<u>2,091,404</u>
			<u><u>2,696,483</u></u>		<u><u>2,265,389</u></u>

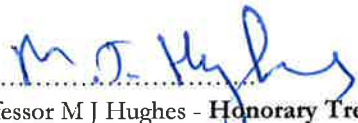
The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The notes on pages 11 to 18 form part of these financial statements.

The financial statements were approved and authorised for issue by the Council on 23 September 2011 and were signed on its behalf by:



 Professor C Jones - **President**



 Professor M J Hughes - **Honorary Treasurer**

The Royal Historical Society

Notes to the Financial Statements

For the year ended 30 June 2011

1 Accounting Policies

Basis of Accounting

These financial statements have been prepared under the historical cost convention and in accordance with the revised Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" and applicable accounting standards.

The following principal accounting policies, which are unchanged from the previous year, have been consistently applied in preparing the financial statements.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to receipt and the amount is quantifiable.

Grant income

Grant income is deferred only where the donor has specified that it may only be used for a future period or has imposed conditions that must be met before the charity has unconditional entitlement to the grant.

Subscription income

Subscription income is recognised in the year it became receivable with a provision against any subscription not received.

Donations and Other Voluntary Income

Donations and other voluntary income are recognised when the Society becomes legally entitled to such monies.

Royalties

Royalties are recognised on an accruals basis in accordance with the terms of the relevant agreement.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Wherever possible costs are directly attributed to these headings. Costs common to more than one area are apportioned on the basis of staff time spent on each area.

Grants Payable

Grants payable are recognised in the year in which they are approved and notified to recipients.

Cost of generating funds

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

Allocation of costs

Indirect costs are those costs incurred in support of the charitable objectives. These have been allocated to the resources expended on a basis that fairly reflects the true use of those resource within the organisation.

Governance costs

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

Library and Archives

The cost of additions to the library and archives is written off in the year of purchase.

Pensions

Pension costs are charged to the SOFA when payments fall due. The Society contributed 12.5% of gross salary to the personal pension plan of two of the employees.

Investments

Investments are stated at market value. Any surplus/deficit arising on revaluation is included in the Statement of Financial Activities. Dividend income is accounted for when the Society becomes entitled to such monies.

Depreciation

Depreciation is calculated by reference to the cost of fixed assets using a straight line basis at rates considered appropriate having regard to the expected lives of the fixed assets. The annual rates of depreciation in use are:

Furniture and equipment	10%
Computer equipment	25%

The Royal Historical Society
Notes to the Financial Statements
For the year ended 30 June 2011 (continued)

Funds

Unrestricted:

These are funds which can be used in accordance with the charitable objects of the Royal Historical Society at the discretion of the trustees.

Designated:

These are unrestricted funds which have been set aside by the trustees for specific purposes.

Restricted:

These are funds that can only be used for particular restricted purposes defined by the benefactor and within the objects of the charity.

Endowment:

Permanent endowment funds must be held permanently by the trustees and income arising is separately included in restricted funds for specific use as defined by the donors.

The purpose and use of endowment, restricted and designated funds are disclosed in the notes to the accounts.

The Royal Historical Society
Notes to the Financial Statements
For the year ended 30 June 2011 (Continued)

2 Donations and Legacies	2011	2010
	£	£
Donations via membership	1,487	1,254
Gladstone Memorial Trust	600	600
Vera London	4,696	-
Lisbet Rausing trust	5,500	5,000
Martin Lynn scholarship	1,000	1,000
Sundry income	-	-
Gift Aid reclaimed	3,262	2,938
	<u>16,545</u>	<u>10,792</u>

3 Grants for Awards	Unrestricted Funds	Restricted Funds	Total funds 2011	Total funds 2010
	£	£	£	£
RHS Centenary Fellowship	13,200	-	13,200	10,000
Research support grants (see below)	28,632	1,000	29,632	34,019
A-Level prizes	400	-	400	300
AS Whitfield prize	-	1,000	1,000	1,000
E M Robinson Bequest	-	-	-	-
Grant to Dulwich Picture Library	-	-	-	4,000
Gladstone history book prize	1,000	-	1,000	1,000
P J Marshall Fellowship	-	11,740	11,740	10,670
David Berry Prize	-	250	250	250
Alexander Prize	500	-	500	-
Rees Davies Prize	100	-	100	-
Staff and support costs (Note 4a)	8,810	-	8,810	8,247
	<u>52,642</u>	<u>13,990</u>	<u>66,632</u>	
30 June 2010	<u>56,479</u>	<u>13,007</u>		<u>69,486</u>

During the year Society awarded grants to a value of £29,632 (2010 - £34,019) to 127 (2010 - 131) individuals.

Grants Payable	2011	2010
	£	£
Commitments at 1 July	8,069	1,300
Commitments made in the year	57,822	61,238
Grants paid during the year	<u>(58,586)</u>	<u>(54,469)</u>
Commitments at 30 June	<u>7,305</u>	<u>8,069</u>

Commitments at 30 June 2011 and 2010 are included in creditors.

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Notes to the Financial Statements
For the year ended 30 June 2011 (Continued)

4a Total Resources Expended	Staff Costs £ (Note 4b)	Support Costs £ (Note 4c)	Direct Costs £	Total £
<i>Cost of generating funds</i>				
Investment manager's fee	-	-	11,530	11,530
<i>Charitable activities</i>				
Grants for awards (Note 3)	6,062	2,748	57,821	66,631
Lectures and meetings	6,063	1,374	4,899	12,336
Publications	10,778	5,496	57,764	74,038
Library	2,694	1,374	1,337	5,405
Membership services	33,680	13,741	850	48,271
<i>Governance</i>	<u>8,083</u>	<u>2,748</u>	<u>7,848</u>	<u>18,679</u>
Total Resources Expended	<u><u>67,360</u></u>	<u><u>27,481</u></u>	<u><u>142,049</u></u>	<u><u>236,890</u></u>
30 June 2010	<u><u>65,441</u></u>	<u><u>23,573</u></u>	<u><u>149,041</u></u>	<u><u>238,055</u></u>

4b Staff Costs	2011 £	2010 £
Wages and salaries	55,030	53,360
Social security costs	5,570	5,390
Other pension costs	<u>6,760</u>	<u>6,691</u>
	<u><u>67,360</u></u>	<u><u>65,441</u></u>

4c Support Costs	2011 £	2010 £
Stationery, photocopying and postage	15,382	12,669
Computer support	392	490
Insurance	951	920
Telephone	287	254
Depreciation	113	113
Other	<u>10,356</u>	<u>9,126</u>
	<u><u>27,481</u></u>	<u><u>23,573</u></u>

The average number of employees in the year was 2 (2010 - 2). There were no employees whose emoluments exceeded £60,000 in this year or in the previous year.

During the year travel expenses were reimbursed to 16 (2010: 20) Councillors attending Council meetings at a cost of £3,866 (2010 - £3,311). No Councillor received any remuneration during the year (2010 - £Nil).

Included in governance is the following:

	2011 £	2010 £
Auditors Remuneration - current year	7,848	7,461
Auditors Remuneration - in respect of prior years	-	88
Auditors Remuneration for non-audit services	<u>-</u>	<u>550</u>

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Notes to the Financial Statements
For the year ended 30 June 2011 (Continued)

5 Tangible Fixed Assets

	Computer Equipment £	Furniture and Equipment £	Total £
Cost			
At 1 July 2010	33,224	2,307	35,531
Disposal	-	(1,173)	(1,173)
At 30 June 2011	<u>33,224</u>	<u>1,134</u>	<u>34,358</u>
Depreciation			
At 1 July 2010	33,224	1,513	34,737
Charge for the year	-	113	113
At 30 June 2011	<u>33,224</u>	<u>453</u>	<u>33,677</u>
Net Book Value			
At 30 June 2011	<u>-</u>	<u>681</u>	<u>681</u>
At 30 June 2010	<u>-</u>	<u>794</u>	<u>794</u>

All tangible fixed assets are used in the furtherance of the Society's objects.

6 Investments

	General Fund £	Designated Robinson Bequest £	Whitfield Prize Fund £	David Berry Essay Trust £	Total £
Market value at 1 July 2010	1,989,312	108,115	43,248	21,623	2,162,298
Additions	378,730	20,642	8,817	4,658	412,847
Disposals	(393,837)	(21,404)	(8,562)	(4,280)	(428,083)
Net gain on investments	<u>357,792</u>	<u>19,445</u>	<u>7,778</u>	<u>3,890</u>	<u>388,905</u>
Market value at 30 June 2011	<u>2,331,997</u>	<u>126,798</u>	<u>51,281</u>	<u>25,891</u>	<u>2,535,967</u>
Cost at 30 June 2011	<u>1,909,040</u>	<u>103,752</u>	<u>41,501</u>	<u>20,750</u>	<u>2,075,043</u>
				2011	2010
				£	£
UK Equities				1,831,858	999,392
UK Government Stock and Bonds				-	551,602
Overseas Equities				659,937	575,604
Uninvested Cash				<u>44,173</u>	<u>35,700</u>
				<u>2,535,968</u>	<u>2,162,298</u>
Dividends and interest on listed investments				74,294	78,092
Interest on cash deposits				<u>650</u>	<u>597</u>
				<u>74,944</u>	<u>78,689</u>

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Notes to the Financial Statements
For the year ended 30 June 2011
(Continued)

7	Debtors	2011	2010
		£	£
	Other debtors	4,056	2,261
	Royalty debtor	1,162	42,366
	Prepayments	938	2,274
		<u>6,156</u>	<u>46,901</u>

8	Creditors: Amounts due within one year	2011	2010
		£	£
	Sundry creditors	17,080	13,486
	Taxes and social security	1,566	1,210
	Subscriptions received in advance	7,416	6,345
	Accruals and deferred income	18,207	12,150
		<u>44,269</u>	<u>33,191</u>

Included within Sundry creditors is an amount of £577 (2010: £398) relating to pension liabilities.

9 Lease Commitments

The Society has the following annual commitments under non-cancellable operating leases which expire:

		2011	2010
		£	£
	Under 1 year	3,282	-
	Within 1 - 2 years	-	9,846
		<u>3,282</u>	<u>9,846</u>

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Notes to the Financial Statements
For the year ended 30 June 2011 (Continued)

10 Endowment Funds

	Balance at 1 July 2010 £	Investment Gain £	Balance at 30 June 2011 £
A S Whitfield Prize Fund	41,697	7,778	49,475
The David Berry Essay Trust	20,579	3,890	24,469
	<u>62,276</u>	<u>11,668</u>	<u>73,944</u>

A S Whitfield Prize Fund

The A S Whitfield Prize Fund is an endowment used to provide income for an annual prize for the best first monograph for British history published in the calendar year.

The David Berry Essay Trust

The David Berry Essay Trust is an endowment to provide income for annual prizes for essays on subjects dealing with Scottish history.

11 Restricted Funds

	Balance at 1 July 2010 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 30 June 2011 £
A S Whitfield Prize Fund	1,551	1,486	(1,231)	-	1,806
P J Marshall Fellowship	-	11,000	(11,740)	740	-
The David Berry Essay Trust	1,044	743	(365)	-	1,422
Martin Lynn Bequest	1,000	1,000	(1,000)	-	1,000
	<u>3,595</u>	<u>14,229</u>	<u>(14,336)</u>	<u>740</u>	<u>4,228</u>

A S Whitfield Prize Fund Income

Income from the A S Whitfield Prize Fund is used to provide an annual prize for the best first monograph for British history published in the calendar year.

P J Marshall Fellowship

The P J Marshall Fellowship is used to provide a sum sufficient to cover the stipend for a one-year doctoral research fellowship alongside the existing Royal Historical Society Centenary Fellowship at the Institute of Historical Research.

The David Berry Essay Trust Income

Income from the David Berry Trust is to provide annual prizes for essays on subjects dealing with Scottish history.

The Martin Lynn Bequest

This annual bequest is used by the Society to give financial assistance to postgraduates researching topics in African history.

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Notes to the Financial Statements
For the year ended 30 June 2011 (Continued)

12 Designated Fund

	Balance at 1 July 2010	Incoming Resources	Outgoing Resources	Investment Gain	Transfers	Balance at 30 June 2011
	£	£	£	£	£	£
E M Robinson Bequest	108,115	3,715	(4,477)	19,445	-	126,798

E M Robinson Bequest

Income from the E M Robinson Bequest is to further the study of history and to date has been used to provide grants to the Dulwich Picture Gallery.

13 General Fund

	Balance at 1 July 2010	Incoming Resources	Outgoing Resources	Investment Gain	Transfers	Balance at 30 June 2011
	£	£	£	£	£	£
	2,091,403	261,137	(218,079)	357,792	(740)	2,491,513

14 Analysis of Net Assets between Funds

	General Fund	Designated Fund	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Fixed assets	681	-	-	-	681
Investments	2,331,997	126,798	3,228	73,944	2,535,967
COIF investments	115,302	-	-	-	115,302
	<u>2,447,980</u>	<u>126,798</u>	<u>3,228</u>	<u>73,944</u>	<u>2,651,950</u>
Current assets	87,802	-	1,000	-	88,802
Less: Creditors	(44,269)	-	-	-	(44,269)
Net current assets/(liabilities)	<u>43,533</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>44,533</u>
Net Assets	<u>2,491,513</u>	<u>126,798</u>	<u>4,228</u>	<u>73,944</u>	<u>2,696,483</u>