

Honorary Treasurer's Report for the year ended 31 December 2020

Dear Members,

This reporting period reflects the impact of the global COVID-19 pandemic. All meetings and events were postponed and the 2020 AGM and annual conference cancelled. The London office was locked down for a period of months and the Executive Secretary continued to work remotely and from summer physically at the office premises where necessary. The office manager was put into the UK government 'furlough' scheme during the compulsory lockdown period. Furlough continued part-time for the whole of 2020 (and for six months into 2021). The AE received financial compensation from the government during this time. Despite this, the AE continued to operate its member nomination and election process and this provided additional income from new members during 2020. The lack of sponsored events also contributed positively to the financial position of the AE for the year. A valuable increase in member donations had been received over the year. SAPEA activity continued virtually. The European Review continued to be published and generated some royalty income.

The net result as expressed in the detailed annual accounts for 2020 (**tabled and available online**), was an unrestricted funds reserve carried forward to 2021 of **£138,569 (equivalent to €153,442 at 1 January 2021)**

The Trustees confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year 1 January 2020 - 31 December 2020. The Trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis. The assets are available and adequate to fulfil obligations on a fund - by - fund basis.

The Academia is required by UK law to present its accounts in sterling. A version expressed in Euros could be prepared by converting the figures at the exchange rate for a particular date, but this would not be accurate since transactions are spread across the financial year, during which a range of exchange rates have existed. Any significant foreign exchange impacts are described in the notes to the accounts. The full accounts have been published separately to this summary report tabled for members at the 2021 AGM.

Reserves policy

The total funds for the year ended 31 December 2020 was £283,546 [YE 31 December 2019, £105,242]. It is the policy of the trustees to maintain sufficient reserves for the Academia Europaea to continue its charitable activities and in view of this, the trustees aim to achieve reserves equal to approximately six months of operations. A review of reserves policy will be undertaken every year.

Income and expenditure for the period ended 31 December 2020 (summary overview)

The year was one of continuing progress towards stability. The COVID-19 pandemic and a period of office lockdown, suspension of planned activities over the year all had an impact on the financial position of the AE. Our **total income for the year was £401,223 (equivalent to €444,287 at 1 January 2021). Total expenditure was £254,522 (equivalent to €281,840 at 1 January 2021)**

The balance of funds brought forward to 2020 from 2019 was £105,242 (Equivalent to €116,538 at 1 January 2020) In addition to normal income and expenditure, the accounts also reflect income and expenditures associated to the European Commission SAPEA grant. The AE benefits from overhead associated with our involvement in this project activity. The figures also include subsidies received from the UK government (during 2020) in support of the COVID-19 lockdown and the furlough of one member of AE staff at the London office.

The AE as a charity, seeks to operate an effective zero balance budget. We are essentially dependent upon **members' donation income, in 2020 this was at £216,360 (equivalent to €239,582 at 1 January 2021) and life membership payments totalled £20,113**. This represented a positive increase over previous years.

The Trustees stress to all members, the importance of supporting the Academia by making a donation every year, preferably at the recommended level. Without more members making a payment, the AE will not be able to grow the range and type of activity and support for member initiatives that we need to deliver our obligations as a charity.

Whilst a voluntary scheme remains our policy, the Trustees reviewed this policy and decided to levy a recommended general fee rate, linked to an age-related banding for annual donations, per member.

Sponsorship continued to be successful for individual activity, and we thank the Wenner Gren Foundations (Sweden), The Heinz-Nixdorf Foundation (Germany), The Balzan Foundation (Switzerland) and for their support and the support of other sponsors, especially the Caixa Foundation (Barcelona) and our Patron member The German Academy of Sciences (Leopoldina). The Board continued to recognise the ongoing difficulty in obtaining core financial support from public and private institutions and established a Finance and Sponsorship sub-committee to manage these developments. AS treasurer, I would welcome suggestions from any members on ways in which we might increase our non-member income over the coming years

The examiner's accounts for 2020 are filed separately and can be viewed through the Academia Europaea website; the UK government Companies House and the Charities Commission of England and Wales websites respectively.

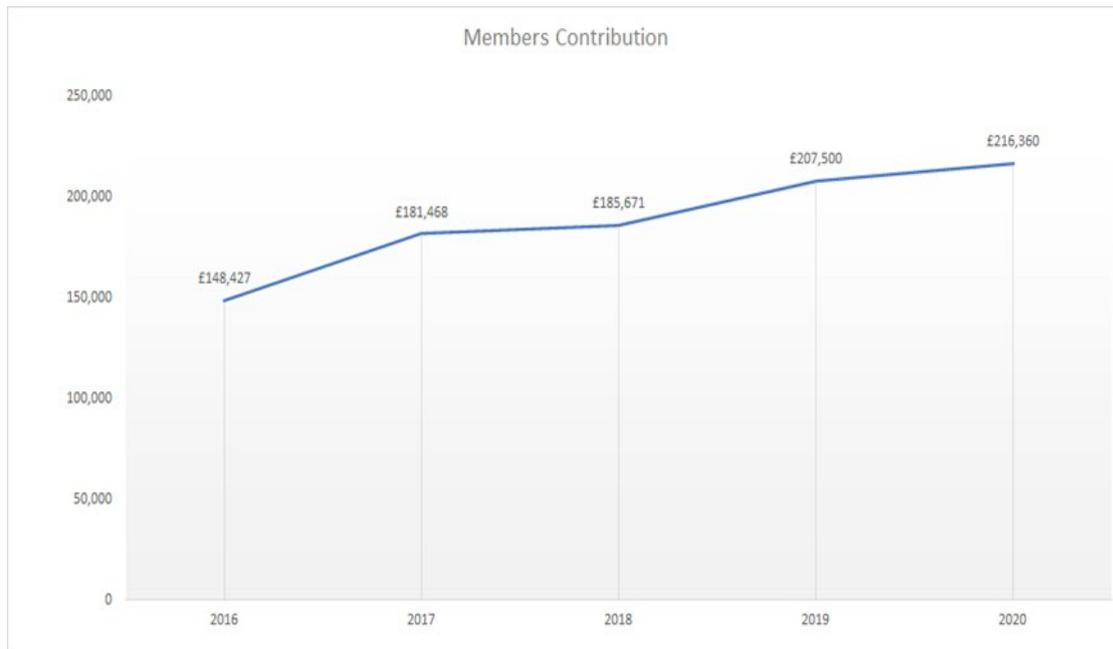
I am pleased to report that the AE finances are in a stable position

Graphical representation of income and expenditures for 2020





Pattern of membership income



Oskar Mencer

Honorary Treasurer (pro tem)

London

September 2021