

2015/16

British Academy Annual Report



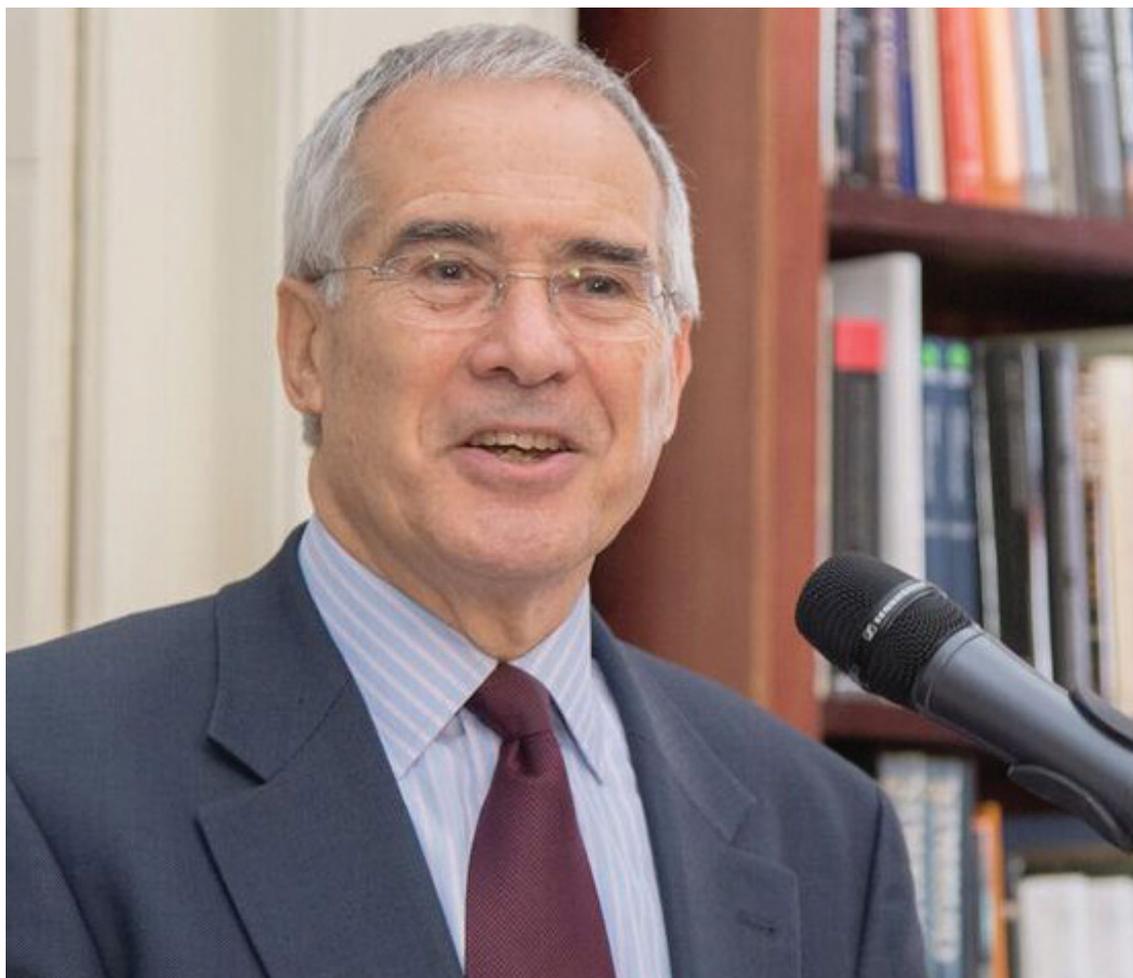
BRITISH
ACADEMY

for the humanities and social sciences

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PRESIDENT'S FOREWORD



Since the 2015 General Election, with other senior Academy Fellows and staff, I have argued vigorously to the new Government, in public and in private spaces, that if they want to see growth and innovation, it is vital that the UK invests strongly in social science and humanities research. Their importance rests not in the benefits they bring to our economy alone, crucial though these are, but in their impact on the wider social, cultural and individual well-being of all who live and work here.

Deep understanding of our world and of the societies we have created lies at the heart of our disciplines – and they are the essential ‘twin’ to the understanding of our natural world that science brings. These are interdependent realms of knowledge, each incomplete without the other.

That is why we have, at all times, framed the case for our disciplines within the overwhelming arguments for greater investment in science and research as a whole, through documents such as *Prospering Wisely* in 2014 and *Building a stronger future* in 2015, the latter exemplifying our growing collaborations with our sister national academies –

the Royal Society, the Royal Academy of Engineering and the Academy of Medical Sciences.

However strong the evidence – and it is very strong indeed – this is not an easy argument to win at a time when public expenditure is under such tight constraints. I believe the vigorous case we have made has helped avoid a far worse outcome. And while the resulting settlement – an inflation-protected increase in the overall science budget – is welcome, it still means that, as a country, our comparatively small spend on R&D will continue to leave us firmly behind other countries that are investing far more heavily in science, research and innovation.

The Academy’s own grant from the Department for Business, Innovation and Skills (BIS) has been held at its previous level of £27m for the next four years, but with additional new support from the Global Challenges Research Fund (£3m in the first year, then rising) we will be able to expand our international work. The challenge of increasing our income from other public and private sources is an ever higher priority. We have had some success here, not least thanks to the generosity of many of the Academy’s own Fellows, and the refurbishment of our public spaces in Carlton House Terrace will

Energy and the Environment – one of the topics for this year's British Academy Debates



help our income from meetings, conferences and receptions continue to grow.

There have been many highlights over the past 12 months. We have established new partnerships with the Department for International Development to carry out major new research on what works in combating international corruption, and with BIS and the Royal Society to develop our Newton Fellowships and the new Newton Fund. We have undertaken important new work on the UK constitution, on the future of public service television, and on community energy projects. And, following an invitation from government, the Academy drew together leading Fellows, policy makers and other experts to discuss ways in which the country could address vital challenges, such as how to improve the UK's slowing productivity, the future of our cities and our strategic relations with China.

In the past year we have awarded our 1,000th Postdoctoral Fellowship – our flagship funding scheme, now spanning two generations – and launched a new 'Rising Star' networking and public engagement programme. We have created an improved, redesigned website which will help raise our profile and strengthen mutual exchange and interaction between our Fellows. Public engagement and bringing on the young are vital aspects of our duty, and our re-energised public events programme is reaching new and wider audiences through a mix of topical panel discussions and high-profile talks, while the British Academy Debates continue to explore major challenges of our age in different venues around the UK.

We welcomed Alun Evans in July as our new Chief Executive and Secretary. One of the first tasks he identified was to examine and refresh the Academy's overall strategy, now set out in our new Strategic Framework for the period 2016 to 2020. This provides us with a roadmap for our work and activities over the next four years – continuing to raise our ambitions, and to demonstrate the vital contribution the humanities and social sciences make to all our lives.

Alun is also leading further reviews, one to ensure that the Academy's elections, committee and governance structures are effective and fit for purpose, and a second to review the current Section and disciplinary structures. A newly established Diversity Working Group will also help us examine important areas of current underperformance. And on a personal note, I am pleased to have been asked by the government to lead a review of the Research Excellence Framework – to which the Academy has, independently, responded.

The Academy is in good health. We have begun to implement important and strategic changes that will help us deliver more for both the academic and policy making communities, more for the public and more for our Fellows. At all levels of society, we can and will continue to make our presence felt.

Professor Nicholas Stern Kt, FRS
(Lord Stern of Brentford)
President

OFFICERS AND COUNCIL

AS AT 31 MARCH 2016

COUNCIL

President

Professor Nicholas Stern Kt, FRS (Lord Stern of Brentford) *

Vice-Presidents

Professor Sarah Worthington QC *	<i>Treasurer</i>
Professor Ash Amin CBE *	<i>Foreign Secretary</i>
Professor John Baines *	<i>Vice-President, BASIS</i>
Professor Alan Bowman *	<i>Vice-President, Humanities</i>
Professor Dame Vicki Bruce DBE *	<i>Vice-President, Public Engagement</i>
Professor Colin Crouch *	<i>Vice-President, Social Sciences</i>
Professor Roger Kain CBE *	<i>Vice-President, Research & HE Policy</i>
Professor Iain McLean *	<i>Vice-President, Public Policy</i>
Professor Mary S Morgan *	<i>Vice-President, Publications</i>

* *Member of the Management Advisory Committee*

Ordinary Members of Council

Professor David Abulafia
 Professor Simon Baron-Cohen
 Professor Maxine Berg
 Professor Archie Brown CMG
 Professor Gillian Clark
 Professor Marianne Elliott OBE
 Professor Mary Fulbrook
 Professor Deborah Howard
 Professor Michael Keating
 Professor John Marenbon
 Professor Richard McCabe
 Professor Anthony Venables CBE
 Professor Nicholas Vincent
 Professor Janet Watson
 Professor Bencie Woll

AUDIT COMMITTEE

Chairman

Professor Sir Ian Diamond

Ordinary Members

Mr Ian Creagh (*external*)
 Mr Gerard Hetherington (*external*)
 Professor April McMahon
 Professor Andrew Wallace-Hadrill OBE

SENIOR MANAGEMENT

Chief Executive & Secretary

Mr Alun Evans

Director of Communications & External Relations

Mr Tim Brassell

Director of Finance & Corporate Services

Mr Robert Hopwood

Director of Research Funding & Policy

Ms Vivienne Hurley

Director of Development

Ms Jo Hopkins

RETIREMENTS DURING THE YEAR

Professor Michael Fulford CBE (*Treasurer*), Professor Dame Helen Wallace DBE, CMG (*Foreign Secretary*) and five members of Council retired during the past year: Dr Georgina Herrmann OBE, Professor Martin Loughlin, Professor Dame Henrietta Moore, Professor Patrick Sims-Williams and Professor Andrew Wallace-Hadrill OBE.

REVIEW OF THE YEAR BY THE CHIEF EXECUTIVE AND SECRETARY

This Annual Report, my first as the British Academy's Chief Executive, reviews a year spent promoting the importance of our disciplines in the context of a major Spending Review, while sustaining and growing the resources to support important research across the UK and internationally, expanding our communications and policy activities, and reviewing important areas of the Academy's work.

I start by paying tribute to the work of my predecessor, Dr Robin Jackson. In the nine years of his leadership (2006–15) the Academy has developed and flourished in numerous ways. At a time of great pressure on public funding, we grew from an organisation of some 35 staff to 58 now and from a turnover of £19m to one of over £33m. The redevelopment of 11 Carlton House Terrace to expand our building was a triumph.

However, and as the President has stressed, there is still much to do if the Academy is to realise the full potential of the humanities and social sciences to be a beacon for enlightenment and a forum for understanding peoples, cultures and societies, past, present and future. In particular, we need to strengthen the ways we can draw on the vast knowledge and expertise that resides in our Fellowship, and use our convening power to feed that evidence and wisdom into the public arena. And at the same time we will work at increasing public awareness of our work.

We enter a four-year Spending Review period (2016–20) with a newly refreshed, more accessible Strategic Framework – a compass for the Academy's work and activities over the coming four years. And, following hard negotiations with government, we now have stable funding assured for the future. The format of this Review of the year follows the four strategic objectives set out in our revised strategy. It is a record of what we have achieved in the past year and a signal of our future ambitions. The full text of the Strategic Framework can be found at: www.britishacademy.ac.uk/about/strategic-framework.cfm

Alun Evans

Chief Executive and Secretary



CHAMPIONING THE HUMANITIES AND SOCIAL SCIENCES

Objective: To promote our disciplines, uphold their value and importance and stimulate public interest in them.

As the UK's national champion of the humanities and social sciences the British Academy takes the lead in promoting their interests and making the case for their public value and contributions to our individual, community and national lives. We work closely with the Royal Society, the Royal Academy of Engineering and the Academy of Medical Sciences to make a joined-up case for the importance of science and research to the UK's growth and innovation, and the social, cultural and economic benefits of its world-class research base. Each Academy President is a member of a Ministerial Advisory Group that provides expert advice to government in these crucial areas.

Higher education and skills policy

With so much uncertainty in the UK's higher education sector, it has been an important year for the Academy's voice to be heard – responsive to the needs of our disciplines as well as to proposed changes in the sector. In ensuring the sustainability of the UK's research base, our policy work continues to draw on the expertise of the Fellowship, outcomes from the research we fund, and our ability to convene leading stakeholders from across education and research policy.

The Academy's independent response to Lord Stern's review of the Research Excellence Framework drew on extensive consultation undertaken throughout 2015. This involved a survey of all Fellows and selected award-holders as well as three round table forums exploring the key issues that

emerged from that consultation: the burden of the assessment process; the need to redefine ‘impact’ and the wider benefits of research; and the need to obviate distortions to the academic process and research careers as a result of research assessment.

In responding to the proposals in the government’s Green Paper, *Higher education: teaching excellence, social mobility and student choice*, the Academy stressed both the importance of dual support to the continued success and strength of the UK’s research base, and the need to view the HE and research system as a whole.

The health of our disciplines

A primary role of the Academy is to undertake activities aimed at assessing and maintaining the health of our various disciplines. Following a series of forums, the Academy published *Reflections of Economics*, led by Professor Tim Besley FBA, Lord (Gus) O’Donnell and the President, which analysed key aspects of economics today and highlighted some of the most important avenues for economists to pursue. A further series exploring archaeology is now in train.

In the past year the Academy also launched an important project on interdisciplinarity, investigating how interdisciplinary research is carried out within universities, its relevance to innovation in the wider economy, and ways in which academics can forge a career path in interdisciplinary research, both within universities and beyond.

Highlights of the Academy’s continuing focus on modern languages included publishing the evidence from our Born Global project on languages and employability, while a round table on the future of languages in universities brought together practitioners and stakeholders to discuss the decline in language admissions, their health and future in the light of recent changes to funding and calls from employers for more language and ‘soft’ skills.

We launched two Academy reports at the House of Lords in June 2015, on the need to strengthen quantitative skills training – *State of the Nation* and *Count Us In*. Overseen by our High Level Strategy Group for Quantitative Skills, they outline the critical nature of the skills gap in the UK and call for a cultural change across all phases of education and employment, together with a more concerted national effort led by government.

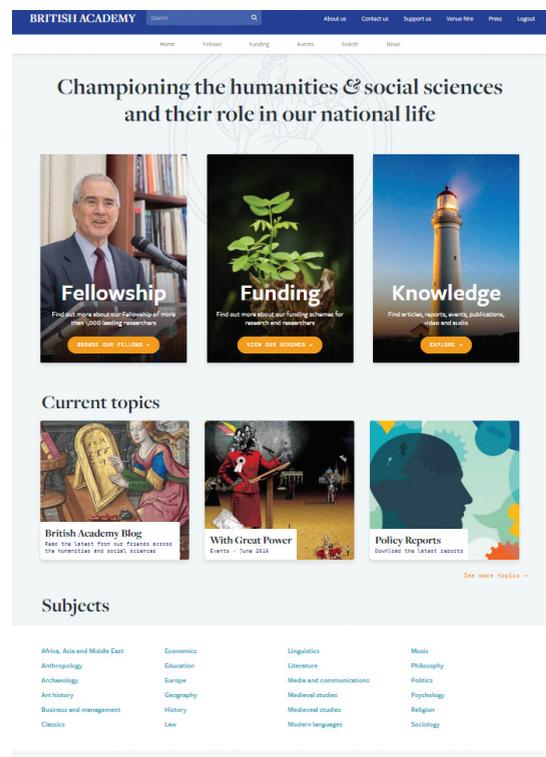
We also awarded two Special Research Project grants in order to understand the best available research in two important strategic areas for the Academy – to researchers at the University of Manchester, on mathematics anxiety; and at UCL, on the cognitive benefits of language learning.

Media and communications

The British Academy’s new website was launched in the spring of 2016, utilising the latest web technology and a fresh new design to provide a more dynamic and user-friendly guide to the Academy, our Fellows and our increasing range of activities. A growing media profile is raising public awareness of the Academy and providing a stronger demonstration of the kinds of contribution the humanities and social sciences make to our national life.

We gained good press coverage in a range of national media outlets, together with regular coverage of the Academy’s activities in *Times Higher Education* and *Research Fortnight*. On the anniversary of the Scottish independence referendum, Chief Executive Alun Evans was interviewed on the BBC’s *Today* programme and BBC Two’s *Reporting Scotland*, and was featured in papers including *The Guardian*, *The National* and the *Scottish Express*.

Media partnerships continue to help us build new audiences. Recent successful partnerships have included *Prospect* magazine, *The Times Literary Supplement* and *Current World Archaeology*.

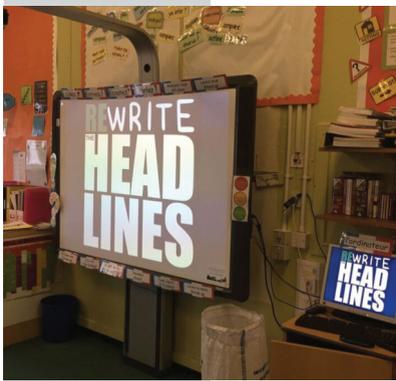


The Academy launched its new website in June 2016

Twitter and Facebook followings are rapidly growing and the British Academy's blog is updated every week, showcasing different aspects of our work and activities. In addition to a YouTube channel (with an average of over 11,000 views per month), we now have a SoundCloud page featuring a wide range of audio content from past events and have also started live-streaming selected high-profile events to broaden our live audience, including (in December) a panel discussion on the future of the BBC featuring Lord Puttnam, Brian Eno and Greg Dyke.

ADVANCING EXCELLENT RESEARCH

Objective: To create funding opportunities for outstanding people and innovative research across the humanities and social sciences, and to recognise and celebrate high achievement.



Above: This competition helped young people understand how research can become news

The Academy's historic commitment to the support of early career researchers was extended in 2015/16 with the introduction of the Rising Star Engagement Awards. This new scheme provides an opportunity for outstanding early career scholars to enhance their skills and career development by playing a leading role in sharing research and expertise through a series of networking and public engagement activities. Among the first cohort of award-holders was Dr Alan Gow (Heriot-Watt University), a member of the Young Academy of Scotland, who led a programme of engagement with Scottish schools and universities through Rewrite the Headlines, a competition aiming to help young people better understand how the latest research can be turned into headline news.

Postdoctoral Fellowships

The 30th annual competition for the Academy's flagship Postdoctoral Fellowships scheme was completed in 2015, attracting over 900 applicants for 45 awards. One of the new award-holders was Dr Dominic Davies (University of Oxford) whose research draws together literature and urban geography in his project Drawing the South African City: Mapping Urban Infrastructures in the Graphic Novel Form.

A total of 187 Postdoctoral Fellows were supported during 2015/16. Those completing their awards included Dr Mara Malagodi (now Lecturer in Law, City University London), who took advantage of the funding provided by the Academy for training and dissemination to develop her skills in documentary filmmaking. With colleagues, she

was subsequently awarded the prize for Best Documentary Short at the 2015 Raindance Film Festival for *Walking Through Havana*.

Mid-Career Fellowships

Mid-Career Fellows frequently report that their awards help them to refocus and re-energise their research by enabling them to take up to 12 months away from their normal academic commitments. Professor Elisabeth Kelan (Cranfield University) worked during her Fellowship on MANagers – Changing Gender Practices of Middle Managers, and in March 2016 was invited to present findings from her research at the annual Women's Empowerment Principles conference in New York City, held by the UN Global Compact and UN Women. It became apparent that engaging male middle managers in gender equality is a pressing and widespread problem, with many organisations looking for ways to involve men in the conversation around this issue. The practitioner report produced as part of her Fellowship was seen as an important resource; for example, Ian Rand, CEO of Business Banking at Barclays, commented that it 'strikes a clever and delicate balance between delivering academic analysis, and serving as a real-world training manual'.

Small Research Grants

Small Research Grants continue to be one of our most popular funding schemes. During 2015/16 1,922 applications were considered by the Academy's assessors through two rounds of competition, and 391 awards were confirmed, giving an overall success rate of just over 20%. Fifty-seven per cent of the awards were made to women, 57% to candidates aged under 40, and 14% to applicants who identified themselves as of non-white ethnic origin. Awards were spread among applicants at 87 different institutions, as well as 13 independent scholars.

Small Research Grants were awarded across the whole spectrum of humanities and social sciences and many feature research of interest to wider society. Several grants in the past year, for example, supported research on the General Election.



Right: Research meets the Graphic Novel form in this study of South African cities

Dr Edzia Carvalho (University of Dundee) worked on *The Qualitative Election Study of Britain 2015*; Professor Dennis Kavanagh (independent scholar) worked (with Professor Philip Cowley) on the latest in the series of definitive election studies, published as *The British General Election of 2015*; Professor David Deacon (Loughborough University) undertook a study of national news reporting of the election; Professor Matthew Goodwin (University of Kent) conducted a specific study of the UK Independence Party, published as *UKIP: Inside the Campaign to Redraw British Politics*; and Dr Anthony Seldon (another independent scholar) received support for his study, *Cameron at 10*.

Academy Research Projects

The Academy currently supports and 'kitemarks' 53 active collaborative projects designated as Academy Research Projects. These long-term enterprises generated 26 new volumes or editions, and over 40 journal articles during the past year. The project Catalogue of British Town Maps, led by Professor Roger Kain FBA, concluded with the publication of *British Town Maps: A History* last year by the British Library Press. Many others produced new online materials and resources, including a new website (<http://www.voluntarysectorarchives.org.uk/>) launched for the project Digitising the Mixed Economy of Welfare in Britain.

Collectively the projects continue to be very successful in leveraging further support from other sources. Significant new funding during 2015 came from the Japan Society for the Promotion of Science, the Modern Humanities Research Association, the Headley Trust, the European Research Council and different UK research councils. For every £1 invested by the Academy, currently more than £20 is generated from other sources.

Conferences

British Academy Conferences examine innovative themes, seeking to deliver two-day events of lasting significance where research of the highest calibre is presented and discussed, and opportunities for multidisciplinary or interdisciplinary perspectives are encouraged.

Major topics addressed in these conferences over the past year included how terrorist groups 'learn', the impact of the 1965 Race Relations Act 50 years on, and whether empathy neuroscience can contribute to resolving conflicts such as that between Israel and Palestine.

Academic publishing

The Academy's academic publishing programme plays an important role in communicating new

insights from humanities and social science research.

Fourteen new titles were published in 2015/16, the majority through our longstanding partnership with Oxford University Press.

The online open-access *Journal of the British Academy* continues to publish articles derived from lectures given at the Academy. It has included recent additions on the role of the corporation in the 21st century, the place of Britain in Europe, and the idea of jihad in the First World War.

New volumes in the *Proceedings of the British Academy* series – themed volumes of essays – featured studies of medieval manuscripts miscellanies, of the Victorian study of history, and of the interplay of terrorist and counter-terrorist strategies.

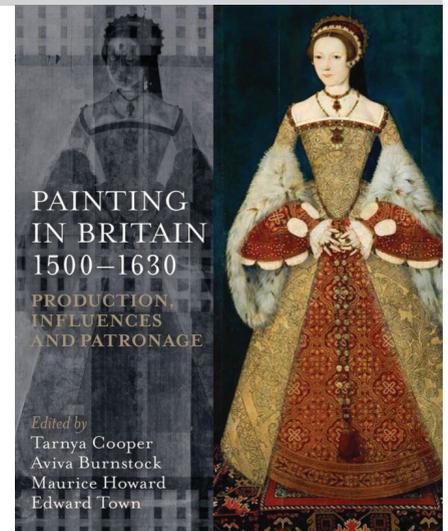
Other volumes included a major study of *Painting in Britain 1500–1630*, launched at the National Portrait Gallery in September 2015, and a collection of historical sources for an uprising in (what is now) Malawi, which sent shock waves through Britain's imperial possessions in south-east Africa one hundred years ago.

Prizes and medals

A total of 23 prizes and medals were awarded in 2015, ranging from the Leverhulme Medal and Prize, awarded to **Sir Richard Evans FBA** for his major contribution to modern German history, to the Brian Barry Prize in Political Science, an annual essay prize awarded in partnership with Cambridge University Press and the *British Journal of Political Science*, won by **Dr Parashar Kulkarni** (New York University).

Three British Academy Medals, which recognise landmark academic achievements in any field of the humanities or social sciences, were awarded to: **Professor Patricia Clavin** for *Securing The World Economy: The Reinvention of the League of Nations 1920–1946*; **Professor Roy Foster FBA** for *Vivid Faces: The Revolutionary Generation in Ireland 1890–1923*; and **Professor Robert Fowler FBA** for *Early Greek Mythography Volume 2: Commentary*.

The President's Medals recognise 'signal service' in promoting the humanities and social sciences. Four awards were made to: **Dr Peter Addyman** (York Archaeological Trust and the Jorvik Viking Centre); **Darren Henley** (Arts Council England and Classic FM); **Dr Elizabeth Livingstone** (*Oxford Dictionary of the Christian Church*); and **Professor Michael Wood** (University of Manchester and BBC).



This new major study of British painting was launched at the National Portrait Gallery

The Academy's most valuable prize, the £25,000 Nayef Al-Rodhan Prize for Transcultural Understanding, was awarded to **Neil MacGregor FBA**, former Director of the British Museum for *A History of the World in 100 Objects* and *Germany: Memories of a Nation*.

SHAPING POLICY AND PUBLIC UNDERSTANDING

Objective: To enhance understanding of the contribution of humanities and social science research to public life and debate, and their role in the process of making public policy.

The British Academy's public policy programme demonstrates the value of policy makers working alongside humanities and social science researchers in tackling society's most pressing problems. We have convened high level seminars and workshops with government partners – from providing economics expertise to feed into the UK's productivity plan to working with the Government Office for Science on how autonomous decision-making technologies could change the way that civil servants work. We have also partnered with Goldsmiths, University of London on work on the future of public service television at a time of critical decision-making for the sector.

Community Energy

What are the cultural factors that make local energy projects successful? Why is cooperatively-owned energy generation mainstream in some countries but only marginal in others? As part of the British Academy Debates on Energy and the Environment, and with support from the Ashden foundation, the Academy commissioned a set of international case studies that highlighted the cultural factors that are at play in making community energy effective. These case studies were shared with academics and practitioners including government, community energy organisations and energy companies, to highlight ways that the UK can make community energy a major part of its move towards renewable energy.

Where We Live Now

Local and place-based policy is a growing interest in government and, through its Where We Live Now project, the Academy seeks to use the humanities and social sciences as part of this analysis – to better understand how people interact with place, and to clarify what makes place-based policy making successful. Events have been held examining the links between policy and local planning, and to explore how social media can

provide a rich set of data that gives insight into people's feelings towards the places in which they live and work.

Governing England

The Academy has engaged closely with UK constitutional changes that have been in train for some years, and which reached a crucial point around the Scottish independence referendum. Over the past year we have focused on the English question – what is the future for English governance in the context of a changing UK, and indeed a changing Europe? This programme involves a series of public and private events, publications and media engagement on issues including the implications of 'English votes for English laws', perceptions of Englishness across England's regions, city mayors, and the future of political parties in England.

The British Academy Debates

The British Academy Debates were launched in 2014 to contribute to public understanding of some of the greatest challenges and issues of our time by bringing together panels of academics, policy makers, journalists and social commentators. Our fourth and fifth series explored Energy and the Environment (2015) and Faith (2016). Over 1,000 people attended these Debates, held in different centres across the UK, with a record turnout at the Faith Debate in February in Newcastle upon Tyne (with over 400 attendees).

We produced summary booklets of each series in collaboration with our media partner *Prospect* magazine, circulated to their 14,000 subscribers. There were also welcome partnerships with the Royal Society and the Climate Change Collaboration (CCC) for the Energy and the Environment series. Funding from the CCC boosted programming activity during the series and also enabled the Academy's policy team to work alongside the Debates exploring the role played by community energy in the UK and internationally.



Professor John Curtice FBA and Lord Prescott debating the value of city mayors



Shakespeare Untold – an exclusive performance of Globe Education's *Romeo and Juliet* for younger audiences, part of British Academy's Literature Week

Public events

The British Academy's accessible programme of events, including talks, panel discussions and debates, showcase how the humanities and social sciences underpin the world around us.

Our fourth biennial Literature Week, Other Worlds, held in May 2015 and organised in partnership with Londonist, explored the theme of fairy tales and folk tales. Highlights included author Lionel Shriver presenting one of her short stories; the Academy's first 'late' event Other Worlds...After Dark featuring pop-up lectures and live storytelling, and the writer and critic Marina Warner 'in conversation' with award-winning author Marcus Sedgwick. More than 600 people attended.

Two events held in September in partnership with the National Portrait Gallery celebrated the British Academy's new volume of essays on Tudor and Jacobean art. And in November, the Academy partnered with the Freud Museum London for two events: At Home with Freud, held at the museum, and Thinkers for our Time: Sigmund Freud, the first in a new series on major intellectual figures.

The second Being Human festival of the humanities encompassed 308 events over 11 days in November. Led by London University's School of Advanced Study in partnership with the AHRC, the British Academy and the Wellcome Trust, it attracted over 19,000 people.

In December celebrated author Hilary Mantel joined Professor Diarmaid MacCulloch FBA,

BAFTA-winning director Peter Kosminsky and RSC actor Ben Miles for a special event exploring historical and fictional versions of Thomas Cromwell, and the spring 2016 programme included a collaboration with BBC Radio 3, *Crisis of Care*, and a partnership with the Mile End Institute, asking Does good policy making need historians?

British Academy lectures

For over 100 years the British Academy's public lectures have communicated the best scholarship in the humanities and social sciences to both



specialists and general audiences.

Sixteen lectures were delivered in 2015/16 on subjects ranging from reggae and Caribbean poetics to why forgetting is good for our mental health. Other highlights included Sir Ian

Kershaw FBA speaking on Europe's rebirth after the Second World War, and Professor Mary Beard FBA discussing how classics became established as an academic discipline in the 19th century and how it has been perceived since.

Professor Mary Beard FBA – one of the Academy's 2015 lecturers

DELIVERING GLOBAL LEADERSHIP IN RESEARCH

Objective: To develop UK research in international arenas and provide leadership that helps shape the research agenda on global challenges and strengthen understanding of other cultures and societies.

The Academy's international work fosters research collaboration across borders and promotes the sharing of perspectives on major societal challenges. It spans fellowships, research partnerships, policy advice and support for a network of British institutes overseas.

This work is majoring on five research themes relating to: urban futures; justice, rights and equality; conflict, stability and security; Europe's futures; and knowledge frontiers.

International policy

Policy work on the EU's role in supporting research included an expert forum on demographic change, which highlighted the contribution that the humanities and social sciences can make to European policy, and a joint event with the Royal Irish Academy exploring EU research and innovation practices. We submitted evidence to a House of Lords Science and Technology Committee in November on the relationship between EU membership and the effectiveness of science, research and innovation in the UK. And as lead for the All-European Academies Social Sciences and Humanities Working Group, the Academy continued to shape the content and implementation of the EU's Horizon 2020 funding programme.

As part of our commitment to the next generation of researchers, the Academy held workshops on research methods and writing for academic journals, which enabled early career scholars from the Middle East and North and sub-Saharan Africa to learn from experienced researchers and journal editors from across the regions and the UK. We also published a report on developing institutional frameworks to support early career development in African universities.

A series of conferences and seminars aimed at sharing specialist knowledge and building research links between the UK and other countries, including China, Japan, Mexico and Iran, explored issues such as poverty and social protection, cultural heritage, urban economies and city planning.

Other events explored new approaches to early childhood development, the UK's policy towards the South China Sea, and investment in learning outcomes for socio-economic development. A

policy-oriented briefing, published in July, explored the state of UK-Iran academic collaboration and how it could be strengthened through policy intervention, and a major report on *The Role of Religion in Conflict and Peacebuilding*, commissioned by the UK's Department for International Development, was launched in September.

Newton Fund

The Academy made 68 new awards totalling £2.3m under the Newton Fund, a programme launched by the Department for Business, Innovation and Skills in 2014 to promote the economic development and social welfare of 15 partner countries. By cultivating new partnerships in China, Malaysia and Thailand, we were able to fund researchers in these countries for the first time, in addition to researchers in Brazil, Mexico, South Africa, Turkey and Vietnam. We also launched the inaugural round of the prestigious South African Research Chairs Initiative, offered under the Newton Fund in partnership with South Africa's National Research Foundation.

Newton International Fellowships

The (separate) Newton International Fellowship scheme, run jointly with the Royal Society, made awards to 12 new early career researchers, enabling them to spend two years being mentored by leading experts at universities across the UK. This year's cohort included researchers from Canada, France, India, Israel, Nigeria, Russia, Turkey and the United States, and research projects ranged from African farming systems to Italian musical culture of the Trecento.

British Academy/DFID Partnership

In February the Academy announced the funding of eight new projects as part of its £4m global anti-corruption research scheme run in partnership with the Department for International Development (DFID). Led by Professor Paul Heywood (University of Nottingham), the scheme provides support for outstanding research teams, whose work focuses on DFID priority countries where corruption is a major constraint. These two-



year projects will explore and assess anti-corruption policies and interventions in different countries, including Ghana, Uganda, Kenya, Nigeria, Tanzania and Bangladesh.

International Partnership and Mobility scheme

This scheme supports collaborations between researchers based in the UK and those based in Africa, Eurasia, Latin America and the Caribbean, the Middle East, South Asia, and East and South-East Asia. Thirty-three awards were made, including the first award for a partnership between researchers in the UK and Kazakhstan. Since the scheme started in 2012, research partnerships with 44 different countries have been supported.

British Academy Sponsored Institutes and Societies (BASIS)

The Academy sponsors a network of British institutes overseas engaged in research and fieldwork across a range of humanities and social science disciplines. They are the British Institute at Ankara; the British Institute in Eastern Africa; the British Institute of Persian Studies; the British School at Athens; the British School at Rome; the British Institute in Amman; the Kenyon Institute in East Jerusalem; and the Society for Libyan Studies.

The past year has seen the institutes participate in multiple initiatives, maintaining their strong reputation for innovative and collaborative research. The British School at Athens, for instance, continued its engagement with the Collaborative European Digital Archive Infrastructure. Working to improve the conditions for historical scholarship in Europe by making more sources accessible online, the School submitted important historical documents from the First World War for digitisation.

The British Institute at Ankara, in collaboration with Cyprus Academic Dialogue and others, convened a major international conference on Cyprus and Turkey: Regional Stability and Peace. It focused on alternative visions for the future by leading policy makers, including George Papandreou, former Prime Minister of Greece, and Hikmet Çetin, spokesperson of the Turkish Parliament and former Minister of Foreign Affairs.

The British School at Rome delivered the early phases of the Rome's Mediterranean Ports (RoMP) project. Funded by the European Research Council, it allows researchers to have a better understanding of the historic role played by ports in promoting the cohesion of the Roman Mediterranean during the Imperial era.



Early career scholars from the Middle East and North Africa taking part in a research methods workshop at the CBRL Institute in Amman

THE BRITISH ACADEMY FELLOWSHIP

The Fellowship is organised into two Groups (Humanities and Social Sciences) and 18 Sections by academic discipline and subject. In addition there are three 'Ginger Groups', set up to strengthen scrutiny of scholars in the fields of management and business studies; cultural, communications, media and performance studies; and education.

Section meetings take place over three days in September and March where Fellows discuss a range of current issues and consider candidates for election, with lunchtime discussions and evening lectures and talks arranged to complement these gatherings.

FELLOWS ELECTED IN 2015

At the July 2015 AGM, 42 candidates were elected to the Fellowship, 20 to the Corresponding Fellowship (for those resident outside the UK) and three to Honorary Fellowship of the Academy. This brought the number of UK Fellows to over 1,000 for the first time. The formal admission ceremony for new Academy Fellows took place in September 2015.

FELLOWSHIP

Professor Janette Atkinson FMedSci Emeritus Professor, UCL, Visiting Professor, University of Oxford

Professor Oriana Bandiera Professor of Economics, Director of STICERD, LSE

Professor Melanie Bartley Emeritus Professor of Medical Sociology, UCL

Professor Christine Bell Professor of Constitutional Law, Assistant Principal and Executive Director, Global Justice Academy, University of Edinburgh

Professor Julia Black Professor of Law and Pro-Director for Research, LSE

Professor Cyprian Broodbank John Disney Professor of Archaeology and Director, McDonald Institute for Archaeological Research, University of Cambridge

Professor David Buckingham Emeritus Professor of Media and Communications, Loughborough University; Visiting Professor, Sussex University and the Norwegian Centre for Child Research

Professor Craig Calhoun Director and School Professor, LSE

Professor Michael Carrithers Professor of Anthropology, Durham University

Professor Dawn Chatty Professor of Anthropology and Forced Migration, University of Oxford

Professor Andy Clark FRSE Professor of Logic and Metaphysics, University of Edinburgh

Professor Thomas Corns Emeritus Professor of English Literature, Bangor University

Professor Elizabeth Edwards Professor of Photographic History and Director of the Photographic History Research Centre, De Montfort University

Professor Briony Fer Professor of Art History, UCL

Professor Garth Fowden Sultan Qaboos Professor of Abrahamic Faiths, University of Cambridge

Professor Robert Fowler Henry Overton Wills Professor of Greek, University of Bristol

Professor Jonardon Ganeri Professorial Research

Associate, Study of Religions, SOAS, University of London; Recurrent Visiting Professor, Philosophy, KCL

Professor Andrew Gerstle Professor of Japanese Studies, SOAS, University of London

Professor Robert Gordon Serena Professor of Italian, and Fellow of Gonville and Caius College, University of Cambridge

Professor Sanjeev Goyal Professor of Economics and Fellow of Christ's College, University of Cambridge

Dr Felicity Heal Emeritus Fellow, Jesus College, University of Oxford

Professor Michael Heffernan Professor of Historical Geography, University of Nottingham

Professor Almut Hintze Zartoshty Brothers Professor of Zoroastrianism, SOAS, University of London

Professor John Hobson Professor of Politics and International Relations, University of Sheffield

Professor James Hurford

Emeritus Professor of General Linguistics, University of Edinburgh

Professor Robert Ladd Emeritus Professor of Linguistics, University of Edinburgh

Professor Michael Lobban Professor of Legal History, LSE

Professor Peter Mandler Professor of Modern Cultural History, University of Cambridge and Bailey Lecturer in History, Gonville and Caius College

Professor Rana Mitter Professor of the History and Politics of Modern China; Deutsche Bank Director of the University China Centre, University of Oxford

Professor Kia Nobre Director, Oxford Centre for Human Brain Activity (OHBA); Professor of Translational Cognitive Neuroscience, University of Oxford

Professor Andy Orchard Rawlinson and Bosworth Professor of Anglo-Saxon and Fellow of Pembroke College, University of Oxford

Professor Michael Parker Pearson Professor of British Later Prehistory, Institute of Archaeology, UCL

Professor Stephen Reicher Professor of Psychology, University of St Andrews

Professor Gillian Rose Professor of Cultural Geography, The Open University

Professor Cheryl Schonhardt-Bailey Professor in Political Science, LSE

Professor Sally Shuttleworth Professor of English Literature and Professorial Fellow of St Anne's College, University of Oxford

Professor Simon Swain Professor of Classics and Greco-Arabic Studies, Pro-Vice-Chancellor (Arts and Social Sciences), University of Warwick

Professor Nicholas Tarrier Professor Emeritus in Clinical Psychology, University of Manchester

Professor Annette Volting Professor of Medieval German Literature and Fellow of Oriel College, University of Oxford

Professor Joachim Whaley Professor of German History and Thought, and Fellow of Gonville and Caius College, University of Cambridge

Professor Richard Widdess Professor of Musicology, SOAS, University of London

Professor Hugh Willmott Professor of Management, Cass Business School, City University; Research Professor in Organisation Studies, Cardiff Business School

CORRESPONDING FELLOWS

Professor Philippe Aghion Robert C Waggoner Professor of Economics, Harvard University; Professeur au Collège de France sur la Chaire d'Economie des Institutions, de l'Innovation, et de la Croissance; Centennial Professor of Economics, LSE

Professor Mahzarin Banaji Richard Clarke Cabot Professor of Social Ethics, Harvard University

Professor Lina Bolzoni Professor of Italian Literature, Scuola Normale Superiore, Pisa

Professor Joan Bresnan Sadie Dernham Patek Professor in Humanities, Emerita, Professor of Linguistics, Emerita, and Senior Researcher, CSLI, Stanford University

Professor Judith Butler Maxine Elliot Professor of Comparative Literature and Critical Theory, University of California, Berkeley

Professor Martha Crenshaw Senior Fellow, Center for International Security and Cooperation (CISAC), Freeman Spogli Institute for International Studies; Professor of Political Science, Stanford University

Professor Natalio Fernández Marcos Professor Vinculado ad Honorem, CSIC (Consejo Superior de Investigaciones Científicas), Madrid

Professor Meric Gertler President, University of Toronto

Dr Miltiades Hatzopoulos Emeritus Director of Research, National Hellenic Research Foundation, Athens

Professor Peter Katzenstein Walter S Carpenter Jr Professor of International Relations, Cornell University

Professor Christine Korsgaard Arthur Kingsley Porter Professor of Philosophy, Harvard University

Professor Michael Mann Distinguished Professor of Sociology, University of California, Los Angeles; Honorary

Professor, University of Cambridge

Professor Judith Olszowy-Schlanger Professor of Hebrew and Judaeo-Arabic Manuscript Studies, L'École Pratique des Hautes Études

Professor Alexander Potts Max Loehr Collegiate Professor of History of Art, University of Michigan

Professor Simon Schama University Professor of History and Art History, Columbia University

Professor Elizabeth Spelke Marshall L Berkman Professor of Psychology, Harvard University

Professor Jane Stapleton Research Professor of Law, College of Law, Australian National University; Ernest E Smith Professor of Law, University of Texas

Professor Alain Supiot Professor, Chaire État Social et Mondialisation, Collège de France, Paris

Professor André Vauchez Emeritus Professor of History of the Middle Ages, University of Paris-Ouest-Nanterre; Former Director of the École Française de Rome

Professor Jane Waldfoegel Compton Foundation Centennial Professor of Social Work, Columbia University; Visiting Professor, LSE

HONORARY FELLOWS

Dame Lynne Brindley DBE Master of Pembroke College, Oxford

Dame Carol Ann Duffy DBE, FRSL Professor of Contemporary Poetry and Creative Director of the Manchester Writing School, Manchester Metropolitan University; Poet Laureate

Sir John Eliot Gardiner CBE Founder and Artistic Director of the Monteverdi Choir, the English Baroque Soloists and the Orchestre Révolutionnaire et Romantique



The President Lord Stern welcomes newly elected Academy Fellows

PHILANTHROPIC SUPPORT

In 2015/16 the Academy successfully increased the income it raised from philanthropic sources and is grateful for the support of a wide number of individuals and organisations. To further our plans to increase income from private sources, a new Development Board has been established to advise on fundraising strategy. Chaired by Sir Victor Blank, it has a balance of external members and Fellows with experience of fundraising for universities and cultural institutions, and our thanks go to all members of the Board for their advice and guidance.

With the support of the Development Board, the Management Advisory Committee and Council, the Academy is launching a series of Challenges of Change – bespoke and targeted programmes of research, policy work and public engagement activities on key issues. Initial topics include the future of the corporation, ageing and democracy.

During the year significant grants were secured from the Wolfson Foundation, for refurbishment of the Wolfson Auditorium, from the Garfield Weston

Foundation for the Academy's new Rising Star Engagement Awards and from the Climate Change Collaboration for the British Academy Debates on Energy and the Environment. Major support for Small Research Grants continues to come from the Leverhulme Trust (£500,000) and with further new philanthropic agreements in place to support the scheme, a total of more than £700,000 of additional funding is now available for Small Research Grants each year.

Gifts from Fellows increased once again this year, with a total of 318 donations received. Thirty-one per cent of our UK Fellows gave philanthropically to the Academy in addition to their subscription. Donations were also made by 43 former award-holders, legacies were received from three estates, and a number of new legacy pledges were confirmed.

The British Academy would like to thank the following donors for their support during the year to 31 March 2016.

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The Aurelius Charitable Trust
The Briess Family Charitable Trust
The British Accounting and Finance Association
The British Psychological Society
Cambridge University Press
The Cecil Rosen Charitable Trust
The Climate Change Collaboration
Fondation Nestar
The Garfield Weston Foundation
The Honor Frost Foundation
The Japan Foundation
The Journal of Moral Education Trust
The Leverhulme Trust
The Modern Humanities Research Association
The Philological Society
Policy Press
The Sino-British Fellowship Trust
The Sir Ernest Cassel Educational Trust
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The Society for the Advancement of Management Studies
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 Ms Ruth Young
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† indicates that a donor is now deceased

* indicates a legacy or donation from the estate of the deceased

Total number of Fellow donors = 318
 UK Fellows' participation rate = 31% (306/980)
 Overall Fellows' participation rate = 24% (318/1,325)
 Total number of award-holder donors = 43

GOVERNANCE AND MANAGEMENT

The British Academy is a charity, registered with the Charity Commission for England and Wales. Its principal place of business is its registered office at 10–11 Carlton House Terrace, London SW1Y 5AH, and its professional advisers are listed on page 41.

The Academy was established by Royal Charter in 1902. It is a private, independent, self-governing corporation, composed of almost 1,000 UK Fellows elected in recognition of their distinction as scholars and researchers. Its objectives, powers and framework of governance are set out in the Charter and its supporting Bye-Laws, as approved by the Privy Council.

The Academy receives public funding from the Science and Research budget allocated by a grant from the Department for Business, Innovation and Skills. It also receives support from private sources, and draws on its own funds. It endeavours to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life and with the Guidance on Codes of Practice for Board Members of Public Bodies, issued by the Cabinet Office.

PUBLIC BENEFIT REPORTING

The Council, as formal Trustees of the Academy, operates 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.

COUNCIL AND COMMITTEES

Council is supported by a range of committees, whose memberships include Fellows, other researchers and others with relevant expertise. Committees that report directly to Council include:

- Management Advisory Committee: Council's principal executive advisory committee comprising the Officers of the Academy
- Audit Committee: A committee examining the Academy's arrangements for governance, risk management, internal control, and value for money, and which advises Council on their adequacy and effectiveness
- Nominations Committee: A committee advising Council on the strongest candidates for election as members of Council

The Academy intends to embark on a review of its governance during 2016/17.

TRUSTEES

The Academy's Trustees are the members of its Council. Nominations for vacancies are sought and received by the Nominations Committee and new

members are elected by the Fellowship. Following election, new members of Council are provided with an information pack comprising the Charter, Statutes, Bye-Laws and Regulations of the Academy, a Charity Commission publication on the responsibilities of charity trustees and the strategic plan. An induction is provided and members are also encouraged to attend recommended external training courses for charity trustees.

REMUNERATION OF TRUSTEES AND SENIOR MANAGEMENT

None of the Officers or Council members receives any payment apart from the reimbursement of expenses for their work for the Academy. The Academy has a Remuneration Committee whose terms of reference include the setting of pay for its senior management personnel. The committee takes into account performance reviews, relevant sectoral pay awards and pay benchmarking exercises conducted by independent professional consultants.

GRANT MAKING POLICY

The Academy's grant making policy and procedures are set out in its Code of Practice for Consideration of Research Proposals, published on its website. Guidelines are issued on the information to be supplied by applicants, details of the criteria against which applications are assessed, and the process and timescale for assessing them.

Applications are judged on their academic merit through a stringent process of peer review by appropriately qualified experts, normally drawn from the Academy's Fellowship, then passed to the relevant awarding committee for the final decision. Appeals may not be made against the academic judgement of the Academy's assessors, panels or committees, but 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.

RISK MANAGEMENT

The major risks to which the Academy is exposed are: securing funding to achieve its objectives, and reputational risks surrounding grant awarding processes and outcomes, and policy and communications outputs. Council has identified and reviewed these major risks and is satisfied that systems are in place to mitigate them. The Audit Committee reviews the risk register annually, and it is then reviewed and formally adopted by Council each year.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

The Council (as Trustee body of the Charity) is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity Law requires the Council to prepare for each financial year financial statements that give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group for the year. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, including FRS 102, subject to any material departures disclosed and explained in the financial statement
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulations made there under. They are responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Council has taken steps to:

- Ensure that funds from BIS are used only for the purposes for which they have been given and in accordance with the BIS grant terms and conditions and any other conditions which BIS 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

FINANCIAL REVIEW

RESULTS FOR THE YEAR

The financial statements for 2015/16 reflect another year of significant expansion for the Academy. New funding streams were again secured with certain existing streams extended.

The Department for International Development (DFID) funded a new programme exploring policies and interventions that have reduced corruption in different countries. This, together with additional funding through the Newton Fund, funded by the Department for Business, Innovation and Skills (BIS), ensured that our income rose by some £3m. Partners other than government also continued to provide welcome funding.

The Academy's principal funder remained BIS, with some £27m of the group's total income of £36.2m coming in the form of recurrent annual BIS grant. This was fully invested in research and scholarship across the humanities and social sciences and includes grant for operational delivery of the investment. Our operational grant has fallen over 40 per cent in real terms over a five-year period and, as a consequence, is insufficient. The Academy therefore has to supplement operational funding from its own private resource in order to deliver programmes effectively.

Group accounts were again prepared for the Academy and its wholly owned subsidiary, Clio Enterprises Ltd ('Clio'). The group's total funds amounted to £17m as at 31 March 2016, a decrease of some £1m on the year before, principally as a result of a downturn in the stock markets.

£36.4m was expended in total. Resources were chiefly expended on supporting the most talented people at key stages of their careers through fellowships and small scale innovative funding. The British Academy's overseas schools and institutes programme accounted for a spend of £4.4m. The Academy also expended £1.8m on the anti-corruption programme, funded by DFID.

Expenditure outstripped income by some £200k during the year which, together with a net investment loss of some £800k, took the overall net reduction in funds to £1m for the year.

Once again, trading activity conducted through the Academy's wholly owned subsidiary, Clio, generated welcome surplus and this contributed significantly to providing financial support for delivering programmes and for fundraising.

Clio fulfils several purposes and it underpins the Academy's financial and corporate strategy by:

- 1) Privately subsidising operational expenditure which government grant, as a result of significant cuts, no longer covers

- 2) Strengthening the Academy's financial independence by adding capital to the Academy's Development Fund (ADF)
- 3) Increasing income available from the ADF in order to cover the costs, for the time being, of other strategic priorities and initiatives (eg fundraising)
- 4) Providing a clear conduit through which conferences and events may be organised, operated and managed

FUNDS AND RESERVES

The Academy Development Fund (ADF)

The ADF remains the Academy's largest unrestricted fund and principal free reserve. It now stands at £6.4m. ADF investment capital has risen from £2.4m to £6.6m in six years. The Academy has unfettered discretion in its use of ADF funds and growth in these funds remains a strategic objective.

The intention in creating the fund was to enable the Academy to take new initiatives, and it is funded by Fellows' subscriptions and donations along with investment income generated from capital. Growth was held in check this year through additional expenditure on fundraising, on the library and by a downturn in the capital value of the investment portfolio.

Other unrestricted funds

Other general and designated funds include reserves set aside for operational expenses such as building repairs, decorations, IT systems and publications. These funds, excluding those invested in fixed assets, total some £631k. Considerable repair and renewal work was undertaken during the year.

Permanent endowment funds

There are three permanent endowment capital funds, the Webster Fund, the Ullendorff Fund, and the Rose Mary Crawshay Prize for English Literature, the capital totalling some £516k.

Expendable endowment funds

These capital funds generate income for various prizes, lectures, grants and conferences. The capital totals some £6.3m.

Restricted income funds

These are almost entirely represented by the Carlton House Terrace property fund and income balances generated by permanent and expendable endowment capital held for various specific purposes, such as prizes, lectures, grants and conferences.

POLICIES

Reserves policy

Unrestricted funds (general and designated funds) have a combined balance at 31 March 2016 of £7.3m, down from £7.7m last year, mostly due to stock market fluctuations. The largest designated fund remains the ADF. As noted above, the Academy is free to devote the income of the ADF to whatever object it deems fit. Council continues to view the long-term growth of the fund as key to strengthening the Academy's financial independence further. Taking general funds and the ADF to be the free reserves of the Academy (again excluding any investment in tangible fixed assets), our free reserves amount to £6.6m as at 31 March 2016 (£7m as at 31 March 2015). As the Academy's Trustees, Council considers the minimum level of free reserves to be £5m, broadly equivalent to operational expenditure for one year.

Investment policy

The Academy seeks to produce the best financial return within an acceptable level of risk. The investment objective is to generate a return of inflation plus 3 per cent per annum over the long term, after expenses. This should allow the Academy to maintain the real value of the assets, while funding annual expenditure in the region of 3 per cent per annum. To achieve this, the Academy applies a proportion of its funds in equity and/or equity related investments balanced by an element of fixed income generating investments.

Since asset valuations are constantly affected by factors such as changing discount rates, liquidity and confidence levels, achievement of the Academy's investment objectives is assessed over the longer term. Council is advised on investment matters by an Investment Management Committee chaired by the Treasurer and attended by at least one external member with professional fund management experience. £13.9m is held in several tracker funds managed by BlackRock Advisors (UK) Ltd. Investment funds managed by BlackRock provided a return of -2.6 per cent for the year.

The Academy's assets should be invested in line with its aims. The Trustees do not wish to adopt an inclusionary or exclusionary policy, the Academy being a passive investor, but individual investments may be excluded if materially conflicting with the Academy's core purpose(s).

VOLUNTEERS

The Academy is critically dependent on the voluntary services of its Fellows who, whether as Officers, Chairs or members of the Sections, Committees and Sub-committees, or as referees and assessors, perform a wide and crucial 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.

LONGER TERM FINANCIAL POSITION

The Government Spending Review was conducted during the 2015/16 financial year. The Academy made a sound and successful case for funding to Government and has secured a further period of investment until 2020. The Academy has also secured funding from the Government's new Global Challenges Research Fund.

The Academy has sustained expansion over a considerable period and the management and generation of sufficient resources to do so continue to present challenges. While the Academy's capital base has increased significantly during a tough economic time, it still remains small and in need of growth.

AUDITORS

A resolution for the appointment of BDO LLP for the ensuing year will be proposed at the Annual General Meeting.

Approved by Council on 14 June 2016



Professor Sarah Worthington QC (Hon), FBA
Treasurer
14 June 2016

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH ACADEMY

We have audited the financial statements of the British Academy for the year ended 31 March 2016 which comprise the consolidated and Academy statements of financial activities, the consolidated and Academy balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. 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 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 TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2016, and of the group's incoming resources and application of resources for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (including FRS 102)
- Have been prepared in accordance with the requirements of the Charities Act 2011

OPINION ON OTHER MATTER AS REQUIRED BY BIS GRANT LETTER

In our opinion, in all material aspects, the grant payments received from the Department for Business, Innovation and Skills (BIS) have been applied for the purposes set out in the Grant Letter and in accordance with the terms and conditions of the grant.

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 2011 requires us to report to you if, in our opinion:

- The information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- Sufficient accounting records have not been kept; or
- The parent charity 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

Julia Poulter
BDO LLP

Statutory auditor
London, United Kingdom
Date: 15 June 2016

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL REVIEW

CONSOLIDATED AND ACADEMY STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 MARCH 2016

	Notes	General funds	Designated funds	Restricted funds	Endowment funds	2016 Funds	Restated 2015 Funds
		£	£	£	£	£	£
Income and endowments from							
Donations and legacies	3	-	205,698	7,256	100,000	312,954	193,865
Charitable activities:							
Grants receivable	4	-	-	32,940,543	-	32,940,543	29,998,863
Other trading activities:							
Venue hire income	13	2,170,351	-	-	-	2,170,351	2,058,082
Publications	5	-	191,735	2,717	-	194,452	267,792
Investment income	6	16,408	193,733	220,956	-	431,097	389,818
Other incoming resources	7	-	23,906	150,224	-	174,130	177,462
Total incoming resources		2,186,759	615,072	33,321,696	100,000	36,223,527	33,085,882
Expenditure on							
Charitable activities:							
Grants and awards	8	-	542,222	33,695,925	-	34,238,147	30,996,171
Cost of generating funds:							
Fundraising	8	-	440,254	-	-	440,254	405,355
Venue hire costs	8	1,423,085	-	-	-	1,423,085	1,200,048
Publications	8	-	98,515	220,967	-	319,482	298,465
Investment management fees	8	-	7,785	8,879	-	16,664	15,549
Total expenditure		1,423,085	1,088,776	33,925,771	-	36,437,632	32,915,588
Net (losses)/gains on investments	12	-	(372,913)	(30,384)	(394,931)	(798,228)	1,232,809
Net incoming/(outgoing) resources		763,674	(846,617)	(634,459)	(294,931)	(1,012,333)	1,403,103
Transfers between funds	17	(763,674)	396,792	366,882	-	-	-
Net movement in funds		-	(449,825)	(267,577)	(294,931)	(1,012,333)	1,403,103
Fund balances brought forward at 1 April 2015		200,000	7,546,132	3,094,327	7,122,118	17,962,577	16,559,474
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2016		200,000	7,096,307	2,826,750	6,827,187	16,950,244	17,962,577

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

The consolidated and Academy statement of financial activities includes the results of the charity's wholly owned subsidiary, Clio Enterprises Ltd.

Comparatives for 2015 have been restated under the Charities SORP (FRS102). See note 1.a for details.

FINANCIAL REVIEW

STATEMENT OF FINANCIAL ACTIVITIES OF THE ACADEMY YEAR ENDED 31 MARCH 2016

	General funds	Designated funds	Restricted funds	Endowment funds	2016 Funds	Restated 2015 Funds
	£	£	£	£	£	£
Income and endowments from						
Donations and legacies	-	205,698	7,256	100,000	312,954	193,865
Gift aid from subsidiary company	747,266	-	-	-	747,266	858,034
Charitable activities:						
Grants receivable	-	-	32,940,543	-	32,940,543	29,998,863
Other trading activities:						
Publications	-	191,735	2,717	-	194,452	267,792
Investment income	16,408	193,733	220,956	-	431,097	389,818
Other incoming resources	-	23,906	150,224	-	174,130	177,462
Total incoming resources	763,674	615,072	33,321,696	100,000	34,800,442	31,885,834
Expenditure on						
Charitable activities:						
Grants and awards	-	542,222	33,695,925	-	34,238,147	30,996,171
Cost of generating funds:						
Fundraising	-	440,254	-	-	440,254	405,355
Publications	-	98,515	220,967	-	319,482	298,465
Investment management fees	-	7,785	8,879	-	16,664	15,549
Total expenditure	-	1,088,776	33,925,771	-	35,014,547	31,715,540
Net (losses)/gains on investments	-	(372,913)	(30,384)	(394,931)	(798,228)	1,232,809
Net incoming/(outgoing) resources	763,674	(846,617)	(634,459)	(294,931)	(1,012,333)	1,403,103
Transfers between funds	(763,674)	396,792	366,882	-	-	-
Net movement in funds	-	(449,825)	(267,577)	(294,931)	(1,012,333)	1,403,103
Fund balances brought forward at 1 April 2015	200,000	7,546,132	3,094,327	7,122,118	17,962,577	16,559,474
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2016	200,000	7,096,307	2,826,750	6,827,187	16,950,244	17,962,577

The above statement shows the financial performance of the charity alone. Comparatives for 2014/15 are shown overleaf.

FINANCIAL REVIEW

STATEMENT OF FINANCIAL ACTIVITIES OF THE ACADEMY
YEAR ENDED 31 MARCH 2015

	Restated General funds £	Restated Designated funds £	Restated Restricted funds £	Restated Endowment funds £	Restated 2015 Funds £
Income and endowments from					
Donations and legacies	-	189,865	4,000	-	193,865
Gift aid from subsidiary company	858,034	-	-	-	858,034
Charitable activities:					
Grants receivable	-	-	29,998,863	-	29,998,863
Other trading activities:					
Publications	-	261,315	6,477	-	267,792
Investment income	24,089	164,012	201,717	-	389,818
Other incoming resources	-	34,036	143,426	-	177,462
Total incoming resources	882,123	649,228	30,354,483	-	31,885,834
Expenditure on					
Charitable activities:					
Grants and awards	-	566,275	30,429,896	-	30,996,171
Cost of generating funds:					
Fundraising	-	403,271	2,084	-	405,355
Publications	-	108,612	189,853	-	298,465
Investment management fees	-	6,822	8,727	-	15,549
Total expenditure	-	1,084,980	30,630,560	-	31,715,540
Net gains on investments	-	575,939	47,052	609,818	1,232,809
Net incoming/(outgoing) resources	882,123	140,187	(229,025)	609,818	1,403,103
Transfers between funds	(882,123)	653,098	229,025	-	-
Net movement in funds	-	793,285	-	609,818	1,403,103
Fund balances brought forward at 1 April 2014	200,000	6,535,684	3,311,490	6,512,300	16,559,474
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2015	200,000	7,328,969	3,311,490	7,122,118	17,962,577

2015 comparatives have been restated under the Charities SORP (FRS102). See note 1.a for details.

FINANCIAL REVIEW

CONSOLIDATED AND ACADEMY BALANCE SHEET AS AT 31 MARCH 2016

	Notes	Group 2016 £	Group 2015 £	Academy 2016 £	Academy 2015 £
Fixed assets					
Tangible assets	11	1,990,799	2,259,935	1,990,799	2,259,935
Investments	12,13	13,895,211	14,420,690	13,895,221	14,420,700
		15,886,010	16,680,625	15,886,020	16,680,635
Current assets					
Debtors	14	663,650	561,693	836,336	882,139
Cash at bank and in hand		2,872,357	2,849,742	2,480,363	2,244,783
		3,536,007	3,411,435	3,316,699	3,126,922
Creditors					
Amounts falling due within one year	15	(2,451,228)	(2,072,028)	(2,231,930)	(1,787,525)
Net current assets		1,084,779	1,339,407	1,084,769	1,339,397
Creditors					
Amounts falling due after more than one year	16	(20,545)	(57,455)	(20,545)	(57,455)
Net assets		16,950,244	17,962,577	16,950,244	17,962,577
Represented by:					
Endowment funds	17	6,827,187	7,122,118	6,827,187	7,122,118
Restricted funds	17	2,826,750	3,094,327	2,826,750	3,094,327
General funds	17	200,000	200,000	200,000	200,000
Designated funds	17	7,096,307	7,546,132	7,096,307	7,546,132
		16,950,244	17,962,577	16,950,244	17,962,577

The financial statements on pages 21 to 39 were approved and authorised for issue on 14 June 2016 and signed by:

Professor Sarah Worthington
Treasurer

Alun Evans
Chief Executive and Secretary

FINANCIAL REVIEW

CONSOLIDATED CASH FLOW STATEMENT YEAR ENDED 31 MARCH 2016

	2016 £	2015 £	
Reconciliation of net (expenditure)/income to net cash outflow from operating activities			
Net (expenditure)/income for the reporting period	(1,012,333)	1,403,103	
Depreciation charges	269,136	280,217	
Losses/(gains) on investments	798,228	(1,232,809)	
Investment income	(431,097)	(389,818)	
(Increase) in debtors	(101,957)	(162,404)	
Increase/(decrease) in creditors	356,992	(549,922)	
	<u>(121,031)</u>	<u>(651,633)</u>	
Net cash outflow from operating activities			
Cash flow statement			
Net cash outflow from operating activities	(121,031)	(651,633)	
Returns on investments	431,097	389,818	
Financial investment	(223,631)	(1,431,737)	
Finance lease payments	(14,702)	(13,872)	
	<u>71,733</u>	<u>(1,707,424)</u>	
Increase/(decrease) in cash and liquid resources	<u>71,733</u>	<u>(1,707,424)</u>	
Reconciliation of net cash inflow/(outflow)			
Change in cash and liquid resources	71,733	(1,707,424)	
Cash and liquid resources at 1 April 2015	2,926,942	4,634,366	
Cash and liquid resources at 31 March 2016	<u>2,998,675</u>	<u>2,926,942</u>	
Notes to cash flow statement			
Note (i) Gross cash flows			
Financial investment			
Payments to acquire investments	(552,388)	(1,483,554)	
Receipts from sales of investments	328,757	51,817	
	<u>(223,631)</u>	<u>(1,431,737)</u>	
Note (ii) Analysis of change in net funds			
	At 1 April 2015 £	Cash flows £	At 31 March 2016 £
Cash in hand, at bank	2,849,742	22,615	2,872,357
Cash held with investment managers	77,200	49,118	126,318
	<u>2,926,942</u>	<u>71,733</u>	<u>2,998,675</u>

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

a. Basis of preparation of the accounts

The Annual Report, incorporating the financial statements for the year ended 31 March 2016, has been prepared in accordance with the Academy's Royal Charter, and in compliance with the Charities Act 2011, the Statement of Recommended Practice applicable to the charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (the FRS 102 Charities SORP).

The charity has adopted FRS 102 for the first time in preparing these financial statements. The transition date to FRS 102 was 1 April 2014 and the last financial statements prepared under the previous reporting framework were for the year ended 31 March 2015. There were no changes required to be made to prior year balances as part of this transition, therefore no reconciliation is shown.

There is one restatement which does not affect funds or net movement in funds: governance costs. These were previously disclosed separately on the SOFA. Under the Charities SORP (FRS 102), governance costs are included under support costs and allocated across the other categories of expenditure.

The financial statements have been prepared under the historical cost convention, as modified for the inclusion of investment assets. The financial statements are prepared on a going concern basis. The Trustees have reviewed reserve levels, budget and cash flow forecast for the next 12 months and believe the going concern basis to be appropriate.

b. Group and charity financial statements

Group financial statements consolidate the results of the charity and its wholly owned subsidiary Clio Enterprises Ltd on a line-by-line basis. A separate statement of financial activities for the charity itself is also presented. Notes to the accounts for the parent alone are not prepared, as the notes to consolidated financial statements identify the charity results.

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, its receipt is probable and there is reasonable certainty of the amount.

- Donations and legacies include donations

which are accounted for in the year in which they are received, subscriptions and income tax recoverable

- Grants receivable are recognised when entitlement to the grant is confirmed. This also includes returned grants which are accounted for on receipt. Income received for expenditure in future accounting periods is deferred
- Venue hire income includes income receivable from the rent and hire of rooms. Income received in advance is deferred until entitlement to the income has arisen at which time it is credited to the SOFA
- Publications income includes royalties which are recognised on an accruals basis
- Investment income is included in the statement of financial activities in the year in which it is receivable
- Other incoming resources consist of conference, service provision and recharges income
- Capital grants are recognised in the year in which they are received and are accounted for in a separate fund

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 basis consistent with the use of resources.

- Costs of raising funds include expenditure incurred in generating unrestricted and restricted income through fundraising
- Charitable activities include grants, awards, prizes and other activities supporting the Academy's aims and objectives. Grants are charged to the statement of financial activities when a constructive obligation exists notwithstanding that they may be paid in future periods
- Other expenditure includes expenditure directly incurred in generating income from the subsidiary activity, publications programme and investments
- Governance costs include those associated with the management of the Academy's assets and with constitutional and statutory requirements. They are allocated to activities on a full-time staff equivalent basis

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 £25,000 is fully written off within the year of purchase
- Furniture and equipment – over five years
- Leasehold improvements – 5 per cent
- Items which are fully depreciated are treated as disposals
- 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 which is measured at bid price, in accordance with the revised Statement of Recommended Practice.

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 2016 the estimated value of stocks of publications not included in the balance sheet was £61,434 (2015: £74,846), being the lower of cost and net realisable value.

i. Pensions

The Academy is a Participating Employer in Superannuation Arrangements of the University of London (SAUL). The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £1,927m representing 97 per cent of the liabilities for benefits accrued up to 31 March 2014.

It is not possible to identify an individual employer's share of the underlying assets and liabilities of SAUL. The Academy accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (ie cash amounts) in accordance with paragraphs 28.11 of FRS 102.

The Trustee and Employers have agreed that the Technical Provisions deficit at the 31 March 2014 valuation will be addressed by employer contributions of 3 per cent of salaries between 1 April 2016 and 31 March 2018 (inclusive). The defined benefit liability to be recognised by the Academy in respect of the deficit contribution due to SAUL (ie the present value of the deficit contributions) is £120,000 as at 31 March 2015. This liability is based on a projection of salaries over the period to 31 March 2018.

j. Liquid resources

Liquid resources include tracker deposits and cash at bank.

k. Funds

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

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 17.

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 17.

l. Tax

The Academy is a charity within the meaning of Paragraph 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary, Clio Enterprises Ltd made qualifying donations of all taxable profit to the Academy so no corporation tax liability on the subsidiary arises in the accounts.

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

m. Heritage assets

In accordance with section 34 of FRS 102 heritage assets acquired have not been capitalised, since reliable estimates of cost or value are not available on a basis that would justify the costs of establishing them. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. Donated assets are accounted for at their valuation at the time of donation.

2. ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the Trustees have made the following judgements:

- Determine whether there are indicators of impairment of the charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit
- Whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an

assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis

- The exemptions to be taken on transition to FRS 102

Other key sources of estimation uncertainty:

- **Tangible fixed assets**
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Investments**
Listed investments are valued at the quoted bid price at the reporting date.

3. DONATIONS

	Designated £	Restricted £	Endowment £	2016 Total £	Designated £	Restricted £	Endowment £	2015 Total £
Donations	102,422	7,256	100,000	209,678	94,580	4,000	-	98,580
Subscriptions *	103,276	-	-	103,276	95,285	-	-	95,285
Total	205,698	7,256	100,000	312,954	189,865	4,000	-	193,865

* Subscriptions are gift aided

4. GRANTS RECEIVABLE

	2016 £	2015 £
Department for Business, Innovation and Skills: Main Grant	27,000,000	27,005,000
Department for Business, Innovation and Skills: Newton Fund	2,129,329	1,052,338
Department for International Development	1,747,366	47,199
Grants returned redistributed	537,327	530,621
Leverhulme Trust	820,208	783,534
Wolfson Foundation	270,000	200,000
Other grants	436,313	380,171
	32,940,543	29,998,863

Grants receivable pertain to restricted funds

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

5. PUBLICATIONS

	Designated £	Restricted £	2016 Total £	Designated £	Restricted £	2015 Total £
Publications	191,735	2,717	194,452	261,315	6,477	267,792

6. INVESTMENT INCOME

	Unrestricted £	Restricted £	2016 Total £	Unrestricted £	Restricted £	2015 Total £
Investment income	193,733	220,956	414,689	164,012	201,717	365,729
Bank interest	16,408	-	16,408	24,089	-	24,089
	210,141	220,956	431,097	188,101	201,717	389,818
UK						
Bonds	53,333	60,827	114,160	25,747	31,629	57,376
Equities	60,890	69,446	130,336	44,537	54,788	99,325
Bank and deposit interest	16,408	-	16,408	24,089	-	24,089
	130,631	130,273	260,904	94,373	86,417	180,790
Overseas						
Equities	79,510	90,683	170,193	93,728	115,300	209,028
	210,141	220,956	431,097	188,101	201,717	389,818

7. OTHER INCOMING RESOURCES

	Designated £	Restricted £	2016 Total £	Designated £	Restricted £	2015 Total £
Service recharges	-	80,000	80,000	33,717	53,998	87,715
UK Border Agency	-	42,500	42,500	-	21,285	21,285
Conferences	-	19,580	19,580	-	11,610	11,610
Sundry income	23,906	8,144	32,050	319	56,533	56,852
	23,906	150,224	174,130	34,036	150,224	177,462

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

8. TOTAL RESOURCES EXPENDED

	Direct costs £	Staff costs £	Depreciation £	Support costs £	Total 2016 £	Restated Total 2015 £
Costs of generating funds						
Fundraising	222,221	218,033	-	-	440,254	405,355
Venue hire costs	1,239,481	183,604	-	-	1,423,085	1,200,048
Publications	98,515	140,722	1,315	78,930	319,482	298,465
Investment managers' fees	16,664	-	-	-	16,664	15,549
Total costs of generating funds	1,576,881	542,359	1,315	78,930	2,199,485	1,919,417
Charitable activities						
<i>Grants, awards and activities</i>						
Research programmes						
Early career fellowships	10,719,980	83,837	908	54,483	10,859,208	10,860,653
Mid-career fellowships	3,366,660	81,957	908	54,483	3,504,008	4,296,182
Small Research Grants	2,193,591	81,068	908	54,482	2,330,049	1,713,062
International programmes						
BASIS	4,104,827	162,577	1,654	99,221	4,368,279	4,347,804
International engagement	2,128,762	226,351	2,339	140,334	2,497,786	2,430,214
Newton Fund	2,034,463	127,205	1,257	75,437	2,238,362	1,114,162
DFID anti-corruption programme	1,665,045	82,465	698	41,910	1,790,118	-
Excellence and engagement*	1,186,394	1,010,782	9,267	556,014	2,762,457	2,425,122
Languages and quantitative skills**	1,066,978	261,170	2,389	143,331	1,473,868	1,444,990
Grants and prizes						
Investment funds	184,994	-	-	-	184,994	222,745
Non-investment funds	1,435,015	13,000	70	4,190	1,452,275	1,344,712
Conservation	121,962	52,554	559	33,528	208,603	145,409
Property	321,276	-	246,864	-	568,140	651,116
Total charitable activities	30,529,947	2,182,966	267,821	1,257,413	34,238,147	30,996,171
Total resources expended	32,106,828	2,725,325	269,136	1,336,343	36,437,632	32,915,588

* includes British Academy Research Projects

** includes some Small Research Grants

2015 expenditure comparatives have been restated under the Charities SORP (FRS 102) for governance costs (£144,586), which were previously disclosed separately on the SOFA. Under the Charities SORP (FRS 102), governance costs are included under support costs and allocated across the other categories of expenditure.

Expenditure on charitable activities was £36,437,632 (2015: £32,915,588) of which £1,423,085 pertained to unrestricted general funds (2015: £1,200,048), £1,088,776 to designated funds (2015: £929,216) and £33,925,771 was restricted (2015: £30,786,324).

8. TOTAL RESOURCES EXPENDED (CONTINUED)

Grants paid to institutions		2016	2015
The 50 largest total payments to single institutions in 2015/16 and the total payments made to them in 2014/15 were as follows:	Institution	£	£
	University of Oxford	3,671,870	3,970,797
	University College London	1,529,019	928,512
	British School at Rome	1,083,500	1,056,900
	University of Cambridge	984,122	1,367,765
	University of Manchester	981,291	628,572
	University of Nottingham	889,628	350,201
	University of Edinburgh	851,813	605,872
	London School of Economics	771,716	429,942
	British School at Athens	715,555	714,809
	Council for British Research in the Levant	686,141	696,395
	Queen Mary, University of London	631,150	569,801
	British Institute at Ankara	591,415	581,872
	University of Exeter	501,805	283,250
	British Institute in Eastern Africa	485,696	476,694
	King's College London	478,310	551,241
	University of Birmingham	471,956	320,098
	University of Bristol	424,120	326,175
	University of Warwick	423,599	438,677
	University of Southampton	423,476	212,349
	University of Sheffield	420,407	491,900
	University of York	396,456	514,252
	University of Leicester	390,559	235,533
	Durham University	356,742	259,509
	University of Sussex	356,721	194,955
	University of Glasgow	324,442	395,413
	University of Reading	321,539	270,345
	University of Leeds	309,859	218,359
	University of Essex	296,027	384,132
	School of Oriental and African Studies	285,550	483,123
	University of St Andrews	272,735	145,966
	Royal Holloway, University of London	262,557	350,794
	Medical Research Council	249,243	247,963
	Cardiff University	199,863	169,444
	Brunel University London	189,397	61,692
	University of East Anglia	187,956	180,698
	Queen's University Belfast	184,270	111,012
	Imperial College London	171,279	161,956
	Overseas Development Institute	147,539	0
	Institute for Fiscal Studies	136,379	50,762
	Ulster University	127,794	19,977
	Birkbeck, University of London	127,184	259,236
	British Institute of Persian Studies	114,529	166,049
	Lancaster University	114,264	90,927
	University of Roehampton	106,062	101,955
	Newcastle University	104,531	53,445
	Loughborough University	101,328	109,298
	University of Stirling	101,132	128,087
	City University London	95,785	6,209
	University of Kent	91,632	252,959
	Northumbria University	86,077	46,834

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

8. TOTAL RESOURCES EXPENDED (CONTINUED)

ANALYSIS OF TOTAL GRANTS PAYABLE

Total amount of grants payable included in total charitable activities for the year is £27,702,620 (2015: £24,666,693).

	Grants to institutions £	Grants to individuals £	2016 Total £	Grants to institutions £	Grants to individuals £	2015 Total £
Fellowships	16,852,330	-	16,852,330	16,698,212	-	16,698,212
Small grants	3,152,290	61,618	3,213,908	2,336,728	110,226	2,446,954
Overseas research facilitation	4,820,040	-	4,820,040	4,680,839	-	4,680,839
Research projects	2,105,636	-	2,105,636	224,795	-	224,795
Engagement awards	518,998	-	518,998	430,332	-	430,332
Other grants	178,601	13,107	191,708	179,545	6,016	185,561
	<u>27,627,895</u>	<u>74,725</u>	<u>27,702,620</u>	<u>24,550,451</u>	<u>116,242</u>	<u>24,666,693</u>

8.1. GOVERNANCE COSTS INCLUDED IN TOTAL RESOURCES EXPENDED

	2016 £	2015 £
External audit	21,900	19,500
Internal audit	15,425	5,625
Council and AGM travel	13,523	7,948
Staff costs	97,856	82,501
Support costs	36,081	28,417
Depreciation	601	595
	<u>185,386</u>	<u>144,586</u>

Governance costs were £185,386 (2015: £144,586) of which £4,114 pertained to unrestricted funds (2015: £3,100) and £181,272 to restricted funds (2015: £141,486).

9. STAFF COSTS

	2016 £	2015 £
Salaries	2,126,766	1,759,943
Social security costs	178,496	203,450
Pension costs – SAUL	379,701	152,472
Other staff costs	40,362	91,667
	<u>2,725,325</u>	<u>2,207,532</u>

Pension costs include present value of Academy's recognised liability in respect of the deficit contributions due to SAUL of £120,000. See note 19 for details.

The average number of full-time equivalent permanent employees (all administrative staff) during the year was 55 (2015: 48).

Remuneration of higher paid staff greater than £60,000 is:

	2016	2015
£70,001–£80,000	2	2
£80,001–£90,000	1	1
£120,001–£130,000	0	1
£130,001–£140,000	1	0
	<u>1</u>	<u>0</u>

Total employer pension contributions for the higher paid staff above were £47,376 compared to £45,656 in 2014/15.

Total remuneration received by key management personnel for services during the year is £465,642 (2015: £408,132). The current year includes costs for a period of handover between outgoing and incoming Chief Executives.

No Officer or Ordinary Member of the Council received any remuneration from the Academy for the year ended 31 March 2016 (2015: £Nil). Such 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 2016 such reimbursement to 25 Council members (2015: 25) amounted to £9,754 (2015: £9,421).

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

13. CLIO ENTERPRISES LTD: VENUE HIRE

The wholly owned trading subsidiary Clio Enterprises Ltd was incorporated in the United Kingdom on 7 April 2011 (company registration number: 07595846) and handles the hospitality activity of the Academy. It donates all of its profits to the charity by gift aid. As such no corporation tax is payable. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2016	2015
	£	£
Turnover	2,708,306	2,585,432
Cost of sales and administration costs	(1,962,064)	(1,728,157)
Interest receivable	1,024	759
Net profit	747,266	858,034
Amount gift aided to the charity	(747,266)	(858,034)
Retained in subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Current assets	505,432	733,720
Current liabilities	(505,422)	(733,710)
Shareholder's funds/total net assets	10	10

The above results are shown in the consolidated statement of financial activities net of intra-group trading.

14. DEBTORS

	Group	Group	Academy	Academy
	2016	2015	2016	2015
	£	£	£	£
Debtors	352,833	177,371	247,109	52,262
Amounts due from subsidiary	-	-	286,124	449,207
Prepayment and accrued income	302,942	384,322	295,228	380,670
Recoverable VAT	7,875	-	7,875	-
	663,650	561,693	836,336	882,139

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

15. CREDITORS: Amounts falling due within one year	Group	Group	Academy	Academy
	2016	2015	2016	2015
	£	£	£	£
Other creditors	612,324	421,024	490,506	278,028
VAT liability	-	4,215	-	4,215
Grants and awards (see below)	813,990	879,994	813,990	879,994
Accruals	641,066	460,470	636,646	455,717
Deferred income	383,848	306,326	290,788	169,570
	2,451,228	2,072,029	2,231,930	1,787,524
Lease obligation included in creditors	19,504	18,463	19,504	18,463
Grants and awards included within creditors				
Grants and awards allocated, not yet paid comprise:				
Early career fellowships			399,993	99,675
Mid-career fellowships			306,797	696,671
International engagement			107,200	75,856
Excellence kitemark			-	7,792
			813,990	879,994
Deferred income				
At 1 April 2015	323,732	403,781	186,976	287,065
Taken to income in the year	(305,352)	(380,901)	(168,596)	(264,185)
Taken to deferred income in the year	365,468	300,852	272,408	164,096
At 31 March 2016	383,848	323,732	290,788	186,976
Deferred income is split as below:				
Amount falling due within one year (see above)	383,848	306,326	290,788	169,570
Amount falling due after one year	-	17,406	-	17,406
	383,848	323,732	290,788	186,976
16. CREDITORS: Amounts falling due after more than one year				
	Group	Group	Academy	Academy
	2016	2015	2016	2015
	£	£	£	£
Lease obligation	20,545	40,049	20,545	40,049
Deferred income	-	17,406	-	17,406
Total amount falling due after more than one year	20,545	57,455	20,545	57,455

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

17. NET MOVEMENT IN FUNDS

	Balance 1 April 2015 £	Incoming resources £	Resources expended £	Transfers £	Net realised/ unrealised gains/losses £	Balance 31 March 2016 £
Permanent endowment funds						
Rose Mary Crawshay	31,575	-	-	-	(1,756)	29,819
Edward Ullendorff	-	100,000	-	-	-	100,000
Webster	408,977	-	-	-	(22,795)	386,182
Total permanent endowment funds	440,552	100,000	-	-	(24,551)	516,001
Expendable endowment funds						
Elisabeth Barker	425,933	-	-	-	(23,623)	402,310
Browning	170,076	-	-	-	(9,432)	160,644
Caton Thompson	170,984	-	-	-	(9,483)	161,501
Neil Ker	388,634	-	-	-	(21,551)	367,083
Leopold Schweich	219,387	-	-	-	(12,162)	207,225
Stenton	472,500	-	-	-	(26,202)	446,298
Albert Reckitt	1,967,616	-	-	-	(109,125)	1,858,491
Stein Arnold	218,322	-	-	-	(12,108)	206,214
Thank Offering to Britain	1,048,471	-	-	-	(58,146)	990,325
S T Lee	257,033	-	-	-	(14,256)	242,777
Marc Fitch	501,002	-	-	-	(27,623)	473,379
Other	841,608	-	-	-	(46,669)	794,939
Total expendable endowment funds	6,681,566	-	-	-	(370,380)	6,311,186
Total endowment funds	7,122,118	100,000	-	-	(394,931)	6,827,187
Restricted income funds						
<i>Investment funds</i>						
Elisabeth Barker	14,782	12,594	(5,861)	-	(618)	20,897
Browning	11,029	5,139	(3,668)	-	(459)	12,041
Caton Thompson	10,981	5,127	(4,932)	-	(386)	10,790
Neil Ker	38,880	17,732	(9,895)	-	(2,696)	44,021
Leopold Schweich	89,052	10,928	(7,002)	-	(3,643)	89,335
Webster	65,140	11,843	(15,012)	-	-	61,971
Stenton	68,995	15,939	(14,254)	-	(3,101)	67,579
Albert Reckitt	118,202	59,338	(19,257)	-	(5,093)	153,190
Stein Arnold	15,708	6,542	(3,705)	-	(485)	18,060
Thank Offering to Britain	149,599	34,574	(60,008)	-	(4,516)	119,649
S T Lee	28,264	7,698	(1,303)	-	(369)	34,290
Marc Fitch	78,452	16,426	(15,446)	-	(3,995)	75,437
Other	205,154	27,765	(33,526)	-	(5,023)	194,370
	894,238	231,645	(193,869)	-	(30,384)	901,630
<i>Non-investment funds</i>						
BIS grant	9,843	27,000,000	(27,008,207)	-	-	1,636
Grants returned redistributed	-	537,327	(537,327)	-	-	-
Academy other support costs	-	-	(366,882)	366,882	-	-
DFID Anti-Corruption Programme	-	1,726,295	(1,726,295)	-	-	-
Newton Fund	-	2,129,329	(2,129,329)	-	-	-
Leverhulme Trust	28,121	820,208	(848,240)	-	-	89
Wolfson Foundation	106,139	200,000	(200,277)	-	-	105,862
Other	95,574	676,892	(694,650)	-	-	77,816
CHT property	1,960,412	-	(220,695)	-	-	1,739,717
	2,200,089	33,090,051	(33,731,902)	366,882	-	1,925,120
Total restricted income funds	3,094,327	33,321,696	(33,925,771)	366,882	(30,384)	2,826,750
Unrestricted funds						
<i>General funds</i>	200,000	2,186,759	(1,423,085)	(763,674)	-	200,000
<i>Designated funds</i>						
Academy Development Fund (ADF)	6,822,333	411,992	(862,509)	445,380	(372,913)	6,444,283
Property – ADF	247,486	-	(26,169)	-	-	221,317
Research Fund	1,313	11,345	(8,500)	-	-	4,158
Publications	275,000	191,735	(98,514)	(168,221)	-	200,000
Repairs and maintenance	150,000	-	(61,451)	61,451	-	150,000
External redecoration	-	-	-	50,000	-	50,000
IT development	50,000	-	(31,633)	8,182	-	26,549
Total designated funds	7,546,132	615,072	(1,088,776)	396,792	(372,913)	7,096,307
Total unrestricted funds	7,746,132	2,801,831	(2,511,861)	(366,882)	(372,913)	7,296,307
TOTAL FUNDS	17,962,577	36,223,527	(36,437,632)	-	(798,228)	16,950,244

17. NET MOVEMENT IN FUNDS (CONTINUED)

ENDOWMENT FUNDS

Permanent endowment funds represent capital funds which must be held permanently by the Academy. The purposes for which the income generated by these assets is to be applied are shown below:

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

Edward Ullendorff Fund: For awarding achievement in the field of Semitic and Ethiopian languages and culture.

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

Expendable endowment funds represent capital funds which trustees have the power to convert into income funds if there is a requirement to spend or apply the capital. The purposes for which the income generated by these assets is to be applied are shown below:

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 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.

RESTRICTED INCOME FUNDS

Investment funds are those funds arising from income generated through investment of endowment funds. These funds are applied for the intended restricted purposes.

Non-investment funds are those arising from governmental grants, grants made by research foundations, philanthropic societies and funds supporting other activities:

BIS grant: This includes grant income and expenditure. The balance represents the net book value of assets bought over the years.

Academy other support costs: Represents BIS activity support costs no longer covered by BIS operational grant, which have to be funded by the Academy's unrestricted funds in order to deliver the programmes effectively. The total subsidy for the year amounted to £366,882.

DFID Anti-Corruption Programme: Represents activity funded by DFID aimed at promoting research to contribute to the development of more effective policies and interventions that will reduce corruption in developing countries and address its negative impact on people's lives.

Newton Fund: Represents activity funded by BIS aimed at promoting research and innovation capacity in developing countries.

Leverhulme Trust: Funds seven awards which allow established scholars to undertake or complete programmes of sustained research for the duration of one year and supports Small Research Grants in the humanities and social sciences.

Wolfson Research Professorship: Funds four Research Professorship awards over a three-year period.

Other non-investment funds: Funds to support a few small awards for research, publication and education related to the promotion of the humanities and social sciences.

CHT property: The Academy received capital grants from BIS and the Wolfson Foundation to

NOTES TO THE ACCOUNTS YEAR ENDED 31 MARCH 2016

17. NET MOVEMENT IN FUNDS (CONTINUED)

fund the expansion and refurbishment of the Academy at 10–11 Carlton House Terrace.

UNRESTRICTED FUNDS

General fund: A general purpose fund providing liquidity and contingency funds.

Designated funds have been set aside for the following purposes:

Academy Development Fund (ADF): The Academy is free to devote the income of this fund to whatever object it deems fit. The purpose of the fund is to enable the Academy to take new initiatives at its unfettered discretion. Proposals for the use of the fund are reviewed annually. There was a transfer of £445,380 into the fund at the year end principally to cover the cost of fundraising.

Academy Development Fund – Property: This fund reflects the contribution that the ADF made towards the expansion and refurbishment of the Academy during the 10–11 Carlton House Terrace project in 2011.

Research Fund: To assist the revival of the Academy's Small Research Grants scheme.

Publications: This fund is to cover the estimated direct costs of publications work in progress for the year ahead and resulted in an overall reduction of the fund by £75,000.

Repairs and maintenance fund: To cover certain repairs and maintenance relating to the building. A transfer of £61,451 was made into this fund to maintain the level of it. This reserve is reviewed annually.

External redecoration fund: To set aside sufficient 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 four years. A transfer of £50,000 was made into the fund for this purpose.

IT development fund: To set aside funds for IT development projects. A transfer of £8,182 was made into the fund for this purpose.

18. NET ASSET FUNDS

	Fixed assets	Investments	Net current assets	Long-term liabilities	2016 Total assets	2015 Total assets
	£	£	£	£	£	£
Endowment*	-	6,727,187	100,000	-	6,827,187	7,122,118
Restricted	1,769,482	543,311	534,502	(20,545)	2,826,750	3,094,327
General	-	-	200,000	-	200,000	200,000
Designated	221,317	6,624,713	250,277	-	7,096,307	7,546,132
	<u>1,990,799</u>	<u>13,895,211</u>	<u>1,084,779</u>	<u>(20,545)</u>	<u>16,950,244</u>	<u>17,962,577</u>

*Net current assets of £100,000 represent Edward Ullendorff's gift of endowment which will be invested as per gift terms.

19. PENSION SCHEME

General description of the pension scheme

The Academy participates in SAUL, which is a centralised defined benefit scheme within the United Kingdom and contracted-out of the Second State Pension (prior to April 2016). SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on either a Final Salary basis or a Career Average Revalued Earnings ('CARE') basis. Following a consultation with

Members, the SAUL Final Salary section will close from 31 March 2016 and all Members will build up benefits on a CARE basis from 1 April 2016.

The Academy is not expected to be liable to SAUL for any other current participating employer's obligations under the rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

17. NET MOVEMENT IN FUNDS (CONTINUED)

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the 'Technical Provisions'). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2014. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed in November 2015 and are due to be reviewed at SAUL's next formal valuation in 2017.

The Trustee and Employers have agreed that the Technical Provisions deficit at the 31 March 2014 valuation will be addressed by employer contribution of 3 per cent of salaries between 1 April 2016 and 31 March 2018 (inclusive). The overall level of the Employers' contribution will, therefore, increase from 13 per cent of salaries to 16 per cent of salaries with effect from 1 April 2016.

The pension cost relating to this scheme charged to the statement of financial activities on page 21 for the year was £379,701 (2015: £152,472).

20. LEASES AND OTHER COMMITMENTS

The Academy has an annual commitment of £565,000 (2015: £565,000) under operating leases in respect of land and buildings, which expires in a period greater than five years. The total value of commitment at 31 March 2016 is £14.1m.

The Academy has commitments totalling £189,884 (2015: £180,850) in respect of work in progress on publications.

The Academy has a finance lease commitment of £40,049 in respect of photocopiers. The lease expires in 2018.

21. CONTINGENT LIABILITIES

The Academy commits to multi-year grants funded from outside sources. Should those sources be withdrawn a contingent liability of £23.8m may arise.

22. RELATED PARTY TRANSACTIONS

After successful applications, during the year, the Academy awarded grants to the following Council members: Professor Alan Bowman FBA a £10,000 Leverhulme Trust research grant (2015: Nil) and Professor Bencie Woll FBA (principal investigator on a Special Research project funded by the Academy to the sum of £150k). Professor Bencie Woll received no grant in 2015.

The process under which the above Council members were awarded these grants followed the usual rigorous Academy procedures.

During the year, the Academy engaged the services of a fundraising consultant from More Partnership Ltd. The wife of the Academy's Chief Executive (who retired in July 2015) is a partner of this firm. Fees to More Partnership Ltd have been agreed on normal commercial terms and the Chief Executive took no part in the decision to engage More Partnership Ltd's services nor in the fee negotiations. At 31 March 2016 fees amounting to £91,479 had been paid or accrued to More Partnership Ltd.

Trustees, including key management personnel, made donations to the Academy totalling £2,655 (2015: £3,655).

FINANCIAL REVIEW

INCOME AND EXPENDITURE ACCOUNT YEAR ENDED 31 MARCH 2016

THIS PAGE DOES NOT FORM PART OF THE STATUTORY FINANCIAL STATEMENTS

Income	£	Group 2016 £	£	Group 2015 £
Grants				
BIS: Main grant	27,000,000		27,005,000	
BIS: Newton Fund	2,129,329		1,052,338	
DFID	1,747,366		47,199	
Grants returned redistributed	537,327		530,621	
Leverhulme Trust	820,208		783,534	
Wolfson Foundation	270,000		200,000	
Other grants	436,313		380,171	
		32,940,543		29,998,863
Donations		209,678		98,580
Subscriptions		103,276		95,285
Trading income		2,170,351		2,058,082
Publications income		194,452		267,792
Investment income including bank interest		431,097		389,818
Other income		174,130		177,462
Total income		36,223,527		33,085,882
Expenditure				
Grants, awards and charitable activities		32,106,828		29,325,350
Staff costs		2,725,325		2,207,532
Other operating expenses		1,336,343		1,102,489
Total expenditure before depreciation		36,168,496		32,635,371
Net result before depreciation		55,031		450,511
Depreciation		269,136		280,217
Net result before (loss)/gain on investments		(214,105)		170,294
Net recognised (loss)/gain on investments		(798,228)		1,232,809
Net result for the year		(1,012,333)		1,403,103

STATUTORY INFORMATION

REGISTERED CHARITY NUMBER:
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REGISTERED AUDITORS:
BDO LLP
55 Baker Street
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BANK:
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SOLICITORS:
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10 Norwich Street
London EC4A 1BD

INVESTMENT FUND MANAGER:
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CUSTODIAN:
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