

ROYAL IRISH ACADEMY
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2009

REPORT AND FINANCIAL STATEMENTS 2009

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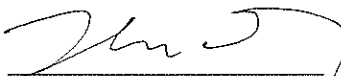
STATEMENT OF ACADEMY RESPONSIBILITIES

The Academy is required to prepare financial statements for each financial year which give a true and fair view of its state of affairs and of its income and expenditure for that year. In preparing those financial statements, the Academy is required to

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the statements on a going concern basis, unless that basis is inappropriate
- state where applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Academy is responsible for keeping proper books of account which disclose at any time its financial position with reasonable accuracy. It is also responsible for safeguarding its assets and hence for taking reasonable steps for the detection of fraud and other irregularities.


MEMBER OF COUNCIL


EXECUTIVE SECRETARY

REPORT AND FINANCIAL STATEMENTS 2009

STATEMENT OF INTERNAL FINANCIAL CONTROLS

Responsibility for system of Internal Financial Control

On behalf of the Council of the Royal Irish Academy, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Key Control Procedures

The Council has taken steps to ensure an appropriate control environment is in place by:

- clearly defining management responsibilities,
- establishing formal procedures for reporting significant control failures and ensuring appropriate corrective action,
- developing a strong culture of accountability across all levels of the Academy.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation and accountability. In particular it includes:-

- comprehensive budgeting system with an annual budget which is reviewed and agreed by the Council,
- regular reviews by the Council of periodic and annual financial reports which indicate financial performance against targets,
- clearly defined capital investment control guidelines, managed by external advisors,
- formal project management disciplines.

The Council's monitoring and review of the effectiveness of the system of internal financial control is informed by the Audit Committee, the executive managers within the Academy who have responsibility for the development and maintenance of the control framework and comments made by the Comptroller & Auditor General in his management letter or other reports.

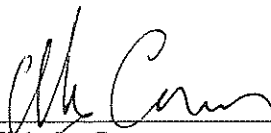
REPORT AND FINANCIAL STATEMENTS 2009

STATEMENT OF INTERNAL FINANCIAL CONTROLS

The Academy has established an internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice for the Governance of State Bodies. An independent consultant has been appointed to carry out the internal audit function.

Annual Review of Controls

A formal review of the effectiveness of the system of internal financial controls was carried out in the year ended 31 December 2009. No significant breaches were discovered during the review.



Nicholas Canny
President, Royal Irish Academy

1st November 2010
Date

ROYAL IRISH ACADEMY

Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas

I have audited the financial statements of the Royal Irish Academy for the year ended 31 December 2009 under the Comptroller and Auditor General (Amendment) Act, 1993.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Accounting Policies, the Income and Expenditure Account, the Funds and Projects Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes.

Respective Responsibilities of the Members of the Council of the Academy and the Comptroller and Auditor General

The Academy is responsible for preparing the financial statements, and for ensuring the regularity of transactions. The Academy prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Council of the Academy are set out in the Statement of Academy Responsibilities.

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

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether, in my opinion, proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Academy's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

Basis of Audit Opinion

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial

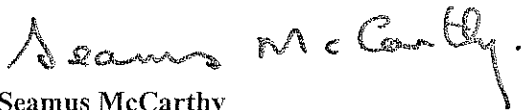
transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Academy's circumstances, consistently applied and adequately disclosed.

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

Opinion

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Academy's affairs at 31 December 2009 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Royal Irish Academy. The financial statements are in agreement with the books of account.



Seamus McCarthy
For and on behalf of the
Comptroller and Auditor General
20 December 2010

ACCOUNTING POLICIES

The significant accounting policies adopted by the Academy are as follows:

1. BASIS OF ACCOUNTING

The financial statements have been prepared under the accruals method of accounting, except as indicated below, and in accordance with generally accepted accounting principles under the historical cost convention. Financial Reporting Standards recommended by the recognised accountancy bodies are adopted as they become operative.

2. OIREACTHAS GRANTS

Income shown as Oireachtas Grant of €3,887,000 (2008: €3,907,723) is accounted for on a cash receipts basis and is paid over by the Higher Education Authority.

3. TANGIBLE FIXED ASSETS AND DEPRECIATION

The Academy adopts a minimum capitalisation threshold of €1,000. Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of tangible fixed assets over their estimated useful lives by equal annual instalments. The estimated useful lives of tangible fixed assets by reference to which depreciation has been calculated are as follows:

Computer equipment	3 years
Fixtures and fittings	10 years
Equipment	5 years

The Academy holds a collection of books, manuscripts and art works that it has acquired mainly through donations and bequests. These items are not treated as fixed assets as the Academy considers that the inclusion of such assets in the financial statements would not provide reliable and relevant financial information.

4. CAPITAL ACCOUNT

The capital account represents the unamortised amount of income used to finance fixed assets.

ACCOUNTING POLICIES

5. FUNDS AND PROJECTS ACCOUNT

The Funds and Projects account records transactions on funds and projects established as a result of the receipt of donations or bequests or by decision of the Academy. It also records allocations from the Academy. They are accounted for on an accruals basis. The income for the Funds and Projects accounts is held on deposit or other investment until it is utilised.

6. FINANCIAL ASSETS

Financial Assets are stated at cost less any provision for permanent diminution in value.

7. STOCKS

Stocks of books and journals are stated at the lower of cost or net realisable value less provision for obsolete/slow moving stocks. Cost comprises invoiced cost from suppliers.

8. PENSIONS

The Royal Irish Academy operates defined benefit pension schemes which are funded annually on a pay as you go basis from monies available to it, including monies provided by the Higher Education Authority and from contributions deducted from staff salaries.

The Academy also operates a defined benefit non-contributory funded scheme for staff recruited before 1 January 1994. Employers' contributions to this scheme are paid in accordance with recommendations of a qualified independent actuary.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are retained by the Academy. An amount corresponding to the pension charge is recognized as income to the extent that it is recoverable, and offset by grants received in the year to discharge pension payments.

Actuarial gains and losses arising from changes in Actuarial assumptions and from experience surpluses and deficits are recognised in the Statement of Recognised Gains and Losses for the year in which they occur and a corresponding adjustment is recognized in the amount recoverable from the Higher Education Authority.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding asset to be recovered in future periods from the Higher Education Authority.

ACCOUNTING POLICIES

9. FOREIGN CURRENCIES

Transactions denominated in foreign currencies relating to revenues and costs are translated into euro at the rates of exchange ruling on the dates on which the transactions occurred.

10. INCOME & EXPENDITURE ACCOUNTS

The financial statements of the Academy include two separate Income & Expenditure Accounts. The first records transactions relating to the core activities of the organisation; i.e. the Library, Academy Publications, and International Unions, together with the costs of the overall administration of the Academy. The second relates to all other special projects and trust funds. Income and expenditure has been allocated on this basis.

INCOME AND EXPENDITURE ACCOUNT

year ended 31 December

	Notes	2009 €	2008 €
INCOME			
Oireachtas grants		3,887,000	3,907,723
Other income	2	550,382	519,191
Deferred Pension Funding	16	1,589,000	1,266,000
		<u>6,026,382</u>	<u>5,692,914</u>
Less, amount allocated to Funds and Projects Account		(815,316)	(931,430)
Transfer (to)/from Capital Account	13	11,577	(11,780)
		<u>5,222,643</u>	<u>4,749,704</u>
EXPENDITURE			
Staff costs	3	4,026,670	3,741,939
Accommodation and establishment	4	95,775	87,927
General administration	5	391,101	447,302
Publication costs	6	374,196	307,913
Conference and meeting expenses	7	18,451	21,612
Book purchases and international subscriptions	8	76,447	68,649
Depreciation	9	43,353	61,477
		<u>5,025,993</u>	<u>4,736,819</u>
OPERATING SURPLUS		196,650	12,885
BALANCE AT 1 JANUARY		<u>388,470</u>	<u>375,585</u>
BALANCE AT 31 DECEMBER		<u>585,120</u>	<u>388,470</u>

The Statement of Accounting Policies and Notes 1 to 17 form part of these Financial Statements.


MEMBER OF COUNCIL

1st November 2010
Date


EXECUTIVE SECRETARY

FUNDS AND PROJECTS ACCOUNT

year ended 31 December

	Notes	2009 €	2008 €
INCOME			
Allocation from the Academy	1 (a)	815,316	931,430
Other income	1 (b)	2,123,595	2,778,206
		<u>2,938,911</u>	<u>3,709,636</u>
EXPENDITURE			
Staff costs	3	2,356,225	1,982,798
Accommodation and establishment	4	141,672	179,057
General administration	5	163,056	351,897
Publication costs	6	10,753	103,597
Grants and awards		241,228	361,292
Conference and meeting expenses	7	142,303	215,009
Book purchases and international subscriptions	8	2,650	3,622
Depreciation	9	20,636	19,197
		<u>3,078,523</u>	<u>3,216,469</u>
MOVEMENT IN YEAR		(139,612)	493,167
RECOVERY / (DIMINUTION) IN VALUE OF FINANCIAL ASSETS	10	50,862	(283,865)
BALANCE AT 1 JANUARY		<u>3,405,480</u>	<u>3,196,178</u>
BALANCE AT 31 DECEMBER		<u>3,316,730</u>	<u>3,405,480</u>

The Statement of Accounting Policies and Notes 1 to 17 form part of these Financial Statements.


MEMBER OF COUNCIL


EXECUTIVE SECRETARY

1st November 2010
Date

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

year ended 31 December

	Notes	2009 €	2008 €
Surplus for the year		196,650	12,885
Actual return less expected return on scheme assets	16	(1,236,000)	(530,000)
Experience gain / <loss> on pension scheme liabilities	16	925,000	(204,000)
Changes in Assumptions	16	0	0
Actuarial gain / <loss> recognised in STRGL		(311,000)	(734,000)
Adjustment to Deferred Pension Funding		311,000	734,000
Total Recognised Gain/<Loss> for the year		196,650	12,885


MEMBER OF COUNCIL

1st November 2010
Date


EXECUTIVE SECRETARY

BALANCE SHEET

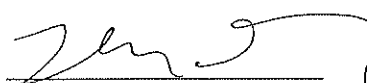
As at 31 December

	Notes	2009 €	2008 €
FIXED ASSETS			
Tangible assets	9	116,940	128,516
Funds and Projects Financial assets	10	950,019	892,438
		<u>1,066,959</u>	<u>1,020,954</u>
CURRENT ASSETS			
Stocks		218,063	314,874
Debtors	11	153,354	87,872
Cash at bank and in hand		2,753,921	2,659,963
		<u>3,125,338</u>	<u>3,062,709</u>
CREDITORS (amounts falling due within one year)	12	<u>(173,508)</u>	<u>(161,197)</u>
NET CURRENT ASSETS		<u>2,951,830</u>	<u>2,901,512</u>
TOTAL ASSETS LESS CURRENT LIABILITIES BEFORE PENSIONS		<u>4,018,789</u>	<u>3,922,466</u>
Deferred pension funding	16	14,200,000	12,300,000
Pension Liabilities	16	(14,200,000)	(12,300,000)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>4,018,789</u></u>	<u><u>3,922,466</u></u>
FINANCED BY:			
Funds and Projects Accounts	1	3,316,730	3,405,480
Capital account	13	116,939	128,516
Income and expenditure account		585,120	388,470
		<u>4,018,789</u>	<u>3,922,466</u>

The Statement of Accounting Policies and Notes 1 to 17 form part of these Financial Statements.


MEMBER OF COUNCIL

1st November 2010
Date


EXECUTIVE SECRETARY

CASHFLOW STATEMENT

As at 31 December

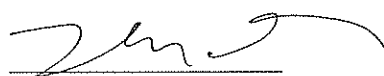
	Notes	2009 €	2008 €
Reconciliation of operating surplus to net cash inflow / (outflow) from operating activities			
Operating surplus for the year		107,901	222,187
Depreciation	9	63,989	80,674
Capital Account Transfer	13	(11,577)	11,780
Interest earned	1 (b) & 2	(112,330)	(97,632)
(Gain) / Loss on sale of fixed assets	9	0	620
(Gain) / Loss on investment transactions	1 (b)	(3,212)	16,723
(Increase) / Decrease in value of financial assets	10	(50,862)	283,866
(Increase) / Decrease in stock		96,811	(2,491)
(Increase) / Decrease in debtors	11	(65,481)	(19,662)
(Increase) / Decrease in creditors	12	12,310	38,474
Net cashflow from operating activities		37,548	534,539
CASHFLOW STATEMENT			
Net cashflow from operating activities		37,548	534,539
Returns on investment and servicing of finance			
Interest received	1(b) & 2	112,330	97,632
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	9	(52,412)	(93,072)
Reinvestment in financial assets	10	(3,509)	(31,148)
Increase in cash		93,958	507,951
RECONCILIATION OF NET CASHFLOW TO NET MOVEMENT IN FUNDS			
Net funds at 31 December 2008		2,659,963	2,152,012
Net funds at 31 December 2009		2,753,921	2,659,963
Increase in cash		93,958	507,951

The Statement of Accounting Policies and Notes 1 to 17 form part of these Financial Statements.


MEMBER OF COUNCIL

1st November 2010

Date


EXECUTIVE SECRETARY

REPORT AND FINANCIAL STATEMENTS 2009

NOTES TO THE FINANCIAL STATEMENTS

1. FUNDS AND PROJECTS ACCOUNTS

(a)	Fund or Project Account	Opening Balance €	Other Receipts €	Inter-Fund Transfers €	Allocations from State Grants €	Recovery/ Diminution in value of Financial Assets €	Project Expenditure €	Closing Balance €
	Focloir na Nua Ghaeilge	47,990	9,475	0	258,416	0	(258,416)	57,465
	Roger Casement	0	0	0	0	0	0	0
	Celtic Latin	0	0	0	111,463	0	(111,463)	0
	Hamilton Account	45,853	1,184	0	0	3,203	(23)	50,217
	Chemistry Symposium Fund	2,801	91	0	0	247	0	3,139
	International Geosphere - Biosphere Prog	23,821	0	0	(228)	0	(3,554)	20,040
	Eoin O'Mahony Bursary Account	20,676	764	0	0	560	0	22,000
	Archaeological Research Account	(650)	0	(750)	0	0	(3,644)	(5,044)
	Study of International Affairs	2,274	2,480	7,500	0	0	(3,941)	8,313
	Seminars Account	145,762	73,838	25,732	0	0	(57,259)	188,073
	Bicentennial Fellowship A/c	310	0	0	0	0	0	310
	A New History of Ireland Account	28,494	8,833	0	0	0	(28,699)	8,628
	Dictionary of Irish Biography Account	98,316	3,368	0	0	2,468	0	104,151
	Atlas of Historic Irish Towns - Research	9,524	33,510	0	0	0	(3,928)	39,106
	T.S.R.P.	59,115	0	0	(53,586)	0	0	5,330
	FAS Account	0	0	0	0	0	0	0
	Chemistry Essay	(1,561)	0	0	0	0	(19)	(1,580)
	Bioethics Council Fund	9,283	162,617	38,000	(16,250)	0	(189,702)	3,948
	DEPFA Fund	108,030	0	(37,832)	0	0	(41,449)	28,749
	Balance c/fwd	600,039	296,160	32,650	299,816	6,477	(702,098)	533,044

REPORT AND FINANCIAL STATEMENTS 2009

NOTES TO THE FINANCIAL STATEMENTS

1. FUNDS AND PROJECT ACCOUNTS (CONT'D)

(a)	Fund or Project Account	Opening Balance €	Other Receipts €	Inter-Fund Transfers €	Allocations from State Grants €	Recovery/ Diminution in value of Financial Assets €	Project Expenditure €	Closing Balance €
	Balance b/fwd	600,039	296,160	32,650	299,816	6,477	(702,098)	533,044
	Clare Island Study Account	7,813	195	0	0	143	0	8,151
	Clare Island Publications	2,641	0	0	0	0	(999)	1,641
	Economic and Social Sciences Account	2,685	0	0	0	0	0	2,685
	Sailors and Soldiers Trust Fund	47,877	0	0	0	0	0	47,877
	Thesaurus Linguarum Hiberniae	10,463	0	0	0	0	0	10,463
	Armstrong Fund	1,111	38	0	0	102	0	1,251
	Cunningham Fund	13,000	595	0	0	466	0	14,061
	Curtis Fund	9,983	339	0	0	917	0	11,239
	D'Alton Fund	61,240	1,802	0	0	1,321	0	64,364
	Geological Illustration Fund	1,168	40	0	0	107	0	1,315
	Higgins Fund	27,204	698	0	0	511	0	28,413
	Larmor Fund	852	29	0	0	78	0	959
	Praeger Fund	32,768	1,270	0	0	930	0	34,968
	Praeger Special Fund	4,450	174	0	0	128	0	4,752
	Purser Fund	4,188	142	0	0	384	0	4,714
	Smythe Fund	8,883	221	0	0	161	0	9,265
	Todd Fund	4,803	46	0	0	0	0	4,850
	Ussher Fund	1,666	42	0	0	31	0	1,739
	Wheeler Fund	2,116	72	0	0	194	0	2,382
	Mangan Bequest Fund	57,789	1,772	0	0	1,298	0	60,859
	Balance c/fwd	902,738	303,635	32,650	299,816	13,249	(703,097)	848,991

NOTES TO THE FINANCIAL STATEMENTS

ROYAL IRISH ACADEMY

REPORT AND FINANCIAL STATEMENTS 2009

1. FUNDS AND PROJECT ACCOUNTS (CONT'D)

(a) Fund or Project Account	Opening Balance	Other Receipts	Inter-Fund Transfers	Allocations from State Grants	Recovery/Diminution in value of Financial Assets	Project Expenditure	Closing Balance
	€	€	€	€	€	€	€
Balance b/fwd	902,738	303,635	32,650	299,816	13,249	(703,097)	848,991
John Jackson Fund	8,647	167	0	0	123	0	8,937
Microbiology Award Account	4,522	122	0	0	89	0	4,733
McNeill Bequest Fund	42,058	920	(21,500)	0	674	0	22,152
David Greene Irish Studies Account	11,493	390	0	0	1,055	0	12,939
Publication Reserve Account	182,268	116,000	21,500	(14,917)	0	(7,792)	297,059
Library Capital Account	101,233	8,245	0	0	0	(383)	109,094
Social Science Research Council	13,235	721	4,000	0	528	(1,333)	17,151
Research Trust Capital Account	390,701	12,788	0	0	34,763	0	438,252
Research Trust Income Account	(1,809)	0	1,809	0	0	0	0
General Purposes Capital Account	19,419	520	0	0	381	0	20,320
OPW Housekeeping Account	(18,103)	45,660	0	0	0	(16,450)	11,106
Documents in Irish Foreign Policy Acc	147,041	147,188	6,032	10,000	0	(163,073)	147,188
CD Publications Account	23,370	0	0	0	0	0	23,370
Contingency Fund	5,079	0	0	0	0	0	5,079
Library Cataloguing Fund	24,477	0	0	0	0	0	24,477
Library IAA/LH Fund	221,058	0	0	0	0	0	221,058
DIB - General Acc	8,771	0	0	314,422	0	(313,772)	9,421
Ní Madadain	6,449	0	0	0	0	0	6,449
Balance c/fwd	2,092,647	636,356	44,491	609,321	50,862	(1,205,900)	2,227,777

NOTES TO THE FINANCIAL STATEMENTS

ROYAL IRISH ACADEMY

REPORT AND FINANCIAL STATEMENTS 2009

I. FUNDS AND PROJECT ACCOUNTS (CONT'D)

(a)	Fund or Project Account	Opening Balance	Other Receipts	Inter-Fund Transfers	Allocations from State Grants	Recovery/Diminution in value of Financial Assets	Project Expenditure	Closing Balance
		€	€	€	€	€	€	€
	Balance b/fwd	2,092,647	636,356	44,491	609,321	50,862	(1,205,900)	2,227,777
	SFI - China Ireland	96,986	0	0	0	0	(55)	96,931
	International Exchange A/C	0	1,039	0	28,254	0	(29,293)	0
	Atlas of Historic Irish Towns - General	(686)	0	0	153,696	0	(153,009)	0
	Research Reserve	118,991	80,895	113,759	0	0	0	313,645
	SFI - Lecture Series	39,621	0	0	0	0	0	39,621
	Hamilton 2005	18,876	0	0	0	0	0	18,876
	FNG Donegal	209	140,445	0	134,226	0	(274,542)	338
	Bioethics Clinical Directive	38,000	0	(38,000)	0	0	0	0
	Hunt Museum	29,900	0	0	0	0	0	29,900
	Archaeological Excav Grant	30,885	160,000	750	0	0	(135,428)	56,207
	RIA Gold Medal	14,911	0	0	0	0	(380)	14,531
	SFI - Hamilton	26,359	0	0	0	0	0	26,359
	Knowth	30,450	56,514	0	0	0	(36,481)	50,482
	Research Policy Making	0	0	0	0	0	0	0
	Film Project-Irish Mind	(4,431)	0	0	0	0	0	(4,431)
	Clare Island Lidar	(995)	0	0	0	0	0	(995)
	DIAA	367,115	350,000	(30,000)	(30,000)	0	(464,399)	192,716
	PRTL DHO	470,175	666,441	(91,000)	(80,180)	0	(632,313)	333,123
	Pension Reserve	11,782	31,905	0	0	0	(56)	43,632
	PRTL STACK	(21,303)	0	0	0	0	(64,037)	(85,340)
	PRTL DOUGAN	(17,100)	0	0	0	0	(58,512)	(75,612)
	Irish Constitution Project	21,680	0	0	0	0	(24,999)	(3,318)
	Sub Total	3,364,071	2,123,595	0	815,316	50,862	(3,079,404)	3,274,440
	Capital Movements - additions to FA						21,517	
	Capital Movements - depreciation charge for year	41,409					(20,636)	42,290
		3,405,480	2,123,595	0	815,316	50,862	(3,078,523)	3,316,730

NOTES TO THE FINANCIAL STATEMENTS

1. FUNDS AND PROJECTS ACCOUNTS (CONT'D)

	2009	2008
	€	€
(b) Other Income comprises:		
(Loss)/Gain on investment transactions	3,212	(16,723)
Interest on investments	86,964	71,200
Subvention & Registration Fees	2,032,996	2,704,162
Sale of Publications	423	19,567
	<u>2,123,595</u>	<u>2,778,206</u>

(c) Balances were held as follows:-

	Cash and Cash equivalents €	Investments at MV €	Total €
Opening balance	2,513,042	892,438	3,405,480
Closing balance	2,366,711	950,019	3,316,730

2. OTHER INCOME

	2009	2008
	€	€
Deposit interest	25,366	26,432
Room rental	25,246	44,590
Grants and awards	8,213	26,125
Members subscriptions and entrance fees	32,623	30,633
Sale of Academy publications	458,934	391,411
	<u>550,382</u>	<u>519,191</u>

3. STAFF COSTS

	2009	2008
	€	€
(a) Analysis of Staff Costs:		
Wages and salaries	4,568,020	4,240,228
Social welfare costs	364,994	355,540
Pension costs	1,449,881	1,128,969
	<u>6,382,895</u>	<u>5,724,737</u>

Charged as follows:

Income and Expenditure Account	4,026,670	3,741,939
Funds and Projects Account	2,356,225	1,982,798
	<u>6,382,895</u>	<u>5,724,737</u>

(b) Average Number of Persons Employed

Full Time	69	72
Part Time	28	18

Government guidelines on the payment of director's fees are being implemented. There were no fees paid in 2009 to individual council members. The total paid for travel & subsistence expenses claimed by the council members in 2009 was €23,500.

The all in cost of the Executive Secretary's total remuneration package consists of salary and pension entitlement. The Executive Secretary's annual salary for 2009 was €150,783, and pension entitlements for the post are in line with standard entitlements in the model public sector defined benefit superannuation scheme.

NOTES TO THE FINANCIAL STATEMENTS

4. ACCOMMODATION AND ESTABLISHMENT EXPENSES	2009 €	2008 €
Light and heat	36,404	36,958
Insurance	12,626	12,655
Furniture and household	67,960	69,264
Rent	120,457	148,107
	<u>237,447</u>	<u>266,984</u>
Charged as follows:		
Income and Expenditure Account	95,775	87,927
Funds and Projects Account	141,672	179,057
	<u>237,447</u>	<u>266,984</u>
5. GENERAL ADMINISTRATION EXPENSES	2009 €	2008 €
Postage and telephone	62,137	61,471
Advertising	12,922	7,951
Stationery and office	76,411	107,739
Administration printing	22,070	67,213
General Purpose Account and Funds & Projects Miscellaneous	111,266	282,454
Professional fees - Legal and other fees	275	4,001
- Accountants fees	15,715	18,477
- Consultants fees	71,564	22,497
Audit fees	11,500	11,500
Bank interest and fees	4,184	9,622
Information technology	104,097	119,895
Loss on Disposal	0	620
Training and Consultancy	62,016	85,759
	<u>554,157</u>	<u>799,199</u>
Charged as follows:		
Income and Expenditure Account	391,101	447,302
Funds and Projects Account	163,056	351,897
	<u>554,157</u>	<u>799,199</u>
6. PUBLICATION COSTS	2009 €	2008 €
Proceedings	49,948	43,528
Publications	323,147	357,377
General conservation costs	11,854	10,605
	<u>384,949</u>	<u>411,510</u>
Charged as follows:		
Income and Expenditure Account	374,196	307,913
Funds and Projects Account	10,753	103,597
	<u>384,949</u>	<u>411,510</u>

NOTES TO THE FINANCIAL STATEMENTS

7. CONFERENCE AND MEETING EXPENSES	2009	2008
	€	€
Conference expenses	35,210	51,157
Special Event Costs	279	25,762
Travel expenses	125,265	159,702
	<u>160,754</u>	<u>236,621</u>
Charged as follows:		
Income and Expenditure account	18,451	21,612
Funds and Projects account	142,303	215,009
	<u>160,754</u>	<u>236,621</u>
8. BOOK PURCHASES AND SUBSCRIPTIONS	2009	2008
	€	€
Library books and periodicals	39,828	33,269
Subscriptions to international organisations	39,269	39,002
	<u>79,097</u>	<u>72,271</u>
Charged as follows:-		
Income and expenditure account	76,447	68,649
Funds and projects account	2,650	3,622
	<u>79,097</u>	<u>72,271</u>
9. TANGIBLE ASSETS		

COST	Computer Equipment €	Fixtures & Fittings €	Equipment €	Total €
At 1 January 2009	454,229	157,400	108,542	720,171
Additions	50,512	0	1,900	52,412
Disposals	(29,493)	0	(11,054)	(40,547)
At 31 December 2009	<u>475,248</u>	<u>157,400</u>	<u>99,388</u>	<u>732,036</u>

ACCUMULATED DEPRECIATION

At 1 January 2009	393,170	111,098	87,386	591,654
Charge for the year	44,996	9,540	9,453	63,989
Eliminated on Disposals	(29,493)	0	(11,054)	(40,547)
At 31 December 2009	<u>408,673</u>	<u>120,638</u>	<u>85,785</u>	<u>615,096</u>

NET BOOK AMOUNTS

At 31 December 2008	61,059	46,302	21,156	128,517
At 31 December 2009	<u>66,575</u>	<u>36,762</u>	<u>13,603</u>	<u>116,940</u>

	2009	2008
	€	€
Depreciation charged as follows:-		
Income and expenditure account	43,353	61,477
Funds and projects account	20,636	19,197
	<u>63,989</u>	<u>80,674</u>

NOTES TO THE FINANCIAL STATEMENTS

10. FUNDS AND PROJECTS FINANCIAL ASSETS	1.1.09			31.12.09			31.12.09 MARKET VALUE €
	COST €	ADDITIONS €	DISPOSALS €	COST €	Diminution in value of Financial Assets €	Recovery / (diminution) in value of Financial Assets €	
A.I.B. Investment Managers	1,174,087	38,964	(32,420)	1,180,631	(283,865)	50,862	947,628
2.5% Consolidated Stock	2,156			2,156			2,156
Prize Bonds	235			235			235
Research Trust	(175)	175		0			0
	<u>1,176,303</u>	<u>39,139</u>	<u>(32,420)</u>	<u>1,183,022</u>	<u>(283,865)</u>	<u>50,862</u>	<u>950,019</u>
11. DEBTORS (amounts falling due within one year)						2009 €	2008 €
Debtors						(15,595)	28,486
Prepayments and Accrued Income						145,363	35,568
Value Added Tax						23,586	23,818
						<u>153,354</u>	<u>87,872</u>
12. CREDITORS (amounts falling due within one year)						2009 €	2008 €
Creditors and accruals						69,603	58,663
Taxation						103,905	102,534
						<u>173,508</u>	<u>161,197</u>
13. CAPITAL ACCOUNT		2009 €	€			2008 €	€
Opening balance			128,516				116,736
Amounts allocated for fixed asset acquisition		52,412				93,072	
Amortisation in line with asset depreciation		(63,989)				(80,675)	
Loss on disposal of fixed assets		<u>0</u>				<u>(617)</u>	
Transfer (to)/from the Income & Expenditure Account			(11,577)				11,780
Closing balance			<u>116,939</u>				<u>128,516</u>

NOTES TO THE FINANCIAL STATEMENTS

14. ACCOMMODATION

The Academy operates from offices at 19 and 19A Dawson Street in Dublin that are provided on a rent-free basis by the Office of Public Works. The Irish Council for Bioethics obtained separate legal status in 2008, and thus serviced office space in Regus House, Block 4, Harcourt Centre, Dublin 2, is no longer rented by the Academy on its behalf.

Two new projects, which commenced during 2008, are located outside Academy House. The first, Digital Humanities Observatory – funded under the Programme for Research in Third Level Institutions (PRTLII), is located in serviced office space at 28 - 32 Upper Pembroke Street, Dublin 2. The second - Art and Architecture of Ireland - is located in Newman House, St. Stephens Green, Dublin 2.

These properties are rented by the Academy on short-term leases, as is the premises at An Charraig, Co Donegal, which is used by a number of Focloir na Nua Ghaeilge staff.

15. RELATED PARTY TRANSACTIONS

There were no related party transactions in the period ended 31 December 2009.

The Royal Irish Academy is an independent, all Ireland institution for the study and promotion of the sciences and humanities.

The Academy adopted procedures in accordance with the Code of Practice for the Governance of State Bodies issued by the Department of Finance in relation to the disclosure of interests by the Council members. These have been adhered to in the year and there were no transactions in the year in relation to the Academy's activities in which Council members had any interest.

16. PENSIONS**(a) Description of Schemes**

The Royal Irish Academy was established by Royal Charter in 1786 and is now primarily financed by state grant. Prior to 1994 superannuation benefits for the staff of the Academy were provided for under a funded pension scheme.

In the case of staff appointed on or after 1 January 1994, superannuation benefits are provided under two schemes

- The Royal Irish Academy staff superannuation scheme and
 - The Royal Irish Academy spouses' and childrens contributory pension scheme
- which are currently being operated on an administrative basis pending formal Ministerial approval.

The former scheme provides retirement benefits (lump sum and pension) to staff members, and death gratuity benefits in respect of death in service. The latter scheme (which members of the Pre-1994 Scheme can also join) provides pension benefits for the surviving spouse and dependent children of deceased members.

The RIA staff superannuation scheme and the RIA spouses' and children's contributory pension scheme are not pre-funded. Benefits are financed on a pay-as-you-go basis. The Pre-1994 Scheme is a funded scheme, but post-retirement increases to pensions awarded under that scheme are not met from the fund but are borne by the Academy.

NOTES TO THE FINANCIAL STATEMENTS

16. PENSIONS *(continued)*

Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) normally increase in line with general public sector salary inflation.

Superannuation entitlements arising under these schemes are paid out of current income and are charged to the Income & Expenditure Account in the year they become payable.

The results set out below are based on actuarial valuation of the pension liabilities in respect of serving and former staff of the Academy at 31st December 2009. This valuation was carried out by a qualified independent actuary for the purposes of the accounting standard, Financial Reporting Standard No. 17 – Retirement Benefits (FRS 17).

(b) Financial Assumptions

The financial assumptions used for FRS 17 purposes were:

	At 31/12/09	At 31/12/08
Discount rate	5.5%	5.5%
Salary Increases	4.0%	4.0%
Pension Increases	4.0%	4.0%
Inflation Increases	2.0%	2.0%

The assets in the Pre-1994 Funded Scheme and the expected rate of return as at December 2009 were:

	Expected Return 2009	Expected Return 2008	Market Value 2009 €	Market Value 2008 €
Equities	7%	7%	800,000	500,000
Bonds	4%	4%	800,000	800,000
Properties	4%	4%	<u>200,000</u>	<u>200,000</u>
Total			<u>1,800,000</u>	<u>1,500,000</u>
Present value of scheme liabilities			(16,000,000)	(13,800,000)
Deficit in scheme			(14,200,000)	(12,300,000)
Related deferred tax liability			0	0
Net Pension Asset/ (Liability)			(14,200,000)	(12,300,000)

NOTES TO THE FINANCIAL STATEMENTS

16. PENSIONS *(continued)*

(c) Net Deferred Funding for Pensions in Year	2009	2008
	€	€
Funding recoverable in respect of current year pension costs	1,676,000	1,330,000
State Grant Applied to pay Pensioners (Unfunded Scheme)	(28,000)	(11,000)
Pension Contributions (Funded Scheme)	<u>(59,000)</u>	<u>(53,000)</u>
	1,589,000	1,266,000
(d) Analysis of total pension costs charged to expenditure	2009	2008
	€	€
Service Charge	1,000,000	760,000
Interest on Pension Scheme Liabilities	676,000	570,000
Employees Contributions (Unfunded Scheme)	<u>(226,119)</u>	<u>(201,032)</u>
	1,449,881	1,128,968
(e) Analysis of amount recognised in the statement of total recognised gains and losses (STRGL)	2009	2008
	€	€
Difference between actual and expected return on scheme assets	(1,236,000)	(530,000)
Experience gains/ (losses)	925,000	(204,000)
Changes in assumptions	-	-
Actuarial gain / (loss) recognised in STRGL	<u>(311,000)</u>	<u>(734,000)</u>

(f) Deferred Funding Asset for Pensions (Narrative Note)

The Royal Irish Academy recognises these amounts as an asset corresponding to the funded and unfunded deferred liability on the basis of the set of assumptions described above and a number of past events. These events include the statutory basis for the establishment of the pension scheme and the policy and practice currently in place in relation to funding public service pensions, including contributions by employees and the annual estimates process. The Academy has no evidence that this funding policy will not continue to meet such sums in accordance with current practice. The deferred funding asset for pensions as at 31 December 2009 amounted to €14,200,000 (2008: €12,300,000).

The valuation used for FRS17 disclosures has been based on a full actuarial valuation by a qualified independent actuary taking account of the requirements of the FRS in order to assess the scheme liabilities at 31 December 2009.

NOTES TO THE FINANCIAL STATEMENTS

16. PENSIONS (*continued*)

(g) Movement in Net Pension Liability during the financial year

	2009 €	2008 €
Deficit at 1 January	(12,300,000)	(10,300,000)
Current service cost	(1,000,000)	(760,000)
Contributions to Funded Scheme	59,000	53,000
Payments from Unfunded Scheme	28,000	11,000
Other Finance Income	(676,000)	(570,000)
Actuarial Gain/ (Loss)	(311,000)	(734,000)
Deficit in scheme at 31 December	(14,200,000)	(12,300,000)

(h) History of experience gains and losses

	2009 €	2008 €
Differences between the expected and actual return on scheme assets		
Amount	(1,236,000)	(530,000)
Percentage of the scheme assets	(35%)	(35%)
Experience Gains/ (Losses) on scheme liabilities		
Amount	925,000	(204,000)
Percentage of the present value of the scheme liabilities	6%	(1%)
Total amount recognised in STRGL		
Amount	(311,000)	(734,000)
Percentage of the present value of the scheme liabilities	(5%)	(5%)

17. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved on *1st November 2010*