



MINUTES

Annual General Meeting

6pm, Monday 18 May 2015

The Theatre, The Royal Institution, 21 Albemarle Street, London, W1S 4BS

Presented by: Sir Richard Sykes (RBS) - Chairman of the Royal Institution of Great Britain
Sarika Patel (SP) - Chair of the Audit Committee
Chris Rofe (CR) - CEO of the Royal Institution of Great Britain
Dr Gail Cardew (GC) - Director of Science and Education of the Royal Institution of Great Britain

In attendance: Membership of the Royal Institution

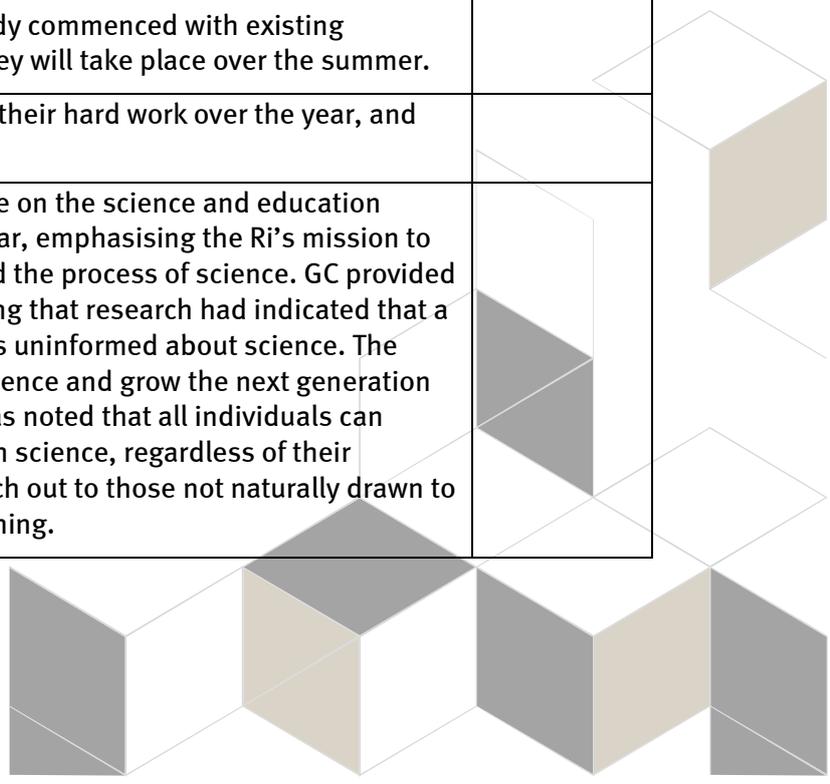
Item		Actions
1.	Welcome	
1.1.	<p>Sir Richard Sykes (RBS) welcomed the members to the AGM and covered some basic housekeeping points.</p> <p>RBS gave an introduction for the meeting, highlighting how the mission of the Royal Institution “to encourage people to think more deeply about the wonders and applications of science” had underpinned all of the activities that had taken place over the preceding 12-months. The celebrated core activities had been expanded upon and new activities developed. RBS expressed confidence that the ‘corner had been turned’ and the Ri had the opportunity for a strong future from Albemarle Street. RBS emphasised that great strides had been made towards financial sustainability, with a future focus to be placed growth and impact, and an emphasis on fundraising now that plans to remove the last remaining debt were well advanced. RBS confirmed that the Ri was now in a position to approach funders with the confidence that future funded income would be used for programmes and not to repay debt.</p>	
2.	Minutes of the last Annual General Meeting	
2.1.	<p>RBS confirmed that the minutes from the 2014 Annual General Meeting had been available on the website and asked for confirmation that these minutes could be approved. This approval was received.</p>	
3.	Invitation for new Members to sign the Members Book	
3.1.	<p>New Members were invited to sign the Members Book.</p>	
4.	Presentation of the Annual Report of the Trustees	



4.1.	<p>Sarika Patel (SP) presented the Annual Report of the Trustees, confirming that the Audit Committee had confirmed the scope of the audit. It was confirmed that the annual audit had not found any major issues that required further investigation, and the accounts had been prepared on a going concern basis, and the recommendation was made to the Trustees to sign the accounts.</p> <p>SP presented the key messages from the audited accounts, providing the necessary context in relation to received endowment funds and the scale of the core operating deficit.</p> <p>SP noted that the net debt position was -£158k, which was £94k worse on the previous year. SP highlighted with the removal of endowment receipts and one-off items the core operating deficit was £210k. This represented an improvement on previous years but the need to achieve a break-even position and create a positive cash flow remains.</p> <p>SP indicated that a number of plans were in place to address the ongoing deficit and debt, and specific disclosures have been made in the notes to the accounts regarding the replenishment of the endowment, the planned disposal of heritage items, the remaining £2m loan, the Charity Commission scheme relating to No 20 Albemarle Street and the renewal of the overdraft facility from the bank.</p> <p>SP addressed the cash flow, noting that while this represents a slightly worse position than last year the operating costs are considered to be under adequate control.</p> <p>SP expressed her thanks to the members of the Audit Committee who volunteer their time and skills throughout the year to support the Ri.</p>	
4.2.	<p>Question from a Member regarding the reason for the £55k costs under Property Advice and Legal Costs.</p> <p>CR responded to note that those costs were directly connected with the legal advice sought regarding the analysis of the property options discussed by the Trustees, including the possible sale of 21 Albemarle Street. It was noted that these costs had been included in the income and expenditure account and were considered to be a one-off item.</p>	
4.3.	<p>Question from a Member regarding plans and timetable for the repayment of the £2.28m deficit.</p> <p>SP responded to note that this was connected to the misspent endowment funds and that an agreement had been reached with the Charity Commission that allowed the replenishment of the endowments within a 15-year timeframe from 2011. It was noted that the key focus was for the Ri to reach a point where it is able to generate an operating surplus before the funds can be replenished. It was confirmed that the Charity Commission were kept apprised of developments.</p>	
4.4.	<p>A request was received from a Member to highlight on-going costs and Trustee expenditure in future AGM presentations. It was agreed that this</p>	

	would be included in the AGM presentation for the following year.	
4.5.	It was confirmed that in future years the accounts will be circulated to all voting members as an email attachment with the agenda for the AGM, rather than sent out to those Members that directly request them following notification of the meeting.	
4.6.	<p>Chris Rofe (CR) provided Members with an update on the key activities and developments of the past 12 months. It was noted that in 2013/14 the Trustees were in a position to be able to agree a strategy that would enable a future for the Ri, based at its historic home in Albemarle Street. CR provided an update on developments with the components of this strategy over the past year since they were highlighted with Members at the 2014 AGM.</p> <p>It was noted that there were three areas that the strategy focussed on: the reconfiguration of the way the Ri operates in its building and the commercial lease of the ground floor of No 20 Albemarle Street; the removal of the debt from the balance sheet to create a credible position from which to fundraise successfully; and achieving a break-even position sufficient to develop a cash-generative business operation. Once these have all been achieved the Ri will then be in a position to be able to commence the replenishment of the misspent endowments.</p>	
4.7.	<p>The reconfiguration of the spaces within the building is complete with staff and tenants now relocated in their new offices to maximise the income-potential of the building. A new public space has been created on the first floor of the building, which increases the capacity for the public event programme, as well as enhancing the venue hire offering.</p> <p>CR confirmed that the relationship with UCL had also been renewed and that they will be continuing their programme of research from the DFRL laboratory in the building.</p>	
4.8.	<p>It was confirmed that discussions had progressed regarding the commercial lease of the ground floor area of No 20 Albemarle Street and the Ri is currently in advanced talks with Cartier to become the tenant with a 20-year lease. It was confirmed that the space in question was the Bar and Cartier Room, and that this represented a renewal of a past relationship as Cartier had been tenants in the same space from the late-1920s to the mid-1960s.</p> <p>The Charity Commission published the requisite Scheme in December 2014. Appropriate permissions had been received from the Heritage Lottery Fund and the bank, and planning permission and building consent had also been received from Westminster City Council.</p> <p>It was noted that the premium to be received on the signing of the lease would enable the Ri to pay-off a significant portion of the outstanding loan, and the annual rent received would provide a welcome uplift in revenues to support the Ri's charitable programmes.</p> <p>CR confirmed that the bar and existing restaurant would close from April</p>	

	2016, but that the café area would still be in operation and so continue to offer refreshments to Members when visiting the Ri.	
4.9.	<p>The proposed sale of selected heritage items was addressed by CR, and it was noted that this would constitute a one-off sale of a small selection of books from the Ri's Library Collection. The books were selected in line with the Ri's status as an ACE accredited organisation and the Ri's heritage policies of only acquiring material that is of direct relevance to the Ri or to those who have worked or lived in the building. The Ri would not seek to purchase any of the selected books were they to come on the market today.</p> <p>It was confirmed that this one-off action would enable the repayment of debt and long term protection of the core collection and archive. CR confirmed that the Ri had been in consultation with Arts Council England (ACE) and the Museums Association (MA) to ensure best practice guidelines are followed and to ensure the continuation of our accredited status. The proposal had been discussed by the MA Ethics Committee in both Dec 2014 and April 2015 and the approach taken by the Ri had been welcomed. It was confirmed that other key stakeholders had also been made aware of developments.</p>	
4.10.	CR noted that real stability and confidence for the long term future of the Ri will come from adapting to meet the needs of society today, increasing membership and becoming sufficiently distinctive, accessible and able to demonstrate the impact, diversity and public benefit of our charitable activities so that funding support can be secured. CR highlighted that the Ri's ability to fundraise successfully would be critical to future success and this will be the absolute priority for Trustees, staff and members alike.	
4.11.	CR provided an update on the plans underway to review the current member and supporter structure. It was noted that now the Ri is in a position to have confidence in the future, work has started to look into the relationship with members and supporters, evaluating what members want and how the Ri can better engage with them. It was confirmed that interviews and focus groups had already commenced with existing Members and a full member-wide survey will take place over the summer.	
4.12.	CR expressed thanks to the Ri staff for their hard work over the year, and continued commitment to the Ri.	
4.13.	Dr Gail Cardew (GC) provided an update on the science and education strategy and activities over the past year, emphasising the Ri's mission to engage people deeply with science and the process of science. GC provided context for the Ri's mission, highlighting that research had indicated that a large section of the general public feels uninformed about science. The need to inspire young people about science and grow the next generation of scientists was highlighted, and it was noted that all individuals can benefit from a deeper engagement with science, regardless of their background, with the Ri looking to reach out to those not naturally drawn to science and encouraging life-long learning.	



4.14.	GC confirmed that the Friday Evening Discourses were attracting an average of 369 attendees and, alongside the public events programme, were becoming more and more popular each year with many being sold out. Ri Lates were highlighted as a new event series which is directly aimed at young adults to attract a new audience group into the Ri. This has proved to be very successful to date with approximately 700 people attending each event.	
4.15.	The L'Oréal Young Scientist Centre (LYSC) in the basement of Albemarle Street is currently operating at capacity, offering sessions to schools as well as other provisions such as working with specialist groups that work with excluded children, and providing opportunities for A-Level students that come from disadvantaged backgrounds to spend the day experiencing what it is like to work in a lab. It was noted that as the LYSC cannot be expanded within the building, another YSC had been set up in partnership with the University of Central Lancashire in Preston. GC noted that Preston is in an area of high social deprivation and that this had been a factor in the decision to establish a YSC there.	
4.16.	GC updated members on progress with the development of the Computer Science Masterclass network, following the generous endowment received last year from Causeway Technologies. It was confirmed that a staff member had been employed to develop the programme, with four series completed around the UK to date, and 12 expressions-of-interest received for series in the coming year.	
4.17.	The ExpeRimental project was outlined, and it was noted that this collection of videos are aimed at the parents of pre-school and primary-aged children. It was highlighted that the main purpose was to give parents that do not have a science background the confidence to do science experiments with their children, placing the focus on the scientific process (changing variables etc.) rather than the scientific reason for outcomes of the experiment. It was noted the activities had been run in various other locations, such as being taken into the children's ward at The Royal London Hospital and with the Brownies in Northern Ireland.	
4.18.	GC noted that the Ri produces a range of digital content, with over 147 years-worth of video having been watched to date. It was noted that the YouTube channel has over 130,000 subscribers, and that the reach of the Channel is world-wide with 82% of viewers being based outside the UK. GC highlighted that the Ri had won an award for the Celebrating Crystallography animation. The future focus for the Ri will be to build on these key successes, developing a schedule for the regular release of new videos. It was noted that the majority of public lectures are filmed and made available on the Channel, with the 10 Discourses currently online having been watched an average of 45,000 times. The CHRISTMAS LECTURES are being digitised and put up onto the Channel, with 19 Lectures currently online. GC highlighted that key to future plans will be to take a thoughtful, research-based approach to evaluating the impact of the Ri's science and educational activities, as well as the wider impact of	

	<p>science communication, with a scoping study underway in partnership with Kings College London to identify what shape this research might take.</p> <p>Thanks were expressed to Members for their continued support of the Ri's activities.</p> <p>RBS expressed his thanks to Prof Julia Buckingham, Chair of the Science & Education Committee, and the Committee for their hard work in assisting with the development of the current science & education strategy.</p>	
5.	Presentation of the Statement of the Audit Committee	
5.1.	<p>SP noted that it is within the Audit Committee's scope to review and monitor risk management at the Ri. The last AGM had highlighted to Members that the Trustees would be reviewing the Terms of Reference of the Audit Committee to strengthen the wording to future proof the Ri and ensure there is an improved and robust system of governance in place. The amended terms had been taken to the Board of Trustees who approved that they be recommended to the Members at the AGM for adoption. It was confirmed that the version with the proposed amendments had been available on the website alongside the existing Terms of Reference, for comparison by Members.</p> <p>SP outlined the substantive changes to the Terms of Reference noting that:</p> <ul style="list-style-type: none"> - the term of membership of the Audit Committee had been specified to provide a limit of two terms of three years for non-Trustees, with Trustee members remaining so for as long as they are Trustees - a requirement that Audit Committee members attend at least two-thirds of the meetings was included - the scope of the Audit Committee to review risk management has been made more explicit to strengthen and expand this aspect of their role - the requirement for the Audit Committee to recommend the accounts to the Trustees for approval has been explicitly stated - a remit for internal audit has also been included to enhance the internal controls review capability 	
5.2.	<p>A question was received from a Member regarding whether Committee members are required to physically attend all meetings.</p> <p>SP confirmed that Committee members can join meetings by teleconference. [clarified post meeting]</p>	
5.3.	<p>A question was received from a Member regarding the inclusion of both genders within the Terms of Reference.</p> <p>It is noted that there is a clause included in 'definitions' that indicates where one gender is mentioned it includes the other.</p>	
5.4.	<p>A Member highlighted his concerns regarding the process by which the recommended changes were presented to Members in advance of the meeting (which he felt were inadequate), and the necessity of the proposed</p>	

	<p>changes, referencing past poor governance of the Ri.</p> <p>SP clarified that the Terms of Reference had been brought to the meeting by the Board of Trustees for approval by the Members, as per the process outlined in the Byelaws and that both the original and amended terms had been made available to all members as required. SP provided an overview of how the Audit Committee's remit to review risk management had been more explicitly stated in the Terms of Reference and that this was intended to ensure that an improved and robust structure and process was in place. It was further noted that ensuring these were included within the Terms of Reference ensured that the work and scope of the Audit Committee was transparent.</p>	
5.5.	<p>A question was received from a Member regarding whether or not a Treasurer was in place at the Ri.</p> <p>SP clarified that the governance structure provides for a Finance Committee, one of three Standing Committees, and that the Chair of the Finance Committee effectively performs the role of an Honorary Treasurer.</p> <p>[note; the previous formal role of an honorary treasurer was removed with the introduction of new byelaws in 2011]</p>	
5.6.	<p>RBS called for the Members to vote on the proposed amendments to the Audit Committee Terms of Reference with a show of hands for and against the resolution.</p> <p>Members approved the amendments to Audit Committee Terms of Reference.</p>	
5.7.	<p>SP confirmed that the external auditors were appointed for five years at the last AGM, and that the audit process had been well managed.</p>	
6.	Confirmation of Trustee appointments	
6.1.	<p>As Chair of the Nominations Committee, RBS noted that, in accordance with the Byelaws, the three Trustees who had retired via rotation were Lord Julian Hunt (JH), Prof Sir Peter Knight (PK) and Prof Alan Davies.</p> <p>It was confirmed the call for nominations had been sent out in line with the byelaws earlier in the year. As there were fewer candidates than vacancies there was no requirement for an election. Accordingly JH and PK were re-appointed to the Board of Trustees.</p> <p>RBS noted that the Board would consider filling the remaining elected trustee vacancy with an additional trustee with fundraising experience.</p>	
7.	Questions from Members	
7.1.	<p>Does the Ri receive any income from the videos on the Ri Channel?</p> <p>CR noted that very little income is generated from the Channel. It was noted that the intention is to grow the Channel to a scale where income can be leveraged from it, while not compromising the values and principles of free-access.</p>	

7.2.	<p>What scale of income does the Ri receive from membership subscriptions? And what is the conversion rate of Faraday Members to Full Membership</p> <p>CR noted that this has been rising over the past three year. Membership currently stands at c.4600 with c.1800 being Faraday members. Overall membership subscription income is c£230,000 p.a. It was noted that there is a welcome opportunity to grow this further.</p> <p>It was noted that it is still early to identify any trends in converting Faraday Members to Full membership, and that this represented a number of challenges. It was confirmed that considerations in this area will be included as part of the current review of the membership structure.</p>	
7.3.	<p>Why doesn't the Ri sell some investments rather than going through with the proposed sale of heritage assets?</p> <p>It was clarified that the proposed sale is of a selection of books to a value of approximately £750k.</p> <p>CR further noted that the sale of investments is not an option under current consideration. Many of the endowment funds, the uses of which are restricted, cannot be sold or dealt with in such a manner and they are currently in subject to the replenishment programme.</p>	
7.4.	<p>Will there still be catering facilities available before and after events once the bar area is closed?</p> <p>It was confirmed that there will still be catering provision in place for Members attending events.</p>	
7.5.	<p>Where has the research gone from the Ri?</p> <p>RBS confirmed that UCL still undertake research in the building through the use of the DFRL. It was confirmed that it was more appropriate for that type of research to be carried out by universities and that it is not possible for the Ri to undertake research in the way that it has done historically, rather engaging with universities who are better placed to undertake it and access appropriate grants.</p> <p>Lord Robert Winston (RW) noted that the type of research that the Ri can engage in was, as noted by GC, research into the impact of its educational activities.</p>	
7.6.	<p>Will family activities be expanded to reach beyond their London home?</p> <p>GC noted that the collaboration with the University of Central Lancashire was intended to establish a strong model to enable this work to be rolled out into other areas.</p>	
7.7.	<p>A Member expressed thanks to the Ri staff, volunteers and Trustees for their hard work and dedication.</p>	
7.8.	<p>The meeting closed.</p>	

