

Company registration number 06440198

PSI-K
(A company limited by guarantee)

REPORT AND UNAUDITED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

PSI-K
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YEAR ENDED 31 DECEMBER 2020

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**PSI-K
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 DECEMBER 2020**

Psi-k is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association dated 29 November 2007.

Company registration number: 06440198

Charity registration number: 1126308

DIRECTORS AND TRUSTEES

The directors of the company are its Trustees for the purpose of Charity Law and throughout this report are collectively referred to as the Trustees. The Trustees who served during the period and to the date of this report are set on page 4.

SECRETARY

Mrs. T A A Kelly

REGISTERED AND PRINCIPAL OFFICE

Daresbury Laboratory
Daresbury Science and Innovation Campus
Daresbury
Warrington
Cheshire
WA4 4AD

ACCOUNTANTS

RSM UK Tax and Accounting Limited
Chartered Accountants
One City Place
Queens Road
Chester
CH1 3BQ

BANKERS

HSBC Bank Plc
11 Stamford New Road
Altrincham
Cheshire
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**PSI-K
REPORT OF THE CHAIRMAN
YEAR ENDED 31 DECEMBER 2020**

2020 was a challenging year for Psi-k, but one that also demonstrated the underlying strength of the community and the potential for adversity to provide opportunities for innovation. Originally the major quinquennial Psi-k Conference had been planned to take place in Lausanne in September 2020 but this has now had to be postponed until August 2022. In view of the Conference, a reduced programme of 21 workshops, conferences, tutorials and summer schools was planned. Three of these were held in person during the first two months of the year, but of the remainder only one was cancelled and 14 were postponed to 2021. However six activities went ahead in an online format and the feedback received from these was very positive, noting in particular that it is easier for researchers where funding is in short supply to participate.

Three Psi-k highlights were published in March, September and October, which can be found at <https://psi-k.net/highlights/>, together with all those published from 1994 onwards. We are always keen and happy to showcase work that combines breadth and depth and is relevant to the Psi-k community; any suggested contributions can be discussed with leon.petit@stfc.ac.uk. We have maintained our informal agreement with npj Computational Materials that provides an opportunity for the publication of approved Psi-k highlights with a waiver of the article processing charge to ensure it is fully open access and consistent with funding body requirements. In addition we have begun discussions with IOP Electronic Structure about providing additional opportunities.

All these activities are supported by the generous donations of groups worldwide – 38 groups or institutions from 14 countries have contributed to the charity. Anyone (individuals, groups, organisations, companies) that would like to contribute can contact p.haynes@imperial.ac.uk and PSIK_ADMIN@stfc.ac.uk.

The Working Groups were reorganised in 2017 and remain instrumental in coordinating the scientific programme. The 16 Working Groups are organised by three main themes, each overseen by a Trustee:

- A. Physical formalisms – Silke Biermann (École Polytechnique, Paris)
- B. Algorithms, software and data – Arash Mostofi (Imperial College London)
- C. Applications to real materials and materials design – Igor Abrikosov (Linköpings Universitet)

Further information about the Working Groups can be found at <https://psi-k.net/groups/>.

In 2020 the two-step submission process for workshop proposals continued, whereby a first deadline at the end of July is used for pre-proposals, which are light-touch submissions to be evaluated by the Working Groups and Trustees in order to coordinate and streamline all activities. Pre-proposals are either encouraged to submit a full proposal by the end of October, rejected right away, or advised to merge with other efforts on similar themes to avoid duplication. The CECAM Psi-k Research Conference has a separate application track, and any proposals not selected but deemed of sufficient quality can directly apply as a full proposal.

The Board of Trustees met six times in 2020, all by teleconference: on 21 January, 17 March, 22 May, 25 September, 21 October and 27 November. Minutes of meetings are recorded, circulated, and kept for internal use. The Trustees (<https://psi-k.net/admin/>), Working Group leaders (<https://psi-k.net/groups/>) and 25 members of the Scientific Advisory Committee (<https://psi-k.net/scientific-advisory-committee/>) attended the Annual Meeting on 27 November, where all activities are finalised for the following year (in this case, from April 2021 to March 2022). For the first time, an online community meeting was held before the Annual Meeting and advertised to the whole Psi-k mailing list. The Chair, Nicola Marzari, gave a presentation explaining how to get involved with Psi-k, and this was followed by a lively discussion.

PSI-K
REPORT OF THE CHAIRMAN (Continued)
YEAR ENDED 31 DECEMBER 2020

The generous contribution of time from all the groups above is essential to the wellbeing of the Charity, but particular thanks must go to Damian Jones (STFC Daresbury Laboratory, UK) for coordinating all the administration; to Peter Dederichs (Research Centre Jülich, Germany) our former Chair, who stepped down as a Trustee and Honorary Treasurer at the Annual Meeting after many years; and to Nicola Marzari, who stepped down as Chair after three years at the end of 2020. We are delighted that Peter and Nicola will continue their involvement in Psi-k: Peter as a member of the Scientific Advisory Committee and Nicola as a Trustee.

Peter Haynes - Psi-K Chair

P.D. Haynes

Date: 29 September 2021

**PSI-K
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

The Trustees present their annual report and unaudited financial Statements for the year ended 31 December 2020.

Trustees

The Trustees who served during the period and to the date of this report were:

Igor Abrikosov

Silke Biermann

Stefan Blügel

Peter Dederichs (Resigned 27 November 2020)

Claudia Draxl

Peter Haynes (Chair) (Appointed as chair on 1 January 2021)

Nicola Marzari (Resigned from the chair position on 31 December 2020)

Elisa Molinari

Arash Mostofi

Risto Nieminen

Mike Payne

Lucia Reining

Angel Rubio

Matthias Scheffler

Structure, governance and management

The organisation is governed by its Memorandum and Articles of Association and is a registered company limited by guarantee.

Psi-k is a Europe-based, worldwide network of researchers working on the advancement of first-principles computational materials science. Its mission is to develop fundamental theory, algorithms, and computer codes in order to understand, predict, and design materials properties and functions. Theoretical condensed matter physics, quantum chemistry, thermodynamics, and statistical mechanics form its scientific core. Applications encompass inorganic, organic and bio-materials, and cover a whole range of diverse scientific, engineering, and industrial endeavours. Key activities of Psi-k are the organisation of conferences, workshops, tutorials and training schools as well as the dissemination of scientific thinking in society.

Psi-k has a minimum of three Trustees, but there is no maximum. On the date of this report there were 13 Trustees.

Psi-k has a Chair, and a Scientific Advisory Committee (SAC) of 82 members, which is headed by the Chair of Psi-k. In addition all Trustees are also SAC members.

The Board of Trustees meets on average five to six times a year, normally with a combination of face-to-face meetings and teleconference meetings. In 2020 there were six meetings, all by teleconference: on 21 January, 17 March, 22 May, 25 September, 21 October and 27 November (following the Annual Meeting of the SAC). Minutes of meetings are recorded, circulated, and kept for internal use. The Board of Trustees uses these meetings to discuss matters including but not limited to: future strategy, funding and finances, events such as workshops, conferences and summer schools, and relationships with external organisations such as CECAM.

The day to day running of Psi-k is delegated to the Chair Nicola Marzari, who resigned with effect from 31 December but remains a Trustee. The Chair from 2021 is Peter Haynes.

The SAC meets once a year, normally in November, together with the leaders of the 16 Working Group (<https://psi-k.net/groups/>). It is chaired by the Chair of Psi-k and its role is to make recommendations to the Board, particularly regarding plans for all activities for the following year (in this case, from Apr 2021 to March 2022). In 2020 the Annual Meeting was held online on 27 November.

For the first time in 2020, the Annual Meeting of the SAC was preceded by an open community meeting that was held online and advertised via the Psi-k mailing list.

All Trustees gave their time freely and no Trustee remuneration was paid in the year: expenses paid to Trustees amounted to €600. Trustees are required to disclose all relevant interests and register them with the Chair.

These unaudited financial statements have been subjected to independent examination. See report on page 8.

**PSI-K
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

Trustees are required to declare any conflicts of interest at each meeting and these are recorded in the minutes. If a vote of the Trustees is required on a matter, a Trustee who has declared a conflict of interest on that matter may not cast a vote.

Trustee training and induction process

The Trustees are chosen among members of the Scientific Advisory Council, that have thus been exposed to Psi-k activities and functioning for years. Each new Trustee discussed its role and responsibilities with the Chair.

Trustees are required to declare any conflicts of interest at each meeting and these are recorded in the minutes. If a vote of the Trustees is required on a matter, a Trustee who has declared a conflict of interest on that matter may not cast a vote.

Reserve's policy

It is the policy of the charity to maintain sufficient free reserves to fund their annual grants programme and cover the annual expenses. The trusts consider that the most appropriate level of free reserves in the long term is 200,000 Euros.

Risk management

The Trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The largest risk for the Psi-k Charity is reduced financial funding. Since 2016, Psi-k has been sustained entirely by donations. Our annual expenditure on community activities exceeds our annual income from donations by about 50,000 Euros per year, which means that we are drawing down on our reserves of 350,000 Euros. Unless we rebalance things within a three-to-five year timeframe, this is one of the main risks to maintaining our activities at the current level and also an obstacle to growth of activities.

Objectives and activities

Europe has become the leading research area in the world for the application of first-principles computational modelling to materials science and Psi-k aims to maintain and enhance this status.

“Psi-k research” covers structures, properties and processes in all types of materials at the atomic level and in nanometre-scale structures, studied by ab initio quantum-mechanical computer simulation. A series of working groups represent the views of the community and organise activities to deliver the Psi-k mission:

Theme A: Physical Formalisms	
WG A1	Density and density-matrix functional theories
WG A2	Perturbative many-body methods
WG A3	Non-perturbative many-body methods
WG A4	Open and non-equilibrium systems
WG A5	Quasi-particle interactions and spectroscopies
Theme B: Algorithms, Software and Data	
WG B1	Reduced-scaling methods
WG B2	Statistics and configuration sampling
WG B3	Bridging length- and time-scales
WG B4	Software engineering
WG B5	High-throughput screening and data analytics
Theme C: Applications to Real Materials and Materials Design	
WG C1	Structural materials
WG C2	Functional materials and devices
WG C3	Magnetism and spintronics
WG C4	Surfaces and interfaces
WG C5	Nanoscale structures (2D, 1D, 0D) and related phenomena
WG C6	Molecules, macromolecules and biomolecules

These unaudited financial statements have been subjected to independent examination. See report on page 8.

**PSI-K
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

Psi-k will promote and coordinate collaboration within the European research community by, among others, the following measures:

- supporting workshops and small conferences on specific topics of active research;
- supporting summer schools, tutorial courses and other training activities for young and new researchers in the field;
- organising a large “Psi-k conference” (such as those previously held in 1996, 2000, 2005, 2010 and 2015) every five years, although the next one has been postponed to August 2022 at EPFL in Switzerland;
- disseminating information about research progress, job opportunities, relevant workshops, conferences and other events, and funding opportunities via the Psi-k website providing a portal and a newsletter available freely to anyone in the world by electronic means.

The activities are open to all researchers in the field. Psi-k acts as a vehicle to engaging with the wider scientific community, with industry, European policy makers and trans-European computer centres. It will seek to maintain cooperation with organisations such as the Centre Européen de Calcul Atomique et Moléculaire (CECAM), the European molecular simulation community and its networks and Psi-k’s counterpart research communities on other continents.

Aims and objectives for 2020

The main activities planned during 2020 comprised the scientific programme of workshops, conferences, tutorials and summer schools on the electronic structure of complex processes in materials, i.e. the topic of the Psi-k Charity, together with the Psi-k 2020 general conference. The pandemic caused severe disruption to the 2020 programme: three workshops were held in person as planned during the first two months of the year, but of 21 other activities scheduled for the year, only one was cancelled, with six delivered online and 14 postponed to 2021. This does not include the 2020 Psi-k Conference that has been postponed to August 2022.

Grant making policy

The Psi-k Charity does not make grants to other research bodies.

The Psi-k Charity applies its funding to the organization of workshops, summer schools, hands-on courses and the Psi-k Conference. The Theoretical and Computational Physics Group at STFC Daresbury Laboratory publishes the Psi-k Newsletter and provides administrative support.

The achievements of every workshop to which Psi-k contributes are monitored in the form of a report which is published on the Psi-k website (<http://psi-k.net/>).

Key performance indicators

In 2020 the Psi-k Charity organised only nine workshops, conferences and training activities. This is less than a third of those organised in 2019, although there are normally fewer of these activities in the year of the Psi-k Conference. Fourteen of these activities have been postponed to 2021. The Psi-k Conference also meant that there was no “Psi-k Scientific Get-Together” at the annual DPG Conference either.

Financial review 2020 and plan for 2021

Member donations in 2020 have decreased from the previous year, with a total of 159,476 Euros received (2019: 186,145). The budgeted expenses in the 2020 included 148,500 Euros for workshops, 100,000 Euros for the quinquennial Psi-k Conference and 15,000 Euro for the Psi-k/CECAM Conference amounting to total budgeted expenses of 263,500 Euros. However, a large number of these events were either cancelled or postponed to 2021 due to the pandemic, and actual expenditure for 2020 was therefore reduced to 60,310 Euro (2019: 332,785 Euro), resulting in a surplus for the year of 99,166 Euro (2019: deficit of 146,640 Euro).

Plan for 2021: The Trustees are actively seeking new contributors and we have recently added a PayPal option via the Psi-k website to make donating easier. We hope to increase the annual donations to approximately 150,000 Euros. An amount of 102,342 Euros will be spent on workshops in 2021, and in addition 15,000 Euros will be spent on the CECAM/Psi-k Conference postponed from 2020, along with several other events postponed from 2020. This will give us total expected expenses for 2021 of approximately 200,000 Euros. Any deficit resulting from additional activities in 2021 will be covered by the charities cash reserves.

During the year 2020 the Trustees were satisfied that, as far as circumstances permitted, the Charity continued to benefit the public through its activities targeted to achieve its charitable objectives.

These unaudited financial statements have been subjected to independent examination. See report on page 8.

**PSI-K
REPORT OF THE TRUSTEES
YEAR ENDED 31 DECEMBER 2020**

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

Trustee's responsibilities

The Trustees (who are also Directors of Psi-k for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and applications of resources, including the income and expenditure, of the charitable company for that year. In preparing those financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) (Issued October 2019) - (Charities SORP (FRS 102)) and in accordance with the special provisions applicable to small companies.

ON BEHALF OF THE BOARD

Peter Haynes

P.D. Haynes

Date: 29 September 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PSI-K

I report to the trustees on my examination of the financial statements of PSI-K ("the company") for the year ended 31 December 2020, which are set out on pages 9 to 16.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

RSM UK Tax and Accounting Limited

Name: **John Guest**

Name of applicable listed body: **The Institute of Chartered Accountants in England and Wales**

Relevant professional qualification or membership of professional body: **Chartered Accountant**

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants

One City Place

Queens Road

Chester

CH1 3BQ

Date: 29 September 2021

PSI-K
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds €	Restricted €	Total Funds 2020 €	Total Funds 2019 €
INCOME FROM:					
Donations					
- Donated services		37,364	-	37,364	37,364
Charitable activities					
- Donations from research bodies		122,112	-	122,112	148,781
TOTAL INCOME		<u>159,476</u>	<u>-</u>	<u>159,476</u>	<u>186,145</u>
EXPENDITURE ON:					
Charitable activities					
- Contributions to scientific conferences		59,605	-	59,605	333,814
- Exchange losses / (gains)		705	-	705	(1,029)
TOTAL EXPENDITURE	4	<u>60,310</u>	<u>-</u>	<u>60,310</u>	<u>332,785</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR		<u>99,166</u>	<u>-</u>	<u>99,166</u>	<u>(146,640)</u>
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		<u>86,391</u>	<u>-</u>	<u>86,391</u>	<u>233,031</u>
TOTAL FUNDS CARRIED FORWARD	12	<u><u>185,557</u></u>	<u><u>-</u></u>	<u><u>185,557</u></u>	<u><u>86,391</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

**PSI-K
BALANCE SHEET
AS AT 31 DECEMBER 2020**

Company registration number 06440198

	Notes	2020 €	2019 €
CURRENT ASSETS			
Debtors	9	32,407	17,950
Cash at bank		351,875	398,961
		<u>384,282</u>	<u>416,911</u>
CREDITORS: Amounts falling due within one year	10	(198,725)	(330,520)
		<u> </u>	<u> </u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>185,557</u>	<u>86,391</u>
FUNDS/			
Unrestricted	12	185,557	86,391
Restricted	12	-	-
		<u> </u>	<u> </u>
TOTAL CHARITY FUNDS	12	<u>185,557</u>	<u>86,391</u>

For the year ending 31 December 2020 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 396 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 396 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Charities SORP (FRS102).

The notes on pages 11 to 16 form part of these accounts

The financial statements were approved by the Trustees and authorised for issue on 22 April 2021 and were signed on their behalf by:

P.D. Haynes
Peter Haynes

Trustee

These unaudited financial statements have been subjected to independent examination. See report on page 8.

PSI-K
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Issued October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in Euro and amounts in these financial statements are rounded to the nearest Euro.

PSI-K meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The Charity has taken advantage of the provisions in the SORP for Charities applying FRS102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

b. Preparation of the accounts on a going concern basis

The trustees forecast that the charity will continue to be able to pay its liabilities as they fall due for a period of at least 12 months following the date of approving the financial statements. The forecasts take into account transactions that are anticipated to take place in the foreseeable future and indicate that no additional financial resources will be required should the actual performance differ from forecast. On this basis the trustees have concluded that adopting the going concern basis of accounting in preparing the annual financial statements is appropriate.

c. Income recognition

Incoming resources represents donations from research bodies in Europe to support the company's activities, less amounts carried forward to future periods as deferred income; and donated services, which are included based on the hours worked and the appropriate hourly rate. Income is recognised when the entity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

d. Donated services

Donated services are included within incoming resources with an equivalent amount shown within resources expended, where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service received.

e. Deferred income

Donations received in advance of the period that they relate to, or which are provided specifically for future periods, are carried forward as deferred income. These amounts relate to contributions from research bodies received in advance.

f. Expenditure recognition

All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. Grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Governance costs are related to the governance of the charity, such as the costs of preparing the accounts and statutory compliance.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

PSI-K
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (Continued)

g. Funds

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

h. Foreign currencies

The trustees consider that the functional currency of the charity is the Euro, as most transactions are denominated and are carried out in that currency.

Assets and liabilities denominated in other currencies are translated into Euros at the rate of exchange ruling at the balance sheet date. Transactions in other currencies are translated into Euros at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds in the Statement of Financial Activities.

At the balance sheet date the rate of exchange between Sterling and Euro was £1 equals €1.1166 (2019: €1.1812).

i. Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument, and are offset only when the Charity currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

j. Financial assets

Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

k. Financial liabilities

Financial instruments are classified as liabilities according to the substance of the contractual arrangements entered into.

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENT

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No critical accounting estimates and judgements have been made in preparing these financial statements.

PSI-K
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

3. INCOME

Donations received from research bodies attributable to overseas markets totals 87% (2019: 90%). All income received in 2020 was unrestricted.

4. TOTAL EXPENDITURE

	Grant Funding of Activities €	Support Costs €	Total 2020 €	Total 2019 €
Charitable Activities				
Contributions to scientific conferences (Note 8)	9,636	41,735	51,371	326,842
Exchange losses / (gains)	-	705	705	(1,029)
Governance Costs (Note 5)	-	8,234	8,234	6,972
	<u>9,636</u>	<u>50,674</u>	<u>60,310</u>	<u>332,785</u>

Total expenditure for the year was €60,310, all of which was unrestricted expenditure, (2019: €332,785).

The grant funding of activities totalling €9,636 (2019: €311,223) relates to payments made to institutions regarding scientific conferences.

	2020 €	2019 €
Support costs comprise:		
Bank charges	441	793
Donated services	37,364	37,364
Other support costs	3,930	36,199
	<u>41,735</u>	<u>74,365</u>

It is estimated that the charity benefited from approximately 636 (2019: 636) hours of donated time provided to assist with the running of the charity. This figure was made up of 477 (2019: 477) hours of donated time received as a contribution in kind from the CCP9 service level agreement, and 159 (2019: 159) hours from the Science and Technology Facilities Council.

5. GOVERNANCE COSTS

	Total 2020 €	Total 2019 €
Governance costs are made up of the following:		
Independent examiners fee	3,022	3,286
Accountancy	5,212	3,686
	<u>8,234</u>	<u>6,972</u>

6. STAFF COSTS

There were no employees in the year. No employees received employee benefits over €70,000.

The Trustees were not paid any remuneration and so there is no remuneration paid to key management personnel. Expenses of €600 were reimbursed to a trustee during the year relating to travel costs (2019: €337.50) at 31 December 2020 there is a balance owed of €nil (2019: €nil).

7. TAXATION

PSI-K is a registered charity and is therefore exempt from tax on its charitable income.

These unaudited financial statements have been subjected to independent examination. See report on page 8.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

8. GRANTS MADE TO INSTITUTIONS	2020	2019
	€	€
Grants awarded in the year were all to institutions and comprised:		
University del Pais Vasco, Spain	-	4,000
Linköping University, Sweden	5,000	10,000
Ecole Polytechnique, France	-	3,000
CECAM, Lausanne	3,900	3,500
Fritz-Haber-Institut, Berlin	16,800	-
Kings College, London	-	3,500
Weizmann Institute of Science, Switzerland	-	5,000
East African Institute for Fundamental Research, RWANDA	5,750	-
EPFL, Switzerland	2,000	108,500
DTU Compute, Switzerland	-	6,000
CNR (Italian National Research Council), Rome	-	4,000
Aalto University, Finland	-	3,000
University of Bath, Italy	-	9,000
CEA, Bruyères-le-Châtel, France	6,500	-
Italian Institute of Technology, Italy	8,000	-
ICTP, Italy	-	16,500
Max Planck Institute for the Structure and Dynamics of Matter	-	11,000
Friedrich-Schiller-Universität Jena, Germany	-	-
Humboldt-Universität zu Berlin, Germany	-	16,000
Technical University of Denmark	5,000	10,000
SISSA, Italy	5,000	-
University of Latvia, Latvia	10,500	-
ARAID Foundation, Spain	11,000	-
Institute of Science, Switzerland	-	1,500
University of Bremen, Germany	-	5,500
University of Rome, Italy	-	11,500
London, UK	-	15,000
University of Cambridge, UK	-	5,000
University of North Texas, USA	3,000	-
Technical University Munich, Germany	-	4,500
Materials Centre Leoben, Austria	4,833	-
University of Montpellier, France	-	3,500
University of Oxford, UK	-	4,000
PSI-K Research conference	-	15,000
Addis Ababa University, Ethiopia	6,759	-
Various online events	27,700	-
Hermes summer school 2018	600	-
Total institutional grants	122,342	278,500
Reconciliation of grants payable		
Grant commitments brought forward	304,546	247,806
Commitments made during the year	303,742	278,500
Grants rescheduled from 2020	(182,000)	-
Hermes summer school 2018 late invoice	600	-
Grant commitments for the year	122,342	278,500
Grants cancelled or recovered	(112,706)	(26,014)
Grants payable for the year	9,636	252,486
Grants paid	(151,866)	(195,746)
Grants to be refunded	15,200	-
Grant commitments carried forward	177,516	304,546

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YEAR ENDED 31 DECEMBER 2020

9. DEBTORS	2020 €	2019 €
Trade debtors	17,207	17,950
Accrued income	-	-
Other debtors	15,200	
	<u>32,407</u>	<u>17,950</u>
10. CREDITORS: Amounts falling due within one year	2020 €	2019 €
Grant commitments	177,516	304,546
Accruals	15,209	6,974
Deferred income (note 11)	6,000	19,000
	<u>198,725</u>	<u>330,520</u>
11. DEFERRED INCOME	2020 €	
Deferred income as at 1 January 2020	19,000	
Received in year	6,000	
Released in year	(19,000)	
	<u>6,000</u>	
Deferred income as at 31 December 2020	<u>6,000</u>	

Deferred income comprises contributions from research bodies received pre 31 December 2020 which have been invoiced in advance.

12. STATEMENT OF FUNDS
The movements on the funds of the charity were as follows:

	Balance 01.01.20	Income	Expenditure	Transfer	Balance 31.12.30
	€	€	€	€	€
Restricted Funds					
Restricted funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unrestricted Funds					
General Fund	86,391	159,476	(60,310)	-	185,557
	<u>86,391</u>	<u>159,476</u>	<u>(60,310)</u>	<u>-</u>	<u>185,557</u>
Total Funds	<u>86,391</u>	<u>159,476</u>	<u>(60,310)</u>	<u>-</u>	<u>185,557</u>

These unaudited financial statements have been subjected to independent examination. See report on page 8.

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12. STATEMENT OF FUNDS (continued)

The movement on the funds of the charity in 2019 were as follows:

	Balance 01.01.19	Income	Expenditure	Transfer	Balance 31.12.19
	€	€	€	€	€
Restricted Funds					
Restricted funds	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Unrestricted Funds					
General Fund	233,031	186,145	(332,785)	-	86,391
	<u>233,031</u>	<u>186,145</u>	<u>(332,785)</u>	<u>-</u>	<u>86,391</u>
	<u><u>233,031</u></u>	<u><u>186,145</u></u>	<u><u>(332,785)</u></u>	<u><u>-</u></u>	<u><u>86,391</u></u>
Total Funds	<u>233,031</u>	<u>186,145</u>	<u>(332,785)</u>	<u>-</u>	<u>86,391</u>
	<u><u>233,031</u></u>	<u><u>186,145</u></u>	<u><u>(332,785)</u></u>	<u><u>-</u></u>	<u><u>86,391</u></u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds €	Restricted Funds €	Total 2020 €
Fund balances at 31 December 2020 are represented by:			
Current assets	384,282	-	384,282
Creditors: Amounts falling due within one year	(198,725)	-	(198,725)
Total Net Assets	<u>185,557</u>	<u>-</u>	<u>185,557</u>
	<u><u>185,557</u></u>	<u><u>-</u></u>	<u><u>185,557</u></u>
	Unrestricted Funds €	Restricted Funds €	Total 2019 €
Fund balances at 31 December 2019 are represented by:			
Current assets	416,911	-	416,911
Creditors: Amounts falling due within one year	(330,520)	-	(330,520)
Total Net Assets	<u>86,391</u>	<u>-</u>	<u>86,391</u>
	<u><u>86,391</u></u>	<u><u>-</u></u>	<u><u>86,391</u></u>

14. GUARANTEE COMPANY AND LIABILITY OF MEMBERS

Psi-k is a company limited by guarantee and therefore does not have any share capital.

The liability of members is limited. In the event of the charity being wound up during a member's period of membership or within one year after ceasing to be a member, an amount not exceeding the sum of £1 may be required from that member towards the payment of the debts and liabilities of the company incurred before membership ceased and the costs of winding up.

At 31 December 2020, the company had 13 (2019: 14) members.

15. RELATED PARTY

There are deemed to be no related parties of the entity which require reporting during the year.

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