

**Charity Registration No. 1126308**

**Company Registration No. 06440198 (England and Wales)**

**PSI-K**

**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND UNAUDITED FINANCIAL  
STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2021**

**PSI-K**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Igor Abrikosov Silke Biermann Stefan Blugel Claudia Draxl Nicola Marzari Elisa Molinari Arash Mostofi Risto Nieminen Lucia Reining Peter Haynes (Chair Person)
<b>Secretary</b>	D Jones
<b>Charity number</b>	1126308
<b>Company number</b>	06440198
<b>Registered office</b>	Stfc Scitech Daresbury Daresbury Warrington WA4 4AD
<b>Independent examiner</b>	RSM UK Tax and Accounting Limited Chartered Accountants 5th Floor One City Place Queens Road Chester CH1 3BQ
<b>Bankers</b>	HSBC Bank Plc 11 Stamford New Road Altrincham Cheshire WA14 1BW

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# **PSI-K (A COMPANY LIMITED BY GUARANTEE) TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **Chair's Report**

2021 was another challenging year for Psi-k that has traditionally relied heavily on face-to-face interactions for its activities. However members of our community demonstrated their ingenuity in adapting to the rapidly changing circumstances and accompanying restrictions. Out of over 30 workshops, summer schools and hands-on tutorials that were originally planned to take place in 2021, just under half were held fully online, the highlight among these being the Psi-k/CECAM Research Conference on "New horizons in nucleation: a playground for classical and ab initio simulation methods" that was postponed from 2020. As the Covid situation improved in the summer and autumn, three events were held in hybrid mode (both in person and online) and seven took place fully in person. Only three activities were postponed to 2022 and three were cancelled.

As reported last year, the major quinquennial Psi-k Conference had been planned to take place in Lausanne in September 2020 but this has been postponed until August 2022, and registrations for a fully in-person conference are expected to open in March 2022. Originally the Volker Heine Young Investigator Award had been planned to occupy a symposium at the Conference, but in order to avoid too long a gap between awards, this was held online on 9 September 2021. Five finalists were selected and delivered presentations, with Dr Bingqing Cheng, now Assistant Professor at the Institute of Science and Technology Austria, selected as the overall winner for her work on "Predicting material properties with the help of machine learning."

Three Psi-k highlights were published in April, June and November, 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](mailto:leon.petit@stfc.ac.uk). We have established informal agreements with *npj Computational Materials* and *IOP Electronic Structure* that provide opportunities for the open-access publication of approved Psi-k highlights.

All these activities are supported by the generous donations of groups worldwide – 38 groups or institutions from 12 countries contributed to the charity in 2021. Anyone (individuals, groups, organisations, companies) who would like to contribute can contact [p.haynes@imperial.ac.uk](mailto:p.haynes@imperial.ac.uk) and [PSIK\\_ADMIN@stfc.ac.uk](mailto: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 2021 the two-step submission process for workshop proposals continued, whereby a first deadline at the end of July is used for outline proposals, which are light-touch submissions to be evaluated by the Working Groups and Trustees in order to coordinate and streamline all activities. Outline 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 Psi-k/CECAM Research Conference has a separate application track, and any proposals not selected but deemed of sufficient quality can directly apply as a full proposal: partly as a result of the quinquennial Conference there will not be a Psi-k/CECAM Research Conference in 2022.

The Board of Trustees met six times in 2021, all by teleconference: on 4 February, 22 April, 24 June, 16 September, 21 October and 26 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 19 members of the Scientific Advisory Committee (<https://psi-k.net/scientific-advisory-committee/>) attended the Annual Meeting on 26 November, where all activities are finalised for the following year (in this case, from April 2022 to March 2023). Following the success of the first event in 2020, an online community meeting was held before the Annual Meeting and advertised to the whole Psi-k mailing list. The Chair, Peter Haynes, gave an update about Psi-k, and the Conference Chair, Nicola Marzari, provided an updated of plans for the quinquennial Conference. This was followed by a brief time for questions.

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**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The generous contribution of time from all the groups above is essential to the wellbeing of the Charity, but particular thanks must go to our Operations Manager Damian Jones (STFC Daresbury Laboratory, UK) for coordinating all the administration; and to Mike Payne, Angel Rubio and Matthias Scheffler who stepped down as Trustees at the end of 2021 after a combined total of more than 30 years' service.

**Trustees' Report**

The Trustees present their annual report and unaudited financial statements for the year ended 31 December 2021.

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.

**Trustees**

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

Igor Abrikosov  
Silke Biermann  
Stefan Blugel  
Claudia Draxl  
Peter Haynes (Chair)  
Nicola Marzari  
Elisa Molinari  
Arash Mostofi  
Risto Nieminen  
Mike Payne (resigned 26 November 2021)  
Lucia Reining  
Angel Rubio (resigned 26 November 2021)  
Matthias Scheffler (resigned 26 November 2021)

**Structure, governance and management**

The organisation is governed by its Memorandum and Articles of Association dated 29 November 2007 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 ten Trustees.

Psi-k has a Chair, and a Scientific Advisory Committee (SAC) of 81 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 2021 there were six meetings, all by teleconference: on 4 February, 22 April, 24 June, 16 September, 21 October and 26 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.

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**TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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The day to day running of Psi-k is delegated to the Chair, Peter Haynes, supported by the Operations Manager and Secretary, Damian Jones.

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 2022 to March 2023). In 2021 the Annual Meeting was held online on 26 November.

For the second time in 2021, 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 €nil. Trustees are required to disclose all relevant interests and register them 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.

**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.

**Reserves 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. Free reserves at 31 December 2021 are €338,955 (2020: €185,557).

**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.

A significant risk for the Psi-k Charity is reduced financial funding. Since 2016, Psi-k has been sustained entirely by donations. In 2021 the Trustees agreed that our annual expenditure on community activities is determined by our income from the previous year, and adopted a target for reserves of €200,000. The Trustees have carefully considered the financial risks associated with the quinquennial Conference and consider them to be acceptable in view of the community benefit arising from a large, in-person conference, particularly for early career researchers and PhD students.

**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:

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**TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**  
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<b>Theme A: Physical Formalisms</b>	
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
<b>Theme B: Algorithms, Software and Data</b>	
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
<b>Theme C: Applications to Real Materials and Materials Design</b>	
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

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 2021**

The main activities planned during 2021 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/CECAM Research Conference postponed from 2020. The pandemic caused some disruption to the 2021 programme: of just over 30 events, about half were delivered fully online, three in hybrid mode and seven fully in person. Only three events were postponed to 2022 and a further three cancelled. The Volker Heine Young Investigator Award was also held online in 2021.

**PSI-K**  
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**TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**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 2021 the Psi-k Charity organised 25 workshops, conferences and training activities (2020: nine). This is less than a normal year but a very significant increase from the number delivered in 2020.

**Financial review 2021 and plan for 2022**

Total donations receivable in 2021 have increased from the previous year to €207,621 (2020: €159,476). Member donations receivable were up slightly from the previous year, being €123,600 (2020: €122,000).

The expenses in the 2021 budget included €87,342 for workshops (2020: €148,500), €15,000 for the Psi-k/CECAM Conference (2020: €15,000) and €Nil (2020: €100,000) for the quinquennial Psi-k Conference, leading to total expenses of about €102,342 (2020: €263,500). However, due to a number of events moving online last year, the actual expenses for the year were €54,223 (2020: €60,310).

At the year end the net assets comprise debtors of € 35,825 (2020: €32,407) and bank balances €471,443 (2020: €351,875) less grant commitment creditors & accruals of €168,313 (2020: €198,725).

Plan for 2022: The Trustees are actively seeking new contributors with an aim of increasing annual members donations to around €150,000. The amount of €102,745 will be spent for workshops in 2022. Any deficit will be covered by the reserves.

During the year 2021 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.

**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.

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**TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Trustees' 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 (issued in March 2005) and in accordance with the special provisions applicable to small companies.

The trustees' report was approved by the Board of Trustees.



.....  
**Peter Haynes (Chair Person)**

Trustee  
Dated: 01/11/22 .....



**PSI-K**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF PSI-K**

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I report to the trustees on my examination of the financial statements of the charity for the year ended 31 December 2021, which are set out on pages 1 to 17.

**Respective responsibilities of trustees and examiner**

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

Having satisfied myself that the accounts 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 accounts 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 accounts. 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.

**Basis of independent examiner's report**

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 accounts do not accord with those records; or
3. the accounts 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 accounts 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.

*John Guest*

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  
5th Floor  
One City Place  
Queens Road  
Chester  
CH1 3BQ

Dated: 02/11/22

**PSI-K**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 €	2020 €
<b><u>Income from:</u></b>			
Donations and legacies	<b>3</b>	37,364	37,364
Charitable activities	<b>4</b>	170,257	122,112
<b>Total income</b>		207,621	159,476
<b><u>Expenditure on:</u></b>			
<u>Charitable activities</u>			
Grant Funding of Activities	<b>5</b>	54,223	60,310
<b>Total charitable expenditure</b>		54,223	60,310
<b>Net income and net movement in funds for the year</b>		153,398	99,166
Total funds brought forward		185,557	86,391
<b>Total funds carried forward</b>	<b>13</b>	338,955	185,557

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities and are attributed to unrestricted funds.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**PSI-K**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Notes	2021 €	€	2020 €	€
<b>Current assets</b>					
Debtors	10	35,825		32,407	
Cash at bank and in hand		471,443		351,875	
		<u>507,268</u>		<u>384,282</u>	
<b>Creditors: amounts falling due within one year</b>	11	(168,313)		(198,725)	
Net current assets			338,955		185,557
<b>Income funds</b>					
Restricted funds			-		-
Unrestricted funds	13		338,955		185,557
			<u>338,955</u>		<u>185,557</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 396 of the Companies Act 2006; and
- 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 have been 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 9 to 17 form part of these accounts.

The financial statements were approved by the Trustees and authorised for issue on 01/11/22 and were signed on their behalf by:



Peter Haynes (Chair Person)  
**Trustee**

**PSI-K**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies**

**Charity information**

PSI-K is a private company limited by guarantee incorporated in England and Wales. The registered office is Stfc Scitech Daresbury, Daresbury, Warrington, WA4 4AD.

**Accounting convention**

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 (FRS102) (Issued October 2019)- (Charities SORP (FRS102)), the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS102) 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 provision in the SORP for the Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

**Going concern**

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.

**Charitable funds**

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

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.

**Incoming resources**

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.

**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.

**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.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1 Accounting policies (Continued)**

**Resources expended**

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.

**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.

**Basic 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.

**Basic 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.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**Foreign exchange**

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 €1.1893 (2020: €1.1166).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2 Critical accounting estimates and judgements**

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

**3 Donations and legacies**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Donated services	37,364	37,364
	<u>          </u>	<u>          </u>

Donations received from research bodies attributable to overseas markets totals 97% (2020: 87%). All income received in 2021 (and 2020) was unrestricted

**4 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Donations from research bodies	170,257	122,112
	<u>          </u>	<u>          </u>

All income received in 2021 (and 2020) was unrestricted

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5 Charitable activities**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Exchange (gains)/losses	(1,189)	705
Grant funding of activities (see note 9)	8,077	9,636
Prize giving awards	2,000	-
Share of support costs (see note 6)	38,223	41,735
Share of governance costs (see note 6)	7,112	8,234
	<u>54,223</u>	<u>60,310</u>

Total expenditure for the year was €54,223, all of which was unrestricted expenditure (2020: €60,310). The grant funding of activities totalling €8,077 (2020: €9,636) relates to payments made to institutions regarding scientific conferences.

**6 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Bank charges	621	-	621	441
Donated services	37,364	-	37,364	37,364
Other support costs	-	-	-	3,930
Tax charge	238	-	238	-
Accountancy	-	2,048	2,048	5,212
Independent examination	-	3,926	3,926	3,022
Corporate tax	-	1,138	1,138	-
	<u>38,223</u>	<u>7,112</u>	<u>45,335</u>	<u>49,969</u>

It is estimated that the charity benefited from approximately 636 (2020: 636) hours of donated time provided to assist with the running of the charity. This figure was made up of 477 (2020: 477) hours of donated time received as a contribution in kind from the CCP9 service level agreement, and 159 (2020: 159) hours from the Science and Technology Facilities Council.

**7 Staff costs**

There were no employees during 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 €Nil (2020: €600) were reimbursed to a trustee during the year relating to travel costs. As at 31 December 2021 there is a balance owed of €Nil (2020: €Nil).

**PSI-K**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**8 Taxation**

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

**9 Grants payable**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Grants to institutions:		
Linkoping University, Sweden	-	5,000
CECAM, Luasanne	4,000	3,900
Fritz-Haber-Institut, Berlin	-	16,800
East African Insitute for Fundamental Research, RWADA	-	5,750
EPFL, Switzerland	3,600	2,000
CEA, Bruyer-le-Chatel, France	-	6,500
Italian Institute of Technology, Italy	-	8,000
Technical University of Denmark	-	5,000
SISSA, Italy	-	5,000
University of Latvia, Latvia	-	10,500
ARAID Foundation, Spain	-	11,000
University of North Texas, USA	-	3,000
Materials Center Leoben, Austria	-	4,833
Addis Ababa University, Ethiopia	-	6,759
Various Online Events	-	27,700
Hermes summer school 2018	-	600
Aarhus Institute of Advanced Studies (AIAS), Aarhus University, Denmark	4,310	-
The Abdus Salam International Centre for Theoretical Physics, Trieste (IT)	10,000	-
Aachen, Germany	3,000	-
Guidel , France	4,500	-
ICTP Trieste (Italy)	5,000	-
Daresbury Laboratory, UK	4,860	-
Stockholm University, Stockholm, Sweden	9,000	-
Leuven, Belgium	12,000	-
Bordeaux, France	3,600	-
Erice (Italy)	4,000	-
University of Warwick, UK	3,600	-
Gran Sasso Science Insitute, L'Aquila, Italy	8,400	-
Ekaterinburg, Russia	7,875	-
Benasque Center for Science (Benasque, Spain)	12,000	-
Castle Reisenburg near Günzburg/Germany	3,000	-
	<hr/>	<hr/>
Total institutional grants	102,745	122,342
	<hr/>	<hr/>



**PSI-K**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**9 Grants payable (Continued)**

Reconciliation of grants payable		
Grant commitments brought forward	177,516	304,546
Commitments made during the year	102,745	303,742
Grants reschedules from 2020	-	(182,000)
Hermes summer school 2018 late invoice	-	600
Physics by the lake additional 2018 grant	1,000	-
	<hr/>	<hr/>
Grant commitments for the year	103,745	122,342
Prior year grants cancelled/ recovered/ refunded	(95,668)	(112,706)
	<hr/>	<hr/>
Grants payable for the year	8,077	9,636
Grants paid in year	(48,359)	(151,866)
Grants to be refunded	12,800	15,200
Grants refunded in year	4,000	-
	<hr/>	<hr/>
Grant commitments carried forward	154,034	177,516
	<hr/>	<hr/>

**10 Debtors**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	23,025	17,207
Other debtors	12,800	15,200
	<hr/>	<hr/>
	35,825	32,407
	<hr/>	<hr/>

**11 Creditors: amounts falling due within one year**

		<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>€</b>	<b>€</b>
Grant commitments		154,034	177,516
Deferred income	<b>12</b>	7,000	6,000
Accruals		7,279	15,209
		<hr/>	<hr/>
		168,313	198,725
		<hr/>	<hr/>

**PSI-K**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**12 Deferred income**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Deferred income as at 1 January 2021	6,000	19,000
Received in year	7,000	6,000
Released in year	(6,000)	(19,000)
	<u>7,000</u>	<u>6,000</u>
Deferred income as at 31 December 2021	<u>7,000</u>	<u>6,000</u>

Deferred income comprises contributions from research bodies received pre 31 December 2021 (and 2020) which have been invoiced in advance.

**13 Statement of funds**

The movements on the funds of the charity were as follows:

	<b>Balance at 1 January 2021</b>	<b>Movement in funds Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 31 December 2021</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
General fund	185,557	207,621	(54,223)	338,955
	<u>185,557</u>	<u>207,621</u>	<u>(54,223)</u>	<u>338,955</u>

The movement on the funds of the charity in 2020 were as follows:

	<b>Balance at 1 January 2020</b>	<b>Movement in funds Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 31 December 2020</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
General fund	86,391	159,476	(60,310)	185,557
	<u>86,391</u>	<u>159,476</u>	<u>(60,310)</u>	<u>185,557</u>

All funds for the year ended 31 December 2021 and year ended 31 December 2020 relate to unrestricted reserves.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**14 Analysis of net assets between funds**

**Total 2021**  
**€**

Fund balances at 31 December 2021 are represented by:

Current assets	507,268
Creditors: Amounts falling due within one year	(168,313)
	<hr/>
	338,955
	<hr/>

**Total 2020**  
**€**

Fund balances at 31 December 2020 are represented by:

Current assets	384,282
Creditors: Amounts falling due within one year	(198,725)
	<hr/>
	185,557
	<hr/>

**15 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 2021, the company had 10 (2020: 13) members.

**16 Related party transactions**

There were no disclosable related party transactions during the current year.