



**Accounts for the year ended 31 December 2019
together with the reports of the Board of
Trustees and auditors**

Company number: 1522897

Charity number: 281213

The British Ecological Society

Accounts for the year ended 31 December 2019

CONTENTS	Page
Report of the Board of Trustees	3-19
Auditors' report	20
Statement of financial activities	23
Balance sheet	24
Cash flow statement	25
Notes to the accounts	26

Board of Trustees Report for the year ended 31 December 2019

The Trustees present their report and financial statements for the year ended 31 December 2019.

1 OBJECTIVES AND STRATEGY

The objects for which the British Ecological Society (BES) is established are to advance the education of the public in the subject of ecology as a branch of natural sciences and to advance and support research in that field, and to disseminate the results of such useful research.

Ecology is the scientific study of the distribution, abundance and dynamics of organisms, their interactions with other organisms and with their physical environment. At a time when finite natural resources are being used at increasing rates, it has never been more important for human society to understand its impact on ecological systems (which includes systems intensively managed or impacted on by humans such as arable farms, pastures and marine fisheries) and their importance in maintaining human health. The BES's many activities include the publication of a range of scientific literature, including internationally renowned journals, the organisation and sponsorship of a wide variety of meetings, the funding of numerous grant schemes, public engagement, education work and policy work. The Society has approximately 6,000 members worldwide, and membership is open to all with an interest in ecology. There is a small membership fee, with discounts for students and those from low-income countries.

The activities of the BES in 2019 were guided by our 2015 – 2019 Strategic Plan, the major goals of which were to:

- ***Generate, synthesise and exchange ecological knowledge***
- ***Communicate world-leading ecological science***
- ***Share the excitement and relevance of ecology***
- ***Inspire, engage and recognise talent***
- ***Build a sustainable, resilient and efficient BES***

During the year the BES developed a new strategy to cover the period 2020 – 2023 with the refreshed vision of **"Nature and people thriving in a world inspired by ecology"**. This new plan has created an ambitious framework for the Society's activities over the next four years.

2 REPORT ON PRINCIPAL ACTIVITIES

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. All trustees give their time voluntarily and do not receive any private benefit. Details of Trustees' expenses and remuneration are disclosed in note 6.

The first four of the Society's strategic goals stated in section 1 provide clear public benefits, whilst the final one defines the ways in which the Society gains greater leverage from its finite resources and ensures its long-term sustainability.

The BES portfolio of grants covers all of the Society's aims. The portfolio can be divided into several broad categories; research, training & travel, outreach and support for ecologists in

Board of Trustees Report for the year ended 31 December 2019

Africa. The BES funds grants with the aim of promoting ecology as widely as possible, hence individual awards are generally of relatively small value, although many awards are made.

2.1 Generate, synthesise and exchange ecological knowledge, and communicate world-leading ecological science

These major goals are primarily supported by our work in publishing, meetings and grants.

Publishing - Expenditure = £2.06M (43% of total)

2019 was another successful year for the BES publications, seeing considerable growth across our established journals, publication of four highly-downloaded issues of our newly launched journal *People and Nature*, and the launch of a seventh journal *Ecological Solutions and Evidence*. In addition to the growth across the journal portfolio, our Ecological Reviews book series published a number of new volumes during 2019.

Submissions grew across our five established hybrid journals, with submissions increasing by over 10% for three journals. Following on from a huge response to our author and member survey on our publishing programme, we started work on several new initiatives for the journals. We ran our first workshop on publishing ethics at our Annual Meeting in Belfast, as this was a topic of interest for many survey respondents. We also ran a training workshop for Associate Editors (AEs) in Belfast, providing valuable tips and ideas for our busy AE community, as well as AEs for other (non-BES) journals.

It was clear from our survey that our respondents had no clear preferred method of peer review, with many different models of interest to our community. We have decided to run two different trials, with *Functional Ecology* running a double blind experiment, conducting double blind review for 50% of its articles and single blind for the remaining 50%. *Methods in Ecology and Evolution* and *Journal of Ecology* are both taking part in a pilot on transparent peer review, allowing authors the option to make the peer reviews available alongside the final published paper. We will provide initial feedback on both of these trials during 2020.

During 2019, *People and Nature* published its first four issues, containing over 40 articles. There were many more submissions for the journal than expected and it has already published a diverse range of research. As well as publishing a significant amount of content during 2019, the journal attracted excellent press interest, including press releases on domestic cats' hunting habits and how visitors to urban greenspace have higher sentiment and lower negativity on social media. Both stories featured in a wide range of outlets, including UK newspapers, China Daily and National Geographic.

In December 2019, we launched our second fully open access journal, *Ecological Solutions and Evidence (ESE)*, which publishes articles with direct relevance for the management of biological resources and ecological systems. The journal aims to reach out beyond our traditional academic audience, welcoming case studies and short reports communicating key findings and observations for

Board of Trustees Report for the year ended 31 December 2019

all areas relating to practical environmental management, as well as original research and data articles. Our Editorial Board comprises a mix of University-based researchers and practitioners, and we are looking forward to publishing our first issue during 2020. *ESE* will sit at the heart of Applied Ecology Resources (AER), to be launched in 2020. AER is a novel information repository, which promotes evidence-based decision-making by curating a wide range of information sources such as open access journal articles, research summaries and other grey literature. Advisory Board members for AER come from a wide range of organisations, including The Nature Conservancy, National Trust, University of Toronto and Bavarian Forest National Park.

During 2019, the BES book series Ecological Reviews published four new volumes, covering rewilding, grasslands, agricultural resilience and wildlife disease ecology. The series was also rebranded and saw strong promotional activity coordinated across BES social media accounts, Editors' social media accounts and BES membership magazine *The Niche*.

The BES publications team continue to reach beyond our traditional academic audience, with workshops on how to get published run at our Undergraduate Summer School and our Early Career Researcher programme at our Annual Meeting. We have also presented on the importance of preserving and sharing research to practitioner groups at the National Biodiversity Network Annual Meeting as well as our own Annual Meeting. Finally, we published a virtual issue in October, Why Ecology Matters – a curated collection of research articles from all six BES journals which showcases how ecology can make a difference in our world. The issue reflected the structure of our New Scientist Live exhibit and included a section dedicated to citizen science. The articles, accessible via each of the journal websites, were free to read for a month after the event, giving those with an interest in ecology an opportunity to engage with our content.

Finally, there has been a significant amount of press work for BES journal articles, including nearly 100 press releases. Outlets that have featured BES journal articles include The Times, BBC Radio 4, China Daily, The Independent, Wired, Science, New Scientist and Scientific American. In September, we issued a press release on research that examined the content of recent BBC and Netflix nature documentaries. The researchers found that although the documentaries increasingly mentioned threats to nature, visual depictions of the threats remained scarce, which they argued potentially misleads audiences on the state of the natural world. The media attention received by this research, published in our open access journal *People and Nature*, prompted the producers of Our Planet, one of the documentaries examined in the paper, to contact the authors. They wanted to discuss the findings and how these concerns should factor into the making of nature documentaries, demonstrating the potential impact of research published in BES journals.

Research - Expenditure = £0.38M (8% of total)

In 2019, the Society received 551 applications for funding across its main grants portfolio (excluding Training & Travel), and funded 54 projects.

Board of Trustees Report for the year ended 31 December 2019

We supported 12 ecologists in developing countries through the Ecologists in Africa grant scheme, which recognises these scientists face unique challenges in carrying out research. Funding also contributed to 14 Outreach grants, which support projects promoting the public engagement of ecology and/or improving skills in science communication. We spent £31,000 supporting Training & Travel Grants enabling 72 PhD students or postgraduate research assistants to present their research at meetings or take part in specialist field training. In 2019, we once again supported eight students from developing countries to attend our Annual Meeting.

The Grants Committee agreed that, starting from 2019, in order to apply for a Large Research grant membership will be required from at least January 2018, with a view to helping increase membership retention. From 2020 onwards, this will be increased to two years. The new requirement has been split into stages to ensure applicants have time to adjust to the update.

To coincide with the new Strategic Plan, the Grants Committee ran a virtual workshop in mid-2019 to review the grant eligibility and criteria, and the five grant schemes, to ensure these are still fit for purpose and meeting the ecological community's needs.

In 2013, Grants Committee recognised the importance of the Committee's activities being transparent and made all grant success rates publicly available on the BES website. The Committee noted there continues to be a large decrease in success rates. This is a result of the steep increase in applications received. The BES Board of Trustees has agreed to allocate an additional £55,000 to support grants in 2020 to increase success rates whilst the Grants Committee undertakes a full review of the grants portfolio.

2019	Total No. Applications Received	Total No. Awarded	Success Rate
Large research	34	6	18%
Small Research	197	22	11%
Outreach	110	14	13%
Ecologists in Africa	210	12	6%
Training & Travel	72		

We have awarded a number of prizes to outstanding individuals in recognition of their contribution towards the science of ecology, including the student poster prize, and Anne Keymer student talk prize at the 2019 Annual Meeting in Belfast. In addition to these prizes, the Marsh Award for Ecologists in Africa was also presented at the 2019 Annual Meeting. This £2,000 Award recognises that African ecologists often face particular challenges in carrying out their research. It aims to celebrate their significant scientific achievements and raise their profile in the UK.

Board of Trustees Report for the year ended 31 December 2019

We continue to support the Gratis Book Scheme, the aim of which is to provide ecological books for free to individuals from outside Western Europe, North America, Japan, Australia, and New Zealand who would otherwise be unable to obtain them. The purpose of this scheme is to spread ecological knowledge as widely as possible. It is a collaboration between the BES (who pay for the postage), the NHBS online bookstore (who co-ordinate and organise the distribution), and the publishers and authors of the books (who provide the books for free). In 2019, the BES contributed £2,232 enabling 155 books to be dispatched to 39 countries.

In 2019, two month-long field courses run by the Tropical Biology Association in Borneo and Botswana were attended by 48 participants, of whom 11 were from Africa, 11 from South East Asia and 1 from India. The £10,000 contribution from the BES enabled 25 European and 'Rest of the World' students to join this unique learning experience and make new connections.

Meetings – Expenditure = £1.00M (21% of total)

Our meetings remain a core aspect of the Society. They not only ensure the communication of leading research, but also allow for the exchange of ideas and networking opportunities, giving rise to cross-disciplinary and international collaborations.

Our 2019 Annual Meeting ran from 10–13 December at the International Conference Centre in Belfast. The meeting attracted over 1,200 delegates from 47 countries, which makes this the largest non-joint conference the BES has held. There were 510 talks, over 11 parallel sessions twice a day, eight diverse thematic topics, 15 workshops, and 300 poster presentations. The conference continues to be international with over 40% of delegates travelling from overseas. The overall rating from delegates remains high, increasing to a score of 85 from 83 the previous year. Importantly, this is the first time the BES has held a meeting in Northern Ireland. We saw a much larger number of delegates travelling from Northern Ireland and the Republic of Ireland than we would usually, including a full Masters course from Belfast. Holding the conference here allowed us to reach new audiences, hopefully leading to new members and further engagement in our activities in the future.

At the core of our conference were four internationally renowned speakers to present our plenary lectures: Esther Ngumbi (University of Illinois at Urbana-Champaign), Jonathan Chase (German Centre for Integrative Biodiversity Research, iDiv), Helen Roy MBE (Centre for Ecology & Hydrology), and Richard Bardgett (The University of Manchester). Delegate feedback continues to highlight these speakers as a key reason for attending the event.

This was the second year that we have used the new conference app from Cvent. Compared to 2018, we saw greater levels of user satisfaction from delegates. Uptake of the app increased from 80% in 2018 to 86% in 2019. There was also an increase in the overall score of usability from 55% in 2018 to 73% in 2019. When specifically asked if delegates would be happy to see the programme go fully digital, there was a mixed response, with a high proportion finding the printed version essential for planning the week. The Events team will be looking at ways the printed programme size could be

Board of Trustees Report for the year ended 31 December 2019

reduced and will consider whether it could be an add-on item at registration to lower the production and associated costs.

At the heart of our events, we want our delegates to feel welcome, included and represented. We continued with equality & diversity initiatives from 2018, developing these based on feedback from the community. For example, we embedded the pronoun section onto delegate name badges, rather than having stickers – this was well received by the community. We also continued to offer onsite childcare through a local company and supplied a family room for those with children. Our Membership and Education teams organised a new mixer before the conference started for those attending their first large meeting or attending alone. This was hugely popular, with triple the amount of people they expected attending. Needless to say, this will be going ahead again in 2020, but in a larger space.

This year saw another sold-out exhibition, with 28 exhibitors including publishers, equipment companies, training providers, and academic institutions. The feature stands were taken by Wiley, Advanced Telemetry Systems, Oxford University Press, and the National Geographical Society. This year we introduced a 'Global Ecology' section, where we invited other ecological societies from around the world to join, providing them a free stand, with registration being covered by their organisation. Seven global societies joined, including the Ecological Society of China, the Ecological Society of Japan, Nordic OIKOS, and the Ecological Society of Germany, Austria and Switzerland. These societies were incredibly grateful to be part of such an international event, and we are planning to take the same concept forward to 2020.

In addition to our Annual Meeting, we delivered a successful Symposium in Edinburgh from 9–11 April: Unifying Tropical Ecology. This was a joint meeting with the Society for Tropical Ecology (gtö) and the British Ecological Society Tropical Ecology Special Interest Group (BESTEG). This was a larger-scale symposium, with four parallel sessions and plenary speakers, including Lúcia G. Lohmann (University of São Paulo) and Past President of ATBC, Yadvinder Malhi FRS (University of Oxford). Approximately 300 people attended, many of whom came from overseas and might not have normally engaged with the BES.

Our 19 Special Interest Groups (SIGs) continue to provide us with a valuable opportunity to reach new audiences and encourage cross-disciplinary working within the community. The SIGs organised around 30 events in 2019, which ranged from skills workshops, annual meetings and early career development activities to policy and outreach events. All of our SIGs also had a presence at our Annual Meeting. Additional staff resource in the Events Team has significantly improved communications with SIG secretaries who feel more supported, events have better oversight and marketing, and we now have clear data on SIG activities. This will allow us to make better decisions going forward to ensure we meet the strategic goals around SIGs for the next four years.

2.2 Share the excitement and relevance of ecology

This major goal is primarily supported by our work in policy, public engagement and press.

Policy - Expenditure = £0.36M (8% of total)

The Policy Team organised a successful 'fringe' policy debate at the 2019 Annual Meeting, titled: 'Rewilding the island of Ireland: how wild is wild?' This debate was intended to attract the general public and to engage them with conservation issues. The debate was very nuanced, wide-ranging and good-natured. It was attended by 164 'guests' (non-BES staff), over half of whom were not delegates at the Annual Meeting – meaning the event delivered on its objective of engaging a more 'general' public in Belfast and bringing ecology to a wider audience.

In a year when public awareness of environmental crises increased dramatically, the BES responded to multiple consultations and inquiries, thereby helping to ensure that ecological research was providing solutions to some of the environmental challenges that are concerning society. This included responses to: the UK Marine Strategy; the EAC Invasive Species Inquiry; the Scottish Government's Principles and Governance consultation; Defra's proposals for biodiversity net-gain; indicators for Defra's 25 Year Environment Plan; and the Welsh Government's proposals for a new public goods systems of subsidies – following which the Policy Manager gave oral evidence to the Welsh Assembly's Climate Change, Environment and Rural Affairs Committee.

We held our first 'Scientists in the field' event, as a way of engaging Members of the Scottish Parliament (MSPs) with policy-relevant ecological research. Three Scottish Policy Group members and the Policy Officer in Scotland met three MSPs from the Rural Economy and Connectivity Committee, the Committee Clerk and a senior researcher from the Scottish Parliament Information Service at the James Hutton Institute's Balruddery Research Farm. BES members talked about their research covering different aspects of sustainable farm systems in Scotland, as well as Brexit and its impact on members' research, future funding mechanisms and collaborative projects.

The Society delivered its largest scale public exhibition to date, being feature partners at New Scientist Live science festival within the London Excel Centre. Across four days, forty of our members and staff interacted with over 5,500 public visitors within our multisensory photography exhibition. With significant financial investment from the event organisers, the exhibition communicated how ecological science can provide solutions to global environmental challenges. Official event feedback from the public found that visitors ranked the BES exhibition fourth out of 120+ exhibitors, a great success.

This year the Society launched its 'Incredible Creatures' Activity Book for 7 – 11 year olds, which is given out free to visitors at BES public engagement and education events. The booklet contains information and activities that encourage readers to discover more about natural history and ecology. The booklet also shares practical ways that readers can help the environment, lists resources where

Board of Trustees Report for the year ended 31 December 2019

people can find additional information, and provides spaces for artistic appreciation of the natural world.

In addition, specialist training events ensured that over 100 members were upskilled in a range of methods for delivering impact through public engagement. These included stage performance, communicating with family audiences and video production for social media.

Significantly, our digital communications also saw an impressive step forward, as our public-facing Instagram account has grown to over 3000 followers. High quality images, digital content featuring our members, and specially produced animations detailing what ecology is, ecological careers, and citizen science have all enhanced our ability to utilise social media to reach wider public audiences.

2.3 Inspire, engage and recognise talent

This major goal is primarily supported by our work in education.

Education - Expenditure = £0.48M (10% of total)

Students from low income and ethnic minority backgrounds from around the country were immersed in ecology on our second free residential summer school for 16–18 year olds. Hosted at the Field Studies Centre in Malham Tarn in the Yorkshire Dales, professional ecologists and BES members engaged 30 students and their teachers in field and lab sessions covering diverse ecological disciplines. This year the intensive week featured active workshops on tackling global environmental challenges, which was further enhanced with digital engagement through a funding partnership with The Open University. Live 'Tarnwatch' broadcasts were produced daily on YouTube for family and school contacts, featuring interviews with the students themselves and recordings of their activities that they had captured through the day.

Undergraduate students were supported through a range of activities led by the Society, all showcasing the diversity of ecology careers available to them. The Undergraduate Summer School, which ran at the Field Studies Centre in Millport, Scotland, provided fully funded positions for nearly 50 students to attend a week-long residential experience of ecology, with content led by PhD student mentors and professionals. In addition, our Undergraduate Careers Conference saw 80 students visit the University of York to observe expert lectures and participate in skill development workshops. To support a diverse range of people at all career stages, we have expanded the provision of mentoring to include peer mentoring for specific groups, such as LGBT+ and individuals who are returning to academia. We also offer work/ health balance guidance and support for those with long term physical and mental health conditions.

Our education and public engagement activities within the Society also now benefit from the launch of our updated careers guidance leaflet 'Where Can Ecology Take You?' The leaflet was produced in partnership with the Chartered Institute of Ecology and Environmental Management (CIEEM). Vitality

Board of Trustees Report for the year ended 31 December 2019

this high-quality and free resource aimed at ages 16+ promotes the diversity of ecological careers available, ranging across ecological consultancy, scientific research, policy, and environmental education.

The Society also launched the Ecology Resources Ltd. Bursary scheme, supporting young ecologists from low income backgrounds to develop their ecological passion and careers. Three students from the Summer School were awarded £2,500 each over two years, to fund equipment, training, and work placements. Donors John Condrón and Naomi Condrón, who are Directors of consultancy firm Ecology Resources Ltd, founded the bursary to enhance the career prospects of talented young individuals lacking financial opportunities.

2.4 Build a sustainable, resilient and efficient Society

During 2019 the co-owners of Charles Darwin House (CDH) Ltd collectively sold the 2 properties owned by the partnership, started to dissolve CDH Ltd and relocated separately. The new BES office in central London has great facilities for staff and visitors, as well as providing a sustainable home for the Society in the long term.

In 2019, we continued to develop and support the BES Journals to further enhance their standing so that they remain a sustainable and significant income stream for the Society, despite uncertainties over the impact of open access and economic challenges across the world.

The 2015-19 Strategic Plan included an objective to diversify the Society's income as a way of increasing the resilience of the organisation. Halfway through 2016 a Fundraising and Development Manager was appointed following the implementation the sustainable fundraising strategy accepted by the Board of Trustees. As part of that plan we have continued to expand sponsorship and exhibitions at the Annual Meeting, increased advertising, applied for grants to support our work and have also launched a legacy giving programme.

As part of our continuing work with our investment portfolio we appointed Asset Risk Consulting to help us put the management of the portfolio out to tender. We have decided to split the management of the portfolio across two companies, Rathbones and Wavertons. A major deciding factor in choosing those two companies was their in-house, integrated approach to environmental screening of the investments. We are looking forward to working with both Rathbones and Wavertons in the coming years and will be actively looking for opportunities for knowledge exchange with their ethical investment teams.

The 2017 review of the governance of the BES culminated in the approval of new Articles of Memorandum and Association for the Society, including the introduction of online voting for new trustees. In 2019 we had a fantastic response from the membership with over 1,000 members voting for Board members. Online voting has given all our members the opportunity to take a direct, active role in the governance of our organisation.

Board of Trustees Report for the year ended 31 December 2019

2.4.1 Financial management and control

During the year, BES Committees undertook a wide range of activities in pursuit of the Society's charitable objectives. It is therefore necessary to have budgets and clearly written policies about what activities will be funded, and how, and to communicate these clearly to all involved.

The Finance Committee considers management accounts at its meetings through the year, with a narrative provided by the Honorary Treasurer and Chief Executive, as appropriate. The narrative focuses on reasons for variation against budget. Monthly management accounts are also circulated to budget holders.

Annual budgets for the following year are drawn up in the fourth quarter and are approved by the Board of Trustees at their meeting in December.

The BES has a set of Financial Regulations, which must be followed. These Regulations are reviewed annually by the Finance Board.

In 2019, £0.43M (9% of expenditure) was given away in grants. This substantive sum requires careful management by the Society. Grant applications are reviewed against specific, published criteria. A Peer Review College reviews grant applications, scoring and commenting on them. Using a Peer Review College ensures that the Society uses the most appropriately experienced reviewers for each grant application. The only exception to this is the Travel & Training Grant scheme, applications to which are reviewed by BES staff and awards are made if the applicant meets the published criteria and sufficient funds are available.

2.4.2 Investment policy and performance

During 2019, the listed investments held by the BES and managed by Barclays Wealth were worth £7.9M and their performance was in line with appropriate benchmarks. The investment managers produce a quarterly summary of performance for the Honorary Treasurer and Chief Executive. The investment managers attend one Finance Committee meeting per year to discuss performance and general strategy. Day-to-day investment decisions are delegated to the fund manager in accordance with the agreed mandate. The BES has spread its risk as far as practicable by part-owning a very long lease on its headquarters offices and holding some of its reserves in long-term deposit accounts as well as in equities, bonds and trust funds.

In 2019, we continued to use the services of VigeoEiris to provide us with information, based on a long list of criteria and a scoring system, on the environmental performance of FTSE-listed companies. This information is updated twice annually and is used to screen out companies with the worst environmental records and policies from our portfolio. This gives an objective and consistent basis for excluding companies.

During 2019, the Finance Committee agreed to competitively retender the contract for the management of the investment portfolio. During 2020 the portfolio will be split and subsequently

Board of Trustees Report for the year ended 31 December 2019

managed by two companies, Rathbones and Wavertons, both of which have strong in-house ethical investment teams.

2.4.3 Financial performance

The accounts show a surplus of £1.76M (surplus of £0.53M in 2018) before net gains on investments of £0.90M (losses of £0.43M in 2018). Total funds of the Society were £14.05M at the end of 2019 (£11.39M at the end of 2018).

2.4.4 Reserves policy

The Society holds reserves for four main purposes:

1. Meet operational needs;
2. Buffer against the high exposure to publications income;
3. Deliver specific major projects in areas defined by the Strategic Plan;
4. Generate additional income through an investment portfolio.

The Society holds reserves to ensure it can meet its operational needs and working capital requirements (the free reserve). The free reserve aims to hold ~6 months' worth of operating costs, currently ~£1.8m, excluding third-party operating costs and grants.

The major exposure in the Society's income portfolio is its dependence on publishing income, which represented £4.00m (82%) of annual income in 2019 (excluding profit on disposal of fixed assets). The high commitment to expenditure and substantial exposure to a single source of income is a major long-term risk to the organisation. The Society holds reserves as an Expendable Endowment Fund to mitigate this risk. The Expendable Endowment ensures sufficient time to scope alternative operating models should publishing income collapse, and also to transition to the best solution in an orderly fashion. The Expendable Endowment represents ~18 months' worth of operating costs, consisting of predominantly staff costs (35% in 2019) which cannot be immediately adjusted in a new operating environment.

The Society is taking proactive steps to mitigate the over-reliance on a single income source by holding these reserves in an investment portfolio that is managed using an environmental screen. Returns on these investments are re-invested strategically to part-fund new activities and specific major projects in the scope of the Strategic Plan.

The designated tangible fixed asset fund comprises the net book value of fixed assets held by the Society, principally the Society's offices in London (~£5.3m in 2019).

The reserves policy is reviewed annually by Finance Committee and recommended changes are considered by the Board. The policy was last updated in 2020.

2.4.5 Principal risks and uncertainties

The BES has a risk register which is reviewed in detail quarterly by the Senior Management Team, annually by BES Committees and annually by the Board of Trustees. Each quarter the Board of Trustees consider the significant risks faced by the organisation. The risk register identifies areas of risk, ranks them in priority ordered according to impact multiplied by probability, states who or which Committee is responsible for each risk, states how the risk is currently mitigated and what actions remain outstanding.

Three major risk areas are:

A major loss in income from journals resulting from a change in publication financial models. Income from journals is a very significant proportion of the Society's funds. There is continued uncertainty regarding publication financial models, the impact of Open Access policies and the timeframe in which this might happen. This risk is being mitigated in a variety of ways. The Society has a reserves policy that would provide a sufficient buffer to allow a gradual scaling back of the Society's financial commitments if income dropped. The Society has a Director of Publishing to deliver effective and efficient journal management and to ensure that the Society keeps abreast of the latest developments in journal publishing. The journal portfolio has been diversified to include Open Access titles which brings very useful expertise and a more thorough understanding of this business model into the BES. Each journal has a development plan identifying ways in which it can increase its reputation and standing. In addition, in 2019 we developed a detailed publications strategy closely aligned with the Society's overall strategic plan that will help the BES position itself to take advantage of new opportunities in a changing publishing landscape and remain agile. This strategy is reviewed annually.

The situation with Covid-19 is fluid and the long-term impact on the BES remains uncertain. The BES Senior Management Team (SMT) have worked hard to put in place contingency measures to minimise that impact and keep the Society's staff, volunteers and service users safe. The BES' dedicated staff team have worked very flexibility and extra hard to continue to support the ecological community during a difficult period. The Society's systems and equipment had already been well suited to agile working before social distancing measures were put in place, so when the BES office had to close staff could easily work from home. We have had to cancel or postpone some events and others have moved online. We have also created new events, such as Ecology Live and our series of webinars on mental wellbeing, to reach out to existing and new audiences. We remain committed to providing a platform for ecologists to present their research through our Annual Meeting and are busy exploring innovative ways we can safely bring the ecological community together in December to celebrate ecological science. Our SMT meets regularly to review operations and staff welfare across the organisation, make sure we are being responsive to the needs of the ecological community, and ensure we have a well thought through and safe plan for how we return to office working when circumstances allow. The Board of Trustees receive regular updates on the fluid situation and it is a standing item on the Board agenda for 2020.

Board of Trustees Report for the year ended 31 December 2019

Our investment portfolio is a significant Society asset, which needs careful review and management. We commissioned Asset Risk Consulting to help us put the contract to manage the investment portfolio out to tender. Rathbones and Wavertons have been appointed as new fund managers and we are in the process of transferring the portfolio from Barclays Wealth. We are establishing more regular reporting processes to monitor the management of the portfolio more closely.

2.4.6 Fundraising policy

The BES' fundraising policy follows the Charity Commission's CC20 'Charity fundraising: a guide to trustee duties' guidelines.

Our guiding principles are that we always:

- Protect personal data and confidentiality
- Treat donors courteously and fairly
- Respond promptly to donor queries or complaints

We will never:

- Share donor details with another charity for the purposes of their fundraising
- Telephone to ask for a donation unless donors have specifically asked us to do so
- Bombard donors with emails
- Pass donor personal data to a third party such as a commercial partners or publishers unless we have been given explicit consent to do so

Our full fundraising policy is available from the BES office.

3 THE SOCIETY'S ENVIRONMENTAL IMPACT

Our primary work on reducing the Society's environmental impact in 2019 was achieving a Ska Gold rating for the fit out of our new office space. The new office space has a wide range of sustainable features including good audiovisual facilities to encourage remote participation in meetings thereby reducing travel, CO₂ emissions and cost of Committee meetings. As part of the office move we have changed our cleaning company to one which pays our cleaners the London Living Wage and uses environmentally friendly product ranges such as Ecover. We have also reviewed the supplies we use for teas and coffees for meetings in our office to reduce packaging and use a caterer who provides plastic serving plates which are collected after use, washed and reused many times. Further reducing the impact of the Society's activities will be a continuing theme for our work in 2020 and is an objective in our new strategic plan.

4 FUTURE DEVELOPMENTS

Details of some of the wide range of activities planned for 2020 are given under the headings of the Society's principal aims. We have developed a new, four-year vision for the Society which provides an

Board of Trustees Report for the year ended 31 December 2019

exciting and challenging framework for all our activities. The challenges and opportunities presented by Brexit will continue to be a significant strand of work for the policy team and we will continue to develop our equality and diversity work to ensure that ecology is open and welcoming to people for diverse backgrounds. We will continue to develop exciting new publishing initiatives that extend the range and scope of the research that we publish.

The BES is planning a range of activities and events during 2020 so that we continue to make progress towards our new vision of nature and people thriving in a world inspired by ecology.

5 GOVERNANCE: CONSTITUTION, STRUCTURE AND MANAGEMENT OF THE SOCIETY

The BES is a company limited by guarantee (Registration no. 1522897) and has no share capital. As a registered charity (Registration no. 281213), it is governed by its Memorandum and Articles of Association.

The Board of Trustees is the supreme governing body of the BES. The Board comprises the President, President-Elect or Past President, two Vice Presidents, Honorary Treasurer, Honorary Secretary, Chair of the Education and Careers Committee, Chair of the Events Committee, Chair of the Publications Committee, Chair of the Policy Committee, and 3 Ordinary Members. The Board is responsible for nominating officer and chair posts and members of the Society are able to put themselves forward for these roles. Nomination for Ordinary Members is open to the whole membership. All members of the Board are elected by the membership at the AGM. All newly appointed Trustees go through a process of induction, which fully briefs them about their roles, responsibilities and the BES. During their tenure trustees have the opportunity to have ongoing training, paid for by the Society, to help them fulfil their duties.

There are eight committees that report to Council. These committees cover specific areas of work such as education, conferences, publications, finance etc. The Society has a governance document that details the structure, terms of reference and membership of Council and its committees. A member of staff supports the work of each committee.

Remuneration of all staff, including key management personnel, is considered on an annual basis by the Society's Personnel Committee. The Personnel Committee considers sector benchmarks when setting salaries.

6 TRUSTEES AND ADVISORS

Members of the Board of Trustees

C Banks-Leite Resigned December 2019
R Bardgett
A Birkett
S Clarke
M Emerson
T Ezard
W Gosling
T Helgason Appointed December 2019
D Hodgson
J Hill
P Manning
J Memmott
H Roy Resigned December 2019
R Stafford Appointed December 2019
P Thomas Resigned December 2019
A Vanbergen
J Vickery Resigned December 2019

Chief Executive

H Norman

Principal address

42 Wharf Road
London, N1 7GS

Auditors

Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

Bankers

Barclays Bank plc
Leicester, LE87 2BB

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London, EC1M 6HR

Investment Advisors

Barclays Wealth
Charity Investments Team
15th Floor
1 Churchill Place
London, E14 5HP

Rathbones Greenbank Investments
8 Finsbury Circus
London, EC2M 7AZ

Waverton Investment Management
16 Babmaes Street
London, SW1Y 6AH

Board of Trustees Report for the year ended 31 December 2019

Office bearers

President	J Memmott
Past President	R Bardgett
Vice President	M Emmerson
Vice President	D Hodgson
Hon. Secretary	A Vanbergen
Hon. Treasurer	T Ezard

Chairpersons of standing Committees (as at date of this report)

Finance Committee	T Ezard
Education & Careers Committee	W Gosling
Grants Committee	M Emmerson
Meetings Committee	P Manning
Membership Committee	D Hodgson
Personnel Committee	A Vanbergen
Policy Committee	R Stafford
Publications Committee	J Hill

7 THE RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Board of Trustees of the BES (the Trustees and directors) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law, the Board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the Board is required to:

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

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

Statement of disclosure to auditors:

- so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and

Board of Trustees Report for the year ended 31 December 2019

- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

This report was approved by the Board of Trustees on 25 June 2020.

A handwritten signature in blue ink, appearing to read 'J Memmott', with a stylized flourish at the end.

Professor Jane Memmott
President and Chair, Board of Trustees

Independent Auditor's Report to the Members of the British Ecological Society

Opinion

We have audited the financial statements of British Ecological Society for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;*
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- have been prepared in accordance with the requirements of the Companies Act 2006.*

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of the British Ecological Society

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or*
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.*

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditor's Report to the Members of the British Ecological Society

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- *the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and*
- *the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.*

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- *adequate accounting records have not been kept by the charitable company; or*
- *the charitable company financial statements are not in agreement with the accounting records and returns; or*
- *certain disclosures of trustees' remuneration specified by law are not made; or*
- *we have not received all the information and explanations we require for our audit; or*
- *the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.*

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor) 8 July 2020

10 Queen Street Place

For and on behalf of Haysmacintyre LLP, Statutory Auditors

London

EC4R 1AG

The British Ecological Society

Statement of financial activities Incorporating the income and expenditure account For the year ended 31 December 2019

	Notes	Unrestricted £'000	Restricted £'000	Expendable Endowment £'000	2019 £'000	2018 £'000
Income from						
<i>Donations & Legacies</i>		22	16	-	38	12
<i>Other Trading Activities</i>						
Investment income	2	46	-	130	176	193
Profit on disposal of fixed assets		1,658	-	-	1,658	
Other income		46	-	-	46	84
		<u>1,772</u>	<u>16</u>	<u>130</u>	<u>1,918</u>	<u>289</u>
<i>Income from charitable activities</i>						
Publications		3,997	-	-	3,997	3,816
Income from conferences		461	-	-	461	342
Subscriptions		151	-	-	151	143
		<u>6,381</u>	<u>16</u>	<u>130</u>	<u>6,527</u>	<u>4,590</u>
Total income						
Expenditure						
Expenditure on raising funds						
Investment management fees		5	-	17	22	39
<i>Expenditure on charitable activities</i>						
Publications		2,060	-	-	2,060	1,852
Meetings		1,004	-	-	1,004	757
Research		384	-	-	384	420
Education		479	3	-	482	386
Policy		351	8	-	359	275
Bulletin and other services		457	-	-	457	330
		<u>4,740</u>	<u>11</u>	<u>17</u>	<u>4,768</u>	<u>4,059</u>
Total expenditure	3					
Net income before gains on investment		1,641	5	113	1,759	531
Net (losses)/gains on investments	10	235	-	668	903	(432)
Net movement in funds in year		1,876	5	781	2,662	99
Fund balance brought forward		5,522	2	5,861	11,385	11,286
Fund balances carried forward	16	<u>7,398</u>	<u>7</u>	<u>6,642</u>	<u>14,047</u>	<u>11,385</u>

All of the above results derive from continuing activities. There are no gains and losses other than those disclosed above. The accompanying notes form an integral part of these financial statements.

Balance Sheet

For the year ended 31 December 2019

	Notes	£'000	2019 £'000	2018 £'000
Fixed assets				
Tangible assets	9	5,266		2,525
Investments	10	<u>7,880</u>		<u>7,927</u>
			13,146	10,452
Current assets				
Debtors	12	1,282		2,251
Cash on deposit and in hand		<u>578</u>		<u>398</u>
		1,860		2,649
Creditors: amounts falling due within one year	13	<u>(739)</u>		<u>(1,496)</u>
Net current assets			1,121	1,153
Creditors: amounts falling due over one year	14		<u>(220)</u>	<u>(220)</u>
Net assets			<u>14,047</u>	<u>11,385</u>
Represented by				
Unrestricted funds				
General fund			2,132	2997
Designated funds			<u>5,266</u>	<u>2,525</u>
			7,398	5,522
Restricted fund			7	2
Expendable Endowment fund			<u>6,642</u>	<u>5,861</u>
	16		<u>14,047</u>	<u>11,385</u>

Included in the above reserves are unrealised gains of £1.03M (2018 gains £0.46M).

The accompanying notes form an integral part of these financial statements.

The accounts were approved and authorised for issue by the Board of Trustees on 25 June 2020 and signed on its behalf by



Professor Jane Memmott, Member of the Board of Trustees

Statement of Cashflows

For the year ended 31 December 2019

	£'000	2019 £'000	£'000	2018 £'000
Cash flow from operating activities				
Net (expenditure)/income	2,662		99	
Adjustments for:				
Investment income	(176)		(193)	
Depreciation	74		63	
Loss/(profit) on the sale of fixed assets	(1,658)		-	
(Increase)/Decrease in debtors	969		(850)	
(Decrease)/Increase in creditors	(757)		663	
Net cash provided by/(used in) operating activities		1,114		(218)
Cash flow from investing activities				
Purchase of tangible fixed assets	(5,317)		-	
Disposal of tangible fixed assets	4,160		-	
Investment income	176		193	
Purchase of investments	(2,149)		(2,695)	
Disposal of investments	3,099		1,185	
(Gain)/Losses on investments	(903)		432	
Net cash (used in) investing activities		(934)		(885)
Change in cash and cash equivalents in the year		180		(1,103)
Cash and cash equivalents at the beginning of the year		398		1,501
Cash and cash equivalents at the end of the year		578		398

The accompanying notes form an integral part of these financial statements.

Notes to the accounts (continued)

For the year ended 31 December 2019

1 Accounting policies

a) *Basis of accounting*

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have considered the impact of the coronavirus pandemic on the charity's operations. In particular the trustees have considered the charities forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) *Financial Instruments*

The BES has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

c) *Income*

- i) Subscriptions income: All subscriptions income is accounted for in the period to which it relates. Subscriptions receipts in advance are recorded as deferred income.
- ii) Other income: All other income has been accounted for on a receivable basis.

d) *Expenditure (including grants)*

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the accounts.

Charitable activities comprise direct expenditure including direct staff costs attributable to the activity. Support costs have been allocated to activities based on the average staff time spent. Governance costs are those incurred in connection with the management of the Society's assets, organisational

Notes to the accounts (continued)

For the year ended 31 December 2019

1 Accounting policies (continued)

d) *Expenditure (including grants) (continued)*

administration and compliance with constitutional and statutory requirements. Support costs are allocated on the basis of time spent on each activity.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

e) *Depreciation*

Depreciation has been calculated to write off the cost of assets over their expected useful lives as follows:

Freehold & long leasehold property - 2% per annum on a straight line basis.

Leasehold improvements - 5% per annum on a straight line basis.

Furniture, fixtures and equipment - 20% per annum on a straight line basis.

The Society's policy is to capitalise assets purchased over £1,000.

f) *Investments*

Investments are stated at market value. It is the BES's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising. As a result the Statement of Financial Activities only includes those unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. Disclosure is made in note 9 of the difference between the historical cost and the sale proceeds of the investments sold during the year.

g) *Foreign currencies*

Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the exchange rate ruling on the Balance Sheet date.

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of transaction.

All exchange differences are taken to the statement of financial activities.

h) *Operating lease*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

i) *Pensions*

BES operates defined contribution pension arrangements, the assets of which are held separately from those of the BES in independently administered funds. Contributions are charged to the income and expenditure account as they become payable.

Notes to the accounts (continued)

For the year ended 31 December 2019

1 Accounting policies (continued)

j) *Fund accounting*

General funds comprise the accumulated surplus or deficit and are available for use at the discretion of the Board of Trustees in furtherance of the general objectives of the BES.

Restricted funds are funds subject to specific restrictive covenants imposed by donors or by the purpose of the appeal.

Designated funds comprise funds which have been set aside at the discretion of the Board of Trustees for specific purposes.

All income and expenditure of the BES has been included in the Statement of Financial Activities.

k) *Employee benefits*

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

l) *Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) *Cash at bank and in hand*

Cash at bank and cash in hand includes cash and short term highly liquid investments.

n) *Creditors*

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) *Judgements and estimates*

The items in the financial statements where these judgements and estimates have been made include:

- the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- the assumptions adopted by the trustees and management in determining the value of any designations required from the charity's general unrestricted funds; and

Notes to the accounts (continued)

For the year ended 31 December 2019

1 Accounting policies (continued)

o) Judgements and estimates (continued)

- the basis on which support costs have been allocated across expenditure headings; and
- the value of accrued publication income.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, suppliers, beneficiaries and the wider economy. Estimates used in the financial statements, particularly with respect to the value of listed investments are subject to a greater degree of uncertainty and volatility.

2 Investment income – all unrestricted

	2019 £'000	2018 £'000
Income from listed investments	166	177
Interest receivable	10	16
	<u>176</u>	<u>193</u>

Included in the above is £46K (2018: £21K) of unrestricted income and £130K (2018: £172K) endowment funds.

3 Analysis of total expenditure

2019	Direct Staff Costs £'000	Other Direct Costs £'000	Support Costs (note 4) £'000	TOTAL 2019 £'000
Cost of Raising Funds	-	22	-	22
Bulletin & Other services	156	61	240	457
Publications	475	1,191	394	2,060
Meetings	134	710	160	1,004
Research	23	343	18	384
Education	200	116	166	482
Policy	165	41	153	359
	<u>1,153</u>	<u>2,484</u>	<u>1,131</u>	<u>4,768</u>

Notes to the accounts (continued)

For the year ended 31 December 2019

2018	Direct Staff Costs £'000	Other Direct Costs £'000	Support Costs (note 4) £'000	TOTAL 2018 £'000
Cost of Raising Funds	-	39	-	39
Bulletin & Other services	122	22	186	330
Publications	454	1,104	294	1,852
Meetings	104	539	113	756
Research	27	378	16	421
Education	171	102	113	386
Policy	129	45	101	275
	<u>1,007</u>	<u>2,229</u>	<u>823</u>	<u>4,059</u>

Notes to the accounts (continued)

For the year ended 31 December 2019

4 Support Costs

Support Costs	2019 £'000	2018 £'000
Governance Costs		
Governance staff costs	3	3
Audit Fee	10	9
	<hr/> 13	<hr/> 12
Other Support Costs		
Support staff costs	148	125
Non salary staff costs	76	54
Property	349	106
IT costs	93	85
Venue Costs	11	12
Publicity	13	13
Fees / Affiliations	53	66
Office running costs	67	73
Depreciation	74	63
Bulletin	94	86
Outsourced finance & payroll	35	33
Legal & Consultancy	82	70
Bank charges	23	25
	<hr/> 1,131	<hr/> 823

Support costs are allocated on the basis of time spent on each activity.

Notes to the accounts (continued)

For the year ended 31 December 2019

5 Grants

Grant commitments are as follows:

	2019 £'000	2018 £'000
Grant commitments at 1 January	136	171
Awards made during year	429	483
Payments made during the year	(464)	(518)
Grant commitments at 31 December	<u>101</u>	<u>136</u>

Details of significant grant awards are detailed on the BES's website. The majority of grants awarded are to individuals. Grants to institutions are relatively few in number and low value.

6 Net Movement in Funds

is stated after charging:

	2019 £'000	2018 £'000
Depreciation	137	63
Auditor's remuneration - audit services	<u>10</u>	<u>9</u>

Other than disclosed in note 18 members of the Board of Trustees did not receive any remuneration during the year (2018: nil). Expenses reimbursed to 16 (2018: 12) Members of the Board of Trustees in the year equalled £8,769 (2018: £13,319).

7 Taxation

The BES is a registered charity and as such its income and gains are exempt from corporation tax to the extent that they are applied to its charitable objectives. There is no corporation tax charge for the year (2018: nil).

Notes to the accounts (continued)

For the year ended 31 December 2019

8 Employees

The actual number of employees during the year was 32.6 (2018: 26.4)

	2019	2018
Membership	4.1	2.7
Publishing	10.8	11.0
Conferences / Meetings	3.1	2.2
Research	0.5	0.4
Education	5.8	4.2
Policy	5.5	3.7
Society	2.8	2.2
	<hr/> 32.6 <hr/>	<hr/> 26.4 <hr/>
	£'000	£'000
Staff costs during the year amounted to:		
Wages and salaries	1,110	946
Social security costs	114	100
Employer's pension contributions	80	65
Redundancy	-	24
	<hr/> 1,304 <hr/>	<hr/> 1,135 <hr/>

One employee earned £90,000-£99,999 during the year (2018: one employee earned £80,000-£89,999). The employer's pension contributions in respect of this employee during the year was £6,961 (2018: £8,662).

The aggregate benefits including pension contributions of the key management personnel were £297,277 (2018: £316,645), the trustees were not remunerated for services to the charity.

During the year settlement agreements were paid of £nil (2018: £24,251).

Notes to the accounts (continued)

For the year ended 31 December 2019

9 Tangible fixed assets

	Freehold & long leasehold property	Leasehold improvements	Furniture, fixtures & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
1 January 2019	2,905	-	113	3,018
Additions	4,724	428	165	5,317
Disposals	(2,905)	-	-	(2,905)
31 December 2019	4,724	428	278	5,430
Depreciation				
1 January 2019	383	-	110	493
Charge for the year	55	8	11	74
Disposals	(403)	-	-	(403)
31 December 2019	35	8	121	164
Net book value				
31 December 2019	4,689	420	157	5,266
31 December 2018	2,522	-	3	2,525

During the year end the BES, along with the other owners of the Charles Darwin House property portfolio, agreed the sale of Charles Darwin House 1 & 2. The BES received £4.16M from its 21.1% holding in the portfolio. The BES has acquired a new property as a headquarters for staff and Society business in central London for a purchase price of £4.72m and moved in during August 2019.

Notes to the accounts (continued)

For the year ended 31 December 2019

10 Investments

	2019 £'000	2018 £'000
Market value 1 January 2018	7,927	6,849
Additions	2,079	1,227
Disposals proceeds	(1,909)	(1,185)
Net investment (loss)/gain	903	(432)
Movement in deposits	(1,121)	1,468
Market value 31 December 2019	7,879	7,927
Historical cost at 31 December 2019	6,846	7,4679
Accumulated unrealised gains based on historic cost at 31 December 2019	1,033	460
Realised gain in year based on historic cost	331	(389)
Represented by:		
UK equity shares	1,579	1,524
Overseas equities	3,533	2,791
UK fixed interest	345	304
Overseas fixed interest	511	365
UK Other	519	509
Overseas Other	305	226
Market value of listed investments	6,792	5,719
Investment in associated undertaking	-	-
Investment in subsidiary undertaking	-	-
Amounts held in cash	1,087	2,208
Total	7,879	7,927

11 Subsidiary undertakings

The BES holds 100% of the issued share capital of BES Trading Company Limited, a company registered in England and Wales. The sole activity of BES Trading Company Limited was to organise the 11th International Congress of Ecology in August 2013. At 31 December 2019 the Share Capital and net assets of BES Trading Company Limited amounted to £2 - (2018 £2).

During 2009 the BES acquired 36.1% of Charles Darwin House Limited, a company set up to manage the building. During 2011 shares representing 6.1% were disposed of leaving a remaining interest of 30.0%. During 2013 shares representing 8.9% were disposed of leaving a remaining interest of 21.1%. Following the disposal of the property portfolio the directors are in the process of winding up the company and its affairs have been placed in the hands of a liquidator.

Notes to the accounts (continued)

For the year ended 31 December 2019

12 Debtors

	2019 £'000	2018 £'000
Trade debtors	32	266
Other debtors	51	54
Prepayments and accrued income	1,199	1,931
	<u>1,282</u>	<u>2,251</u>

13 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	464	300
Social security & other taxes	30	29
Accruals	42	934
Deferred income (note 15)	68	51
VAT	34	46
Grants payable (note 5)	101	136
	<u>739</u>	<u>1,496</u>

14 Creditors: amounts falling due over one year

	2019 £'000	2018 £'000
Deferred Income (note 15)	220	220
	<u>220</u>	<u>220</u>

15 Movement in deferred income

	2019 £	2018 £
As at 1 January 2019	51	64
Released in year	(51)	(64)
Deferred in year	68	51
Deferred in year – falling due more than one year	220	220
As at 31 December 2019	<u>288</u>	<u>271</u>

Notes to the accounts (continued)

For the year ended 31 December 2019

16 Movement in Funds

2019

	Fund balances brought forward 1/1/2019 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2019 £'000
Restricted						
Alex S Watt Breckland Research Trust	2	-	-	-	-	2
Policy Assistant Fund	-	8	(8)	-	-	-
Ecology the Next Generation Bursary	-	8	(3)	-	-	5
Total restricted funds	2	16	(11)	-	-	7
Unrestricted funds						
General	2,997	6,381	(4,740)	235	(2,741)	2,132
Tangible fixed asset fund	2,525	-	-	-	2,741	5,266
Total unrestricted funds	5,522	6,381	(4,740)	235	-	7,398
Expendable Endowment Funds	5,861	130	(17)	668	-	6,643
Total Funds	11,385	6,527	(4,768)	903	-	14,047

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2019

16 Movement in Funds (continued)

Designated

- | | | |
|---------------------------|---|---|
| Tangible fixed asset fund | - | Represents the net book value of tangible fixed assets in use by the Society and therefore not available to the Board of Trustees to meet future expenditure. A transfer is made each year to reflect the change in net book value. |
|---------------------------|---|---|

Restricted

Restricted funds of £7k at 31 December 2018 are represented by cash on deposit (2018 - £2k).

- | | | |
|--------------------------------------|---|--|
| Alex S Watt Breckland Research Trust | - | Funds administered by the BES in the memory of Alex Watt to provide funding for small scale research projects aimed to enhance our understanding of the conservation of the Breckland Region. |
| Policy Assistant Fund | - | Restricted donation to support a staff member to work in the policy area. The staff member was appointed in February 2013. |
| Ecology the Next Generation Bursary | - | <p>The donation of £7,500 was received to finance three bursaries to attendees at the 16-18 Summer School and Undergraduate Summer Schools which took place in the Summer of 2019.</p> <p>The funds are held in trust by BES and drawn down by the bursary winners to fund training in ecology and associated expenses such as travel related to attendance at training or meetings.</p> |

The Society holds €39,028 (2018 €39,290) on behalf of the European Ecological Foundation. This balance does not form part of these accounts.

Endowment

Expendable endowment funds of £6.64M at 31 December 2019 are represented by investment (2018 - £5.86M).

- | | | |
|---------------------------|---|--|
| Expendable Endowment fund | - | The Society is taking proactive steps to mitigate the over-reliance on a single income source by holding these reserves in an investment portfolio that is managed using an ethical screen. Returns on these investments are re-invested strategically to part fund new activities and specific major projects specified in the Strategic Plan |
|---------------------------|---|--|

Notes to the accounts (continued)

For the year ended 31 December 2019

16 Movement in Funds (continued)

2018

	Fund balances brought forward 1/1/2018 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2018 £'000
Restricted						
Alex S Watt Breckland Research Trust	2	-	-	-	-	2
Policy Assistant Fund	-	7	(7)	-	-	-
Total restricted funds	2	7	(7)	-	-	2
Unrestricted funds						
General	2,587	4,411	(4,017)	(47)	63	2,997
Tangible fixed asset fund	2,588	-	-	-	(63)	2,525
Total unrestricted funds	5,175	4,411	(4,017)	(47)	-	5,522
Expendable Endowment Fund	6,109	172	(36)	(385)	-	5,861
Total Funds	11,286	4,590	(4,059)	(432)	-	11,385

Restricted Income in the year to 31 December 2017 of £7,000 relates to donations and legacies. Expenditure of £7,000 was in relation to Policy.

Notes to the accounts (continued)

For the year ended 31 December 2019

17 Analysis of net assets between funds

2019

	General £'000	Designated £'000	Restricted £'000	Endowment £'000	Total £'000
Tangible assets	-	5,266	-	-	5,266
Investments	1,238	-	-	6,642	7,880
Net current assets / liabilities	894	-	7	-	901
Net assets	2,132	5,820	7	6,642	14,047

2018

	General £'000	Designated £'000	Restricted £'000	Endowment £'000	Total £'000
Tangible assets	-	2,525	-	-	2,525
Investments	2,066	-	-	5,861	7,927
Net current assets / liabilities	931	-	2	-	933
Net assets	2,997	2,525	2	5,861	11,385

18 Related party transactions

No transactions have taken place with either Members or Senior Management Team. It is the policy of the BES that Committee members who have an interest in any grant awarding decisions must leave the room at the time the awarding decision is made.

Richard Bardgett – an existing editor of the *Journal of Ecology*, was appointed as a trustee in the prior year. He continued to be paid at the fixed rate and has received £6,620 (2018 £6,440) in the year. He has received no remuneration in his capacity as a trustee.

19 The George Jackson Estate

As part of the George Jackson bequest the Society was left as residuary beneficiary of a revisionary bequest. The property passes to the Society upon the death of the life interest. Because of the uncertainty as to value and timing the value of the property is not included with these financial statements.

20 Post balance sheet event

Since the year end, the worldwide outbreak of the coronavirus pandemic (Covid-19) has caused extensive disruptions to organisations globally with major implications for operations as well finances. The trustees acknowledge and recognise, as set out in the trustees' report, the impact of the Covid-19 pandemic on the operations of the charity, its beneficiaries, partners, stakeholders and on the wider society, and have ensured that both resources and processes are in place to mitigate any disruption to the operations. As a result, the impact of Covid-19 pandemic does not warrant any adjustments to these financial statements. As a result of the Coronavirus pandemic, world stock markets have experienced significant volatility and falls since the balance sheet date. It is estimated that the market value of investments was reduced by approximately [8%] at the date of approving these financial statements.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2019