



**Accounts for the year ended 31 December 2021
together with the reports of the Board of
Trustees and auditors**

Company number: 1522897

Charity number: 281213

Contents

TRUSTEES REPORT

Who We Are	3
What We Do	3
Our Plans for the Future	11
Financial Review	13
Structure, Governance & Management	16
Reference & Administrative Details	18
Signature of the Report on Behalf of the Trustees	19
Independent Auditor's Report	20
Statement of Financial Activities	23
Balance Sheet	24
Cash Flow Statement	25
Notes to the Accounts	26

WHO WE ARE

The British Ecological Society (BES) is the largest scientific society for ecologists in Europe with a membership of almost 7,000 ecologists in 124 countries around the world.

We support the ecology community at all stages of their careers through our journals, meetings, grants and education and policy work. The first ecology society to be established anywhere in the world, we have been the champion of ecology for more than a century.

Ecologists study the interactions of living things and their environment, providing new understanding of these critical systems as they are now and how they may change in the future.

Ecology enriches our world and is crucial for human wellbeing and prosperity. It provides new knowledge of the interdependence between people and nature that is vital for food production, maintaining clean air and water and sustaining biodiversity in a changing climate.

Our vision and mission

The objects for which the Society is established are to:

- Advance the education of the public in the subject of ecology as a branch of natural science;
- Advance and support research in that field; and
- Disseminate the results of such useful research.

Our current strategic plan for 2020 to 2023 is set within that framework and focuses on the science of ecology, the world and the people who live in it. We are seeing unprecedented change in the earth's ecosystems and environment, and ecology is more relevant than it has ever been.

Our strategic plan is set in a context of great uncertainty for both political and publishing landscapes, and where science itself is being challenged in some areas. But ecological science is of growing importance in explaining how nature works and in finding solutions to some of the greatest challenges facing, and caused by, human society.

Our strategy sets out how we will work towards our vision in which nature and people thrive in a world inspired by ecology. As a financially robust and well-governed charity and scientific society, with our staff and our membership providing talent and energy in abundance, we are confident that we will lead positive change towards our vision.

WHAT WE DO

We deliver a wide range of activities and events to further our vision and mission. From publishing world-leading research and running conferences on cutting-edge ecological advances to raising the profile of ecology and fostering diverse communities, we aim to increase the impact of our science.

The following sections give a taster of what we have achieved in 2021.

COVID-19

The BES moved fast to react to the coronavirus pandemic and our day-to-day operations switched seamlessly to home working. Like so many organisations, we had to consider all that we do in light of the virus. We have continued to make the health and wellbeing of our staff, members and all those involved in our activities the absolute priority. We understood when people were unable to use their

Board of Trustees Report for the year ended 31 December 2021

grant money as planned when research was halted or changed. We recognised that many researchers faced challenging circumstances, and that affected the peer review of journal papers.

But we are also really proud of how we have continued to provide new opportunities, from free online talks on the latest ecological research and tips for online teaching, to training resources for members on science communication and webinars on maintaining mental health. Our 2021 Annual Meeting was delivered both in-person and online in December to create a celebration of our science and bring our community together.

We are confident that we have the right skills, experience and technology to draw on as COVID-19 continues to impact on how we support ecology into 2022 and beyond.

Major goal 1: Advance and promote ecological science and its applications

- We support new ideas, make connections and increase the impact of ecological science.
- We aim to be the best place for the ecological community to publish, meet and discuss their work.
- We directly support the generation of new ecological knowledge and its application through our grant-giving programme.

Applied Ecology Resources (AER), a new platform which supports evidence based decision-making on biodiversity and the environment was launched by the BES in April 2021. It curates an ever-growing collection of information sources, such as open access journal articles, research summaries and grey literature. Effective conservation and applied ecological management requires that information from both research and practice are available. While it is relatively straightforward to search for peer reviewed research, it is much harder to find information that appears in reports and case-studies prepared by agencies, consulting companies and NGOs. AER was created to solve this problem and make research and information available from all sectors of applied ecology and conservation. All content is free for everyone to browse, read and share. Organisations can upload and share their work with a broad international audience by becoming a member of AER. New content will be added all the time, so readers can sign up to receive weekly alerts. As AER grows, its value to managers and policy will increase, providing a one-stop shop for procuring information that is directly relevant to any applied ecology issue. Information in AER can also serve to connect practitioners, who might work on similar problems, to share solutions and strategies, making management design and implementation more efficient and with better chances of success. Our newest journal, *Ecological Solutions and Evidence* (ESE), sitting at the heart of the AER project, continues to go from strength to strength. ESE adds a range of novel article types suitable for this audience of people producing and putting new ecological science to use. These include Data Articles and Registered Reports.

We ran a second series of Ecology Live, a weekly series of free online talks on the latest ecological research. With ecologists from around the world giving fascinating insight on a wide range of topics, the second series proved very successful. Several hundred people watched each talk live on Zoom, with the recordings receiving thousands more views on YouTube.

The Young Nature event, organised by our Teaching & Learning SIG, was an excellent example of our Special Interest Group events last year. It focused on how to connect young people with nature and how to empower them to protect our environment. Importantly, young people were active participants along with the educators, researchers and students who made up the rest of the audience.

Major goal 2: Raise the profile of ecology to make a difference

- We are the evidence-based voice for ecology and our environment, working with our members, decision makers and public groups to apply ecological science expertise to solving societal challenges.
- We aim to excite, fascinate and enthuse everyone about ecology.

The BES launched a landmark report in May examining how nature-based solutions can help mitigate and adapt to climate change and support biodiversity, while providing benefits for the environment and society as a whole. The report was written by world-class independent scientists and incorporates contributions from over 100 experts. Its review of the evidence offers a guide for policy development on nature-based solutions, such as tree planting, restoration of peatlands and coastal salt marshes, in all four devolved nations of the UK. Professor Jane Memmott, President of the BES, said, “The report offers a real basis for setting effective policies and incentives that will maximise the benefits of nature-based solutions in the UK for the climate and biodiversity.” It was a hugely valuable project for promoting ecological science into public and policy domains. The launch event was watched live by 500 viewers from policy, NGO and research backgrounds, with the video gaining almost 1,500 views since. The report generated media coverage, with 34 news items across 29 outlets, and has been referred to at key events by individuals and organisations, such as Gideon Henderson, Chief Scientific Advisor at the UK Department for Environment, Food and Rural Affairs, and the Royal Society of Biology.

We have relaunched and provided greater support to our policy group in Wales, launched a new England policy group and are working closely with the Irish Ecological Association to provide support for policy work in Northern and Republic of Ireland, supporting our members and research community to deliver evidenced based expert comment to policy and decision makers, deliver tailored training to ecologists in engaging with policy makers in their nations and in facilitating networks between the research community and those developing policy.

During 2021 the United Kingdom hosted the important COP 26 UN Climate Change Conference of the Parties, bringing together world leaders to agree on climate action and increase their commitments to prevent and adapt to climate change. The BES supported the engagement of the public in the conference in three ways. We published a *Road to COP 26 blog post series* in which editors and authors from across the BES journals share their research at the interface of climate and ecology and their hopes for COP26. We also brought together a *Road to COP26 Virtual Issue* of recently published articles in the BES journals that highlight how climate change is affecting global ecology and how ecological science is underpinning the quantification of climate change. And finally, we produced a Guide to COP 26 that gave an easy-to-understand explanation of the legislative background to the conference and what was on the agenda for the meeting.

Major goal 3: Foster a strong and diverse community of ecologists

- We empower and enable a vibrant and influential global community of ecologists.
- We aim to make everyone interested in ecology feel valued, wherever and whoever they are.

Some of the most-viewed posts on the BES journal blogs this year were written by 13 ecologists from across the LGBTQ+ spectrum who provided articles about their lives and research. Published during UK Pride Month in June, the Rainbow Research blog series promoted the visibility and inclusion of STEM researchers from the LGBTQ+ community. Themes that arose in the posts included the importance of being a role model to younger ecologists; the idea that studying ecology – a discipline

Board of Trustees Report for the year ended 31 December 2021

that knows all about diversity – can help you to develop pride in your identity; and issues around safety in the field. A few of the undergraduate participants at a BES Summer School said that it was great to see that there are lots of out-and-proud ecologists, having not met any role models yet during their studies.

In 2021 the BES summer school for undergraduates was hosted online once more, with participants offered a full week of live and on demand content focused on research, field skills, career development and inclusion. For the first time the profile of both applicants and participants was significantly more diverse with 11% attendees identifying as a minority ethnicity. In March 2021, the students futures conference took place over two days with 300 students and recent graduates attending online. We continue to grow the bursaries and increase the financial support directly available to those early career ecologists from low income and low opportunity backgrounds

The BES was a featured part of the Edinburgh Science Festival in June and July. Over 1,450 households were transported to our virtual gallery offering ‘Six predictions of Edinburgh’s future green spaces’. The artworks demonstrated how nature-based solutions can tackle the climate crisis in the urban environment, and were cocreated by local artists and organisations working together. They were displayed online in a remarkable 3D virtual gallery that allowed you to wander among and explore the exhibits as you might in a real art gallery. Visitors were also given the opportunity to contribute to the City of Edinburgh Council’s existing work, sharing how their green spaces should be in future. The Directors of the Edinburgh Science Festival called it, “A unique, memorable and world-leading opportunity to engage audiences with the importance of nature-based solutions.” We also ran a series of digital events during the festival that were led by BES members, while an estimated 30,000 members of the public on Portobello Promenade in Edinburgh encountered giant images on display from our Capturing Ecology photographic competition.

During the year we were delighted that a BES-led project to create jobs, develop skills and improve school students’ connection to nature in North-East England was awarded a £250,000 grant over three years by the UK Government’s Green Recovery Challenge Fund. The project will see the BES, in partnership with citizen science organisation MammalWeb and engagement charity SMASH-UK, work with primary school pupils, teachers and early-career ecologists to deliver a green transformation to 50 schools in disadvantaged areas of the Northeast. The programme will create wildflower areas, hedgehog highways, bird-feeding stations, nest boxes and insect hotels. Pupils will then monitor the wildlife around their schools. Through these activities, the programme will increase 10,000 young peoples’ connection to nature.

Six fixed-term jobs and placements with the BES will be created in the Northeast to coordinate the project. Training will be delivered to an estimated 350 teachers at the partner schools. On top of this, 50 early-career ecologists will be upskilled as ‘Environmental Educators in Residence’, collaborating with teachers to develop practical workshops and deliver biodiversity enhancements to school grounds. This innovative co-design process will be led by partners SMASH-UK, where ecologists, teachers and pupils will all be involved in the design as well as the delivery of the project. “A love of the natural world often starts with an inspiring experience,” says Dr Chris Jeffs, Engagement & Outreach Manager at the BES, who will lead the project. “We want to bring these inspirational moments directly to the school and home environment, opening up the wellbeing benefits nature brings to those currently least able to access them.”

Major goal 4: An effective and financially sustainable BES

- We are astute in managing and developing the Society's assets for the benefit of ecology and the ecological community.
- We aim to use the Society's resources in the most effective and sustainable ways possible.

Volunteers are central to how the BES operates and in recognising the changing demands of our members and volunteers' day to day work, the impact this has on the time they have available to give to the BES, we have reviewed how we support and include our members in Society activities, drafting a volunteer policy and framework for supporting them. Additionally, there is a 3-year strategy in place to ensure that we improve our support for all those who give their time to the Society.

Our financial strategy sets out a long-term vision for our reserves and investment policy to increase our sustainability and resilience. Through better financial management, we aim to free up more money to pursue the vision and mission of the Society. One of the key performance indicators is to maintain the defined time horizons for decisions at a level that does not constrain the launching of new activities identified within the Strategic Plan. Our publications activities return a substantial surplus to the Society, which currently is reinvested through core activities of events, membership, education, policy and research to further our goals. We have identified several actions to take over the coming years, including steadily reducing the financial deficits in membership and events work, leveraging our contract relationship management database (CRM) to generate more diverse income and resource-in-kind streams, and continuing to model the impact of moving journals from a subscription to an open access model.

During the year we took advantage of the Government's Kickstarter programme to provide training and employment for 4 individuals at risk of long-term employment. This has enabled us to nurture new talent, increase the diversity of our workforce and deliver more for the ecological community with most of the additional cost supported by Government funding.

Our two investment fund managers are Rathbones and Waverton, and they have different criteria for stock selection, which widens the range of our holdings and spreads risk more effectively. They both have a track record and commitment to ethical investing. In addition to not investing in companies that damage the environment – for example we do not hold stocks in companies that primarily extract fossil fuels – we aim to invest in those companies seeking to make a positive impact. We also see our portfolio as a tool to leverage positive environmental change and are working with our fund managers to find opportunities for knowledge exchange between ecologists and fund managers.

We continue to reduce our own environmental impact, establishing an effective system for monitoring and recording our carbon. We are now in a position to purchase carbon credits that offset residual carbon emissions but we also remain committed to bridging the gap between the research community and those involved in developing the voluntary carbon market especially in the context of higher integrity carbon schemes that consider how we mitigate biodiversity loss. We are also ensuring that we invest in restoration and conservation of peatland sites as a mechanism of avoiding future carbon emissions.

How our work delivers public benefit

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 our trustees give

Board of Trustees Report for the year ended 31 December 2021

their time voluntarily and do not receive any private benefit. Details of trustees' expenses and remuneration are disclosed in note 6.

The first three of our major goals provide clear public benefits, while the final one defines the ways in which we gain greater leverage from our finite resources and ensure our long-term sustainability.

Fundraising

Our 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.

We do not have any fundraising campaigns aimed at the general public and we have not received any complaints about our fundraising activities. Our full fundraising policy is available from our office.

Ensuring our grant giving is effective, fair and transparent

In 2021 we gave away £467k in grants, which is 11% of our spending. We recognise that this substantial sum needs to be carefully managed, and we have several processes and policies in place to do that.

Application and scoring criteria are published on our website and are regularly reviewed. We provide examples of successful applications and the success rates for each grant scheme. Except for our Training and Travel Grants, all applications go through a peer-review process to comment on their suitability for funding. Grant reviewers are recruited to our Review College through regular open calls to build a community of individuals who have the knowledge, skills, experience and expertise in ecology to assess grant applications. Successful applications are required to provide a report on the outcome and impact of their project. During 2021 we reviewed our grant-giving programme to ensure that it continues to support our strategic vision and the needs of the ecological community. The new grants programme will be launched in 2023.

The contribution of volunteers to our work

We rely on a huge number of volunteers to achieve our strategic vision. They contribute in a myriad of ways to our work and we also recognise that volunteering with us provides valuable experiences for our community. Volunteers are members of our Board of Trustees, committees and working groups, helping to shape the direction of our work every day. Our 19 Special Interest Groups produce a range of events, workshops and communications – efforts that benefit many across the full breadth of ecology – and are all run by volunteers. Our journals would not be able to run without the dedicated band of ecologists across the world who peer review papers and serve as Associate Editors. And much of our careers work relies on ecologists willing to give up their time for free to

Board of Trustees Report for the year ended 31 December 2021

help us inspire the next generation. The direct involvement of the ecological community in much of what we do helps to ensure that we continue to be a community-led organisation.

Our commitment to equality, diversity and inclusion

We value the diversity and wide range of perspectives that people from different backgrounds bring to their work and to ecology.

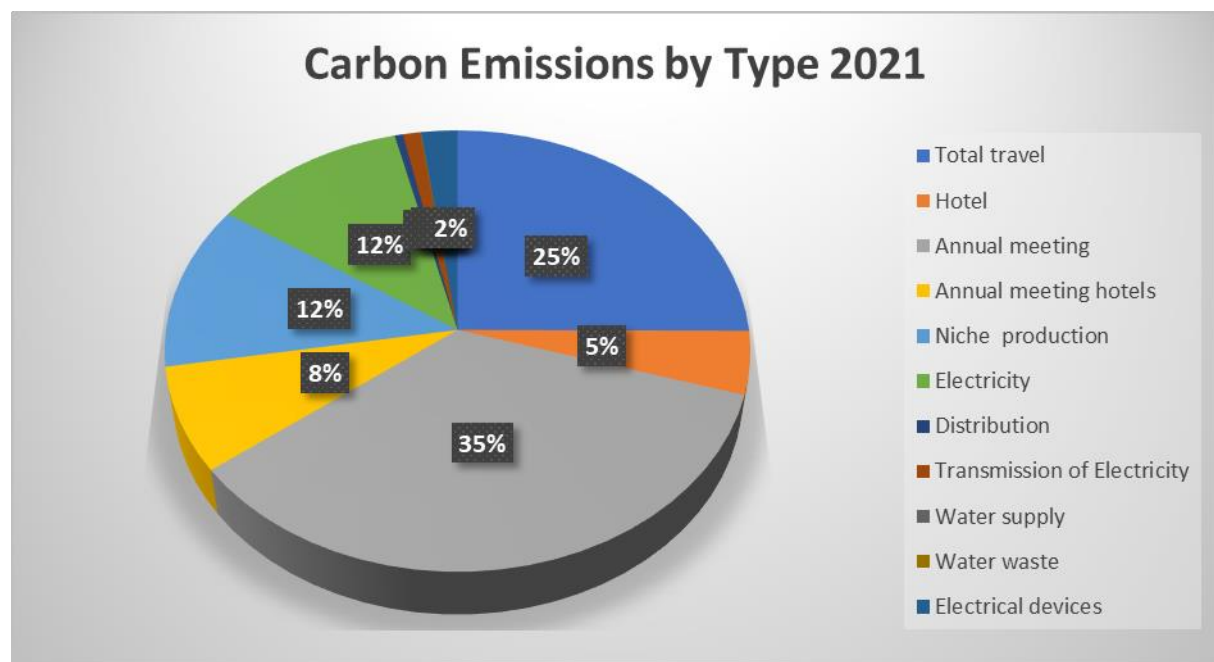
Everyone at the BES has a role to play in ensuring that individuals are valued, treated with dignity and respect, and that discrimination does not occur. Every member of staff and the Board of Trustees are responsible for implementing relevant policies, objectives and working practices linked to equality and diversity to ensure equal opportunity at all stages of engagement with the Society.

We remain committed to addressing inequalities and more details of our work can be found in the section 'Major goal 3: Foster a strong and diverse community of ecologists'.

Our commitment to reducing the environmental impact of our activities

Our community has done much to raise awareness of the impact of human society on the natural world. It is important that we reduce the impact of our own activities and improve environmental sustainability. We are committed to making continual improvements and are pleased to have made more progress in 2021. Key points include;

- We use the UK government carbon conversion factors and guidance to calculate our carbon emissions. In 2021 the most significant change is that electricity use is now measured in 2 ways
 - Market based, for the BES this means we have 0 emissions based on a 100% renewable tariff
 - Local grid based, this is share of the UK national grid regardless of the tariff and has an additional transmission and distribution
- Travel remains a significant portion of our carbon emissions, it is BES travel policy to travel via economy class, via train or public transport wherever practicably possible. Exceptions are made for inclusivity purposes and duty of care of those travelling on our behalf during early/late hours
 - 8.2 tCO₂e were emitted in 2021, of which 5.2 tCO₂e were as a result of long-haul flights to and from the Annual Meeting.
 - Car travel includes all courier travel and this was significantly higher than expected partly as a result of supporting staff homeworking and ensuring movement of equipment
- The Annual Meeting appears to contribute a disproportionately large share of the annual carbon emissions for 2021 (totalling 13.6 tCO₂e excluding travel), carbon is recorded for the calendar year, the Annual Meeting falls in December and as such occurred as Covid restrictions were eased. It is not likely that the Annual Meeting will contribute such a significant proportion of the overall total in future years as normal activity resumes
- Total recorded carbon emissions in 2021 for the Society were 32.01 tCO₂e



We see engagement and knowledge exchange as a key way in which we can leverage the assets of the BES to create positive change for the natural environment, so we will continue to work with our fund managers and others, as well as drive down the carbon emissions from our activities.

OUR PLANS FOR THE FUTURE

While 2022 will continue to be challenging because of the uncertainties around COVID-19 and the geo-political situation in Europe, we have developed flexible workplans so that events and activities can adapt quickly if circumstances change. We are also cognisant of the broader pressures on the time of our core members who volunteer.

During 2021 we ran a major review of our grants programme to ensure it had the greatest impact for the ecological community. The changes to the grants programme were approved by the Board at the end of 2021 and we will be working hard during 2022 to communicate the changes to our audiences and prepare them for the implementation of the new grants schemes.

Our report new policy report on protected areas, to be launched in April 2022, follows on for the successful 2021 nature-based solutions (NBS) report. We will use the learning from the NBS report to ensure our new synthesis has maximum impact as the Government works towards its commitment to protect 30% of UK land to support the recovery of nature. Our next policy synthesis will focus on the important topic of regenerative agriculture.

After the successful delivery of both online and in-person elements of our Annual Meeting in 2021, we will explore how we can continue to reach a wide and diverse audience in a sustainable way, both financially and staff wise. In 2022 we will be co-hosting the second *Student Futures* conference with the Linnean Society to equip students with the tools they need to plan their academic futures. Also in 2022, ecologists and climate scientists will come together at the *Climate Science for Ecological Forecasting* symposium, run jointly with the Royal Meteorological Society, to form new collaborations to better inform the future of our planet.

During the year we will be working on a new project, the 'Future of Ecological Research in the UK' which aims to develop a consensus on the pure and applied research priorities for UK-based ecologists and provide funders with a clear understanding of future research needs. We will use our convening power across the ecological community to articulate the needs for ecological research over the next 10 years. If the project is successful, we will look to develop a project on global ecological research needs in the coming years.

During 2021 a great deal of groundwork has been done to develop and implement a new mentoring platform. This will launch in June 2022 and will significantly increase capacity for those who seek mentoring in all aspects of their career development and work/life balance. COVID restrictions and their impact on schools has meant that we have not hosted our Summer Schools for 16-18 year olds, however of increasing importance and urgency is the need to support their teachers in teaching climate and change and with this in mind, by the end of the year we will have developed a teachers toolkit for climate change.

After successfully bidding for funding of ca. £250k in 2021 from the UK Government's Green Recovery Challenge Fund, we will be delivering the project to create jobs, develop skills and improve school students' connection to nature in North-East England. The project will see the BES, in partnership with citizen science organisation MammalWeb and engagement charity SMASH-UK, work with primary school pupils, teachers and early-career ecologists to deliver a green transformation to 50 schools in disadvantaged areas of the North East.

As the Covid-19 pandemic and government advice develop, we will be facilitating the transition(s) to office-based working, making the most of our excellent office facilities whilst retaining the best of

Board of Trustees Report for the year ended 31 December 2021

flexible working practices developed over the previous two years. During 2022 will begin our trial of hybrid working but we will have to remain agile to deal with any unexpected changes brought about by Covid-19.

These are just some of the activities and events we are planning in 2022 to deliver the third year of our strategic plan.

FINANCIAL REVIEW

Review of our financial position

In 2021 total income was £5.4M (£4.6M in 2020), with 80% of income from publishing. During the year expenditure was £4.3M (£4.0M in 2020) with 48% spent on publishing. The accounts show a surplus of £1.0M (surplus of £0.6M in 2020) before net gains on investments of £950k (gains of £26k in 2020). Total funds of the Society were £16.7 M at the end of 2020 (£14.7M at the end of 2020).

Financial management and control

BES committees plan their work for the forthcoming year within the framework of our strategic plan. 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. Throughout the financial year the Finance Committee considers management accounts at its meetings, with a narrative provided by the Honorary Treasurer, Chief Executive and external accountancy firm JS2, as appropriate. The narrative focuses on reasons for variation against budget. Monthly management accounts are also circulated to budget holders. At the mid-point in the financial year the budgets are reforecast, taking into account changes in planned activities and events.

We have a set of Financial Regulations which must be followed and are reviewed annually by the Finance Committee.

Our reserves

We hold reserves for four main purposes:

- Meet operational needs;
- Buffer against the high exposure to publishing income;
- Deliver specific major projects in areas defined by the Strategic Plan; and
- Generate additional income through an investment portfolio.

Our reserves help us meet our operational needs and working capital requirements (the free reserve). The free reserve aims to hold ~6 months operating costs, currently ~£1.4M excluding third-party operating costs and grants. At 31st December 2021, free reserves held totalled £2.7m exceeding this target. However, the ongoing uncertainty in academic publishing means that there is an increased likelihood of needing to draw down additional amounts of reserves in future years.

The major exposure in our income portfolio is its dependence on publishing income, which represented £4.3M (80%) of annual income in 2021. The high commitment to expenditure and substantial exposure to a single source of income is a major long-term risk to the organisation. We hold 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 ~22 months operating costs, of which direct staff costs are 34% in 2021 that cannot be immediately adjusted in a new operating environment.

We are 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.

Board of Trustees Report for the year ended 31 December 2021

The designated tangible fixed asset fund comprises the net book value of fixed assets, principally our office in London (~£5.1m). Designated Funds cover a full-time Managing Editor position exploring new opportunities in academic publishing (£123k) a furniture and fixtures renewal fund (growing at £150k) and an Open Access Transition Fund (£393k). None of these designated funds are available to meet our general running costs.

The reserves policy is reviewed annually by Finance Committee and recommended changes are considered by the Board of Trustees. The policy was last updated in 2021.

Going concern and viability

Based on the reserves policy and detailed cashflow forecasts there are no specific circumstances or uncertainties that impact on the Board of Trustees assessment that the Society is a Going Concern.

Our investment policy

The objectives of our investment policy are:

- Hold assets across a mixture of fixed assets in tangible (e.g., our headquarters at 42 Wharf Road) and 'investment' forms (e.g., the two portfolios managed by Rathbones and Waverton).
- The managed portfolios should, over the long term, generate surplus funds that help deliver our charitable objectives while also incentivising companies who engender positive change.
- If income from the managed portfolios both generates a surplus and outperforms our stated benchmark over a rolling three-year period, then we will pay a 'dividend' to the ecological community through the Society's activities.

Our headquarters at 42 Wharf Road is a long-term tangible fixed asset. We seek to optimise the use of this space in ways beyond traditional subletting by, for example, making meeting space available on a non-commercial basis for like-minded organisations.

Beyond tangible fixed assets and operational reserves, we hold a portfolio of investments. This portfolio is currently actively managed with the objective of achieving capital growth with an emphasis on preservation of capital and reasonable liquidity.

We take a holistic view of risk profiling across all our assets. As we hold a relatively high proportion of assets in illiquid tangible fixed assets, our managed portfolio contains a high proportion of equities and should be benchmarked against the midpoint of the ARC Constant Growth and Equity Risk mandates.

Investment decisions within the managed portfolio are not taken by trustees. The Trustees provide guidelines based on Environment, Society and Governance (ESG) criteria that are consistent with our goal. Products/stocks are included in the managed portfolio if they pass threshold standards based on criteria of ESG data providers. In addition to monitoring the capital growth of both portfolios, we also monitor the overall ESG score and seek to move towards an AAA rating (currently AA) and higher score on the 'Environmental Pillar'.

To mitigate risk, the managed portfolio should not be leveraged.

Board of Trustees Report for the year ended 31 December 2021

Investment management and performance

As stated in the Balance Sheet of these accounts, our investments were valued at £8.6m on 31 December 2021. Since then, there has been significant movement in worldwide stock markets and the value of our funds as of 30 April 2022 was £8.2m.

2021 was the first full calendar of investment fund management by our two new fund managers, Rathbones and Waverton. The two companies have different investment strategies and thereby we have increased diversity and spread risk compared to having just one fund manager. At the end of 2021, our listed investments held by the BES and managed by Rathbones and Waverton had a combined value of £8.6M. We have agreed that the risk profile for the fund managers should be the second highest for each company as we are investing for the long term. Each fund manager uses a composite index as a benchmark and we also require them to report against CPI + 4% and the midpoint of the ARC Steady Growth and ARC Equities Risk benchmarks. We also use the SuggestUs portfolio to independently benchmark the performance of the fund managers. The investment managers attend two Finance Committee meetings a year to discuss performance and general strategy. Day-to-day investment decisions are delegated to the fund managers in accordance with the agreed mandates.

We have spread the risk of our assets as far as practicable by owning a very long lease on our headquarters and holding some of our reserves in cash accounts, in addition to the equities, bonds and trust funds in our two investment portfolios.

Our principal risks

We maintain a risk register, updated at least quarterly, and significant changes are reported to each Board of Trustees meeting.

The three most critical risks currently are:

A significant drop in income

Major funders and governments in key markets and the academic community may no longer accept the hybrid journal (subscription with an Open Access option) business model. Income generated through this model constitutes most of the Society's income and is under threat. We try to mitigate this risk in several ways. We stay abreast of industry developments, respond to consultations and participate in discussions to ensure the voice of learned societies is represented. We have also diversified our publishing business model by offering Open Access as an option in our subscription journals, exploring flipping subscription titles to Open Access, launching new journals as Open-Access titles, collaborating with the Open-Access journal *Ecology and Evolution*, and developing new income streams, for example, legacy giving and sponsorship.

Disruption due to COVID-19

There continues to be a risk that our activities and long-term income are significantly disrupted because of the impact of COVID-19. To mitigate the risk we are following UK government advice. Staff can seamlessly work from home with their laptops and the use of SharePoint/Microsoft Teams. Planning for our 2022 Annual Meeting in December is underway assuming there will be both face-to-face and online content so that we can be agile if the situation changes quickly. We continue to be guided by government advice and we will be trialling a hybrid working pattern for staff in 2022. A 12-month cash flow report is reviewed at every Board/Finance Committee meeting and the Senior Management Team meets weekly to monitor events and agree the best response.

Board of Trustees Report for the year ended 31 December 2021

Inflation

The inflation rate in the UK is rising significantly. This creates the risk that the 2022 budgeted expenditure will be exceeded, costs will rise quicker than income and we will be unable to fund planned activities. We are undertaking a strategic review in 2022 for the next three years and will need to incorporate a high inflation rate in our costings to ensure that our future plans are affordable.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Our structure

We are a company limited by guarantee (Registration no. 1522897) and have no share capital. As a registered charity (Registration no. 281213), we are governed by our Articles of Association.

Our Board of Trustees 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, three Ordinary Members and a Co-opted Member. The Board meets quarterly and is responsible for our strategic direction and policies. There are eight committees which report quarterly to the Board on their areas of responsibility. We have a governance document which details the structure, terms of reference and membership of the Board of Trustees and committees.

Our day-to-day operation is delegated to the Chief Executive and the rest of the Senior Management Team. The Chief Executive ensures our resources are effectively and efficiently focused on delivering our strategic plan and key performance indicators are met. The Senior Management Team ensures the smooth running of the organisation and leadership of the staff team. Remuneration of all staff, including key management personnel, is considered on an annual basis by our Personnel Committee which reports directly to the Board of Trustees. Factors such as affordability and inflation are considered by the Personnel Committee when agreeing staff cost-of-living increases. Market research, sector benchmarks and comparability with similar, existing roles within the Society are considered when salaries for new staff roles are agreed by the Committee.

Recruitment to the Board of Trustees

The Board is responsible for nominating officer and chair posts and members of the Society can put themselves forward for these roles through an open recruitment process. Nomination for Ordinary Members is open to the whole membership. All members of the Board are elected by the membership through an online ballot and the results of the election are announced at the Annual General Meeting. Online voting has enabled many more members to participate in the selection of the Board. When the selection was made in-person at an AGM ca. 150 members voted whereas in 2021 a total of 1,075 members voted online.

Induction and training of trustees

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 can have ongoing training, paid for by the Society, to help them fulfil their duties.

Board of Trustees Report for the year ended 31 December 2021

Responsibilities of the Board of Trustees

The Board of Trustees of the BES (the trustees and directors) is 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 Statement of Recommended Practice (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; and
- 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.

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out in the “References and Administrative Details” section. In accordance with company law, as the company’s directors, they certify that:

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

REFERENCE AND ADMINISTRATIVE DETAILS

Charity details

British Ecological Society
42 Wharf Road
London, N1 7GS

Charity Commission registration number 281213
Companies House registration number 1522897

Board of Trustees

R Brooker	Appointed December 2021
Y Buckley	Resigned March 2022
S Clarke	
M Edgar	
M Emmerson	
T Ezard	
L Graham	Appointed December 2021
T Helgason	
J Hill	
Z Lewis	
Y Malhi	
P Manning	Resigned December 2021
J Memmott	
R Stafford	
A Vanbergen	Resigned December 2021
Pam Vick	Appointed November 2021

Office bearers:

President	Y Malhi
Past President	J Memmott
Vice President	M Emmerson
Hon. Secretary	R Brooker
Hon. Treasurer	T Ezard

Chairs of standing committees (as at date of this report):

Finance Committee	T Ezard
Education and Careers Committee	Z Lewis
Events Committee	L Graham
Grants Committee	M Emmerson
Membership Committee	Vacant
Personnel Committee	R Brooker
Policy Committee	R Stafford
Publications Committee	J Hill

Advisors

Senior Management Team:

Chief Executive	H Norman
Director of Publishing	A Baier

The British Ecological Society

Board of Trustees Report for the year ended 31 December 2021

Director of External Affairs K Devine
Director of Society Programmes J Wood

Bankers:
Barclays Bank plc
Leicester, LE87 2BB

Investments:
Rathbones Greenbank Investments
8 Finsbury Circus
London, EC2M 7AZ

Waverton Investment Management
16 Babmaes Street
London, SW1Y 6AH

Accountants:
JS2 Limited
One Crown Square
Woking, GU21 6HR

Auditors:
Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

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

SIGNATURE OF THE REPORT ON BEHALF OF THE TRUSTEES

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

Approved by the Board of Trustees on 13 June 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Ymalhi', enclosed within a large, loopy oval stroke.

Professor Yadvinder Malhi
President

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 2021 which comprise the Statement of Financial Activities, the Balance Sheets, 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 2021 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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

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

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.

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 has 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, 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.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for GDPR, Charities Act 2011 and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, income tax and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimate and application of controls around authorisation of expenditure and payments. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.

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)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London EC4R 1AG

Date: 5 July 2022

The British Ecological Society

Statement of financial activities Incorporating the income and expenditure account For the year ended 31 December 2021

	Notes	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Expendable Endowment £'000	2021 £'000	2020 £'000
Income from							
<i>Donations & Legacies</i>		37	160	222	-	419	37
<i>Other Trading Activities</i>							
Investment income	2	8	-	-	122	130	105
Other income		60	-	-	-	60	17
		<u>105</u>	<u>160</u>	<u>222</u>	<u>122</u>	<u>609</u>	<u>159</u>
<i>Income from charitable activities</i>							
Publications		4,275	-	-	-	4,275	4,142
Income from conferences		271	-	-	-	271	144
Subscriptions		198	-	-	-	198	180
		<u>4,849</u>	<u>160</u>	<u>222</u>	<u>122</u>	<u>5,353</u>	<u>4,625</u>
Total income							
Expenditure							
Expenditure on raising funds							
Investment management fees		3	-	-	51	54	24
<i>Expenditure on charitable activities</i>							
Publications		2,047	4	-	-	2,051	1,984
Meetings		679	-	-	-	679	428
Research		459	-	-	-	459	431
Education		323	41	-	-	364	434
Policy		313	10	-	-	323	302
Member engagement		365	3	-	-	368	386
		<u>4,189</u>	<u>58</u>	<u>-</u>	<u>51</u>	<u>4,298</u>	<u>3,989</u>
Total expenditure	3						
Net income before gains on investment		660	102	222	71	1,055	636
Net gains on investments	11	60	-	-	888	948	26
Net movement in funds in year		720	102	222	959	2,003	662
		<u>7,972</u>	<u>5</u>	<u>0</u>	<u>6,732</u>	<u>14,709</u>	<u>14,047</u>
Fund balance brought forward							
Fund balances carried forward	17	8,692	107	222	7,691	16,712	14,709

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 2021

	Notes	£'000	2021 £'000	£'000	2020 £'000
Fixed assets					
Tangible assets	9	4,996		5,135	
Intangible fixed asset	10	149		187	
Investments	11	8,588		7,185	
			13,733		12,507
Current assets					
Debtors	12	2,331		2,451	
Cash on deposit and in hand		2,196		1,302	
		4,527		3,753	
Creditors: amounts falling due within one year	13	(1,438)		(1,331)	
Net current assets			3,089		2,422
Creditors: amounts falling due over one year	14		(110)		(220)
Net assets			16,712		14,709
Represented by					
Unrestricted funds					
General fund			2,910		2,509
Designated funds:			5,782		5,463
			8,692		7,972
Restricted fund			107		5
Permanent Endowment fund			222		-
Expendable Endowment fund			7,691		6,732
	17		16,712		14,709

Included in the above reserves are unrealised gains of £1.07M (2020 gains £0.97M). 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 13 June 2022 and signed on its behalf by.



Professor Yadvinder Malhi, member of the Board of Trustees

Statement of Cashflows

For the year ended 31 December 2021

	£'000	2021 £'000	£'000	2020 £'000
Cash flow from operating activities				
Net (expenditure)/income	2,003		662	
Adjustments for:				
Investment income	(130)		(105)	
Depreciation	139		140	
Amortisation	39		11	
(Increase)/Decrease in debtors	120		(1,099)	
(Decrease)/Increase in creditors	(3)		522	
Net cash provided by/(used in) operating activities		2,168		131
Cash flow from investing activities				
Purchase of tangible fixed assets	(1)		(207)	
Investment income	130		105	
Purchase of investments	(1,047)		(5,838)	
Disposal of investments	592		6,558	
(Gain)/Losses on investments	(948)		(25)	
Net cash (used in) investing activities		(1,274)		593
Change in cash and cash equivalents in the year		894		724
Cash and cash equivalents at the beginning of the year		1,302		578
Cash and cash equivalents at the end of the year		2,196		1,302

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

Notes to the accounts (continued)

For the year ended 31 December 2021

1 Accounting policies

- 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) - (Charities SORP Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Society meets the definition of a Public Benefit Entity as defined by FRS102. 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.

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.

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.

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 2021

1 Accounting policies (continued)

- *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.

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	- 10% per annum on a straight-line basis.
Equipment	- 20% per annum on a straight-line basis.

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

Amortisation

Amortisation have been calculated to write off the cost of intangible fixed assets over their expected lives at 20% per annum on a straight line basis.

The Society's policy is to capitalise intangible assets where future economic benefits from the asset are expected and the cost of the asset can be reliably measured.

Investments

Investments are stated at fair 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.

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.

Operating lease

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

Notes to the accounts (continued)

For the year ended 31 December 2021

1 Accounting policies (continued)

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.

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.

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.

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.

Cash at bank and in hand

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

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.

Judgements and estimates

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

Notes to the accounts (continued)

For the year ended 31 December 2021

1 Accounting policies (continued)

- the estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- the estimates of the useful economic lives of intangible fixed assets used to determine the annual amortisation 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
- 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

	2021 £'000	2020 £'000
Income from listed investments	128	103
Interest receivable	2	2
	<hr/>	<hr/>
	130	105
	<hr/>	<hr/>

Included in the above is £8K (2020: £17K) of unrestricted income and £122K (2020: £88K) expendable endowment funds.

Notes to the accounts (continued)

For the year ended 31 December 2021

3 Analysis of total expenditure

2021	Direct Staff Costs £'000	Other Direct Costs £'000	Support Costs (note 4) £'000	TOTAL 2021 £'000
Cost of Raising Funds	-	54	-	54
Bulletin & Other services	175	5	187	367
Publications	548	1,145	359	2,052
Meetings	169	376	133	678
Research	20	427	12	459
Education	183	63	119	365
Policy	163	38	122	323
	<u>1,258</u>	<u>2,108</u>	<u>932</u>	<u>4,298</u>
2020	Direct Staff Costs £'000	Other Direct Costs £'000	Support Costs (note 4) £'000	TOTAL 2020 £'000
Cost of Raising Funds	-	24	-	24
Bulletin & Other services	186	9	191	386
Publications	535	1,137	312	1,984
Meetings	142	147	139	428
Research	23	395	13	431
Education	183	117	134	434
Policy	151	46	105	302
	<u>1,220</u>	<u>1,875</u>	<u>894</u>	<u>3,989</u>

Notes to the accounts (continued)

For the year ended 31 December 2021

4 Support Costs

Support Costs	2021 £'000	2020 £'000
Governance Costs		
Governance staff costs	3	4
Audit Fee	10	10
	<hr/> 13	<hr/> 14
Other Support Costs		
Support staff costs	194	192
Non salary staff costs	61	45
Property	92	112
IT costs	79	126
Publicity	7	11
Fees / Affiliations	75	54
Office running costs	67	55
Depreciation	141	140
Amortisation	39	11
Bulletin	74	50
Outsourced finance & payroll	36	36
Legal & Consultancy	18	26
Bank charges	36	22
	<hr/> 932	<hr/> 894

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

Notes to the accounts (continued)

For the year ended 31 December 2021

5 Grants

Grant commitments are as follows:

	2021 £'000	2020 £'000
Grant commitments at 1 January	186	101
Awards made during year	486	518
Payments made during the year	(541)	(433)
Grant commitments at 31 December	<u>131</u>	<u>186</u>

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:

	2021 £'000	2020 £'000
Depreciation	140	140
Amortisation	39	11
Auditor's remuneration - audit services	<u>10</u>	<u>10</u>

Other than disclosed in note 18 members of the Board of Trustees did not receive any remuneration during the year (2020: nil). Expenses reimbursed to 7 (2020: 6) Members of the Board of Trustees in the year equalled £1,806 (2020: £1,292).

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 (2020: nil).

Notes to the accounts (continued)

For the year ended 31 December 2021

8 Employees

The actual number of employees during the year was 35.0 (2020: 33.2)

	2021	2020
Membership	4.0	4.2
Publishing	13.5	12.2
Conferences / Meetings	3.8	3.2
Research	0.9	0.5
Education	4.5	4.7
Policy	4.6	4.8
Society	3.7	3.6
	<hr/> 35.0 <hr/>	<hr/> 33.2 <hr/>
	£'000	£'000
Staff costs during the year amounted to:		
Wages and salaries	1,233	1,211
Social security costs	122	114
Employer's pension contributions	97	86
Redundancy	-	-
	<hr/> 1,452 <hr/>	<hr/> 1,411 <hr/>

One employee earned £100,000-£109,999 during the year (2020: one employee earned £90,000-£99,999). The employer's pension contributions in respect of this employee during the year was £7,642 (2020: £7,321).

The aggregate benefits including pension contributions of the key management personnel were £331,041 (2020: £319,472), the trustees were not remunerated for services to the charity.

During the year settlement agreements were paid of £nil (2020: £nil).

Notes to the accounts (continued)

For the year ended 31 December 2021

9 Fixed assets

Tangible fixed assets

	Freehold & long leasehold property	Leasehold improvements	Furniture, fixtures & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
1 January 2021	4,724	428	174	5,326
Additions	-	-	-	-
Disposals	-	-	-	-
31 December 2021	4,724	428	174	5,326
Depreciation				
1 January 2021	130	29	32	191
Charge for the year	94	21	24	139
Disposals	-	-	-	-
31 December 2021	224	50	56	330
Net book value				
31 December 2021	4,500	378	118	4,996
31 December 2020	4,594	399	142	5,135

Notes to the accounts (continued)

For the year ended 31 December 2021

10 Intangible fixed assets

	Customer Relationship Management System	Total
	£'000	£'000
Cost		
1 January 2020	198	198
Additions	1	1
Disposals	-	-
31 December 2021	199	199
Amortisation		
1 January 2020	11	11
Charge for the year	39	39
Disposals	-	-
31 December 2021	50	50
Net book value		
31 December 2021	149	149
31 December 2020	187	187

Notes to the accounts (continued)

For the year ended 31 December 2021

11 Investments

	2021 £'000	2020 £'000
Market value 1 January 2020	7,185	7,879
Additions	1,047	5,838
Disposals proceeds	(959)	(5,747)
Net investment (loss)/gain	948	25
Movement in deposits	367	(810)
Market value 31 December 2021	8,588	7,185
Historical cost at 31 December 2021	6,087	6,211
Accumulated unrealised gains based on historic cost at 31 December 2021	1,857	974
Realised gain in year based on historic cost	191	84
Represented by:		
UK equity shares	1,979	2,181
Overseas equities	4,695	3,523
UK fixed interest	351	393
Overseas fixed interest	24	84
UK Other	860	727
Overseas Other	35	0
Market value of listed investments	7,944	6,908
Investment in associated undertaking	-	-
Investment in subsidiary undertaking	-	-
Amounts held in cash	644	277
Total	8,588	7,185

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 2021 the Share Capital and net assets of BES Trading Company Limited amounted to £2 - (2020 £2) and the company continued to be dormant.

The BES had shares in a property company, alongside other learned societies, in order to jointly own our headquarters. 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 2021

12 Debtors

	2021 £'000	2020 £'000
Trade debtors	344	1,773
VAT	19	70
Other debtors	43	40
Prepayments and accrued income	1,925	568
	<u>2,331</u>	<u>2,451</u>

13 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	163	105
Social security & other taxes	34	32
Accruals	946	928
Deferred income (note 15)	164	80
Grants payable (note 5)	131	186
	<u>1,438</u>	<u>1,331</u>

14 Creditors: amounts falling due over one year

	2021 £'000	2020 £'000
Deferred Income (note 15)	110	220
	<u>110</u>	<u>220</u>

15 Movement in deferred income

	2021 £	2020 £
As at 1 January 2021	300	68
Released in year	(300)	(68)
Deferred in year	164	80
Deferred in year – falling due more than one year	110	220
As at 31 December 2021	<u>274</u>	<u>300</u>

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2021

16 Movement in Funds

2021

	Fund balances brought forward 1/1/2021 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2021 £'000
Restricted						
Alex S Watt Brecklan	2	-	-	-	-	2
Ecology the Next Generation	3	10	(2)	-	-	11
Bursary						
Policy Assistant Fund	-	10	(10)	-	-	0
SPAN Trust	-	4	-	-	-	4
Kickstarter fund	-	11	(9)	-	-	6
GRCF	-	125	(37)	-	-	88
Total restricted funds	5	160	(58)	-	-	107
Unrestricted funds						
General	2,509	4,849	(3,965)	60	(543)	2,910
Tangible fixed asset fund	5,135	-	(139)	-	-	4,996
Office Renewal fund	150	-	(30)	-	150	270
Journal Development fund	178	-	(55)	-	-	123
Open Access Transition fund	-	-	-	-	393	393
Total unrestricted funds	7,972	4,849	(4,189)	60	-	8,692
Expendable Endowment Funds	6,732	122	(51)	888	-	7,691
John L Harper Fellowship	-	222	-	-	-	222
Total Funds	14,709	5,353	(4,298)	948	-	16,712

Notes to the accounts (continued)

For the year ended 31 December 2021

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.
Office renewal fund	The total estimated cost of the Cat A and Cat B fitout of the BES office plus the cost of fixtures and fittings in 2019 was £1.5m. To ensure that the BES has the funds available in the future to renew these, a designated fund was established in 2020 with a transfer of £150k from general funds. In 2021 a second transfer of £150k was made and £30k of costs were charged against the fund.
Journals Development Fund	The Board of Trustees have agreed to allocate some of the funds generated by the current contract with Wiley to increase capacity in the BES Publications Team to focus on strategy and help to develop, research and launch new journals bringing in future income for the BES.
Open Access Transition Fund	The BES is exploring the transition of its existing hybrid journals to an open access model. This transition is likely to result in a short to medium term drop in income and a change in cashflow. This fund has been set up to mitigate these impacts for the transition of one of our journals. In 2021, £393k was transferred into this fund from the general fund.

Restricted

Restricted funds of £107k at 31 December 2021 are represented by cash on deposit (2020 - £5k).

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 role was created in February 2013.
Ecology the Next Generation Bursary	An original donation of £7,500 was received to finance three bursaries to attendees at the Undergraduate Summer Schools which took place in the Summer of 2019. The BES continues to fundraise for this scheme and provide bursaries for students attending our summer schools programme. Two students were supported in 2019 and four students in 2020. 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 and equipment.
SPAN Trust Bursary	The BES received a Span Trust charitable grant of £12,818, split over three years (£4,272 received in 2021) to support Bursaries for London and South East of England undergraduates' career development. As part of the funding agreement, the BES adds £2,166 per year towards the scheme via unrestricted donations. No awards were made in 2021, with five awardees selected instead March 2022. The funds are held in trust by BES and drawn down by the bursary winners.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2021

16 Movement in Funds (continued)

Restricted (continued)

Kickstarters The BES successfully applied to the Government Kickstarters fund to employ 4 people at risk of long term employment. We are providing training and work experience to them and they are helping support work across the BES.

The Society holds €36,105 (2020 €39,467) on behalf of the European Ecological Foundation. This balance does not form part of these accounts.

Endowment

Expendable endowment funds of £7.7M at 31 December 2021 are represented by investment (2020 - £6.8M).

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

John L Harper This is a permanent endowment fund to celebrate John Harper's huge contribution to our science.
Fellowship It supports grants for graduate student research projects that are consistent with the research
 themes advanced by him

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2021

16 Movement in Funds (continued)

2020

	Fund balances brought forward 1/1/2020 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2020 £'000
Restricted						
Alex S Watt Breckland Research Trust	2	-	-	-	-	2
Policy Assistant Fund	-	9	(9)	-	-	-
Ecology the Next Generation Bursary	5	3	(5)	-	-	3
Total restricted funds	7	12	(14)	-	-	5
Unrestricted funds						
General	2,132	4,525	(3,955)	4	(197)	2,509
Designated funds:						
Tangible fixed asset fund	5,266	-	-	-	(131)	5,135
Office renewal fund	-	-	-	-	150	150
Journals development fund	-	-	-	-	178	178
Total unrestricted funds	7,398	4,525	(3,955)	4	-	7,972
Expendable Endowment Fund	6,642	88	(20)	22	-	6,732
Total Funds	14,047	4,625	(3,989)	26	-	14,709

Notes to the accounts (continued)

For the year ended 31 December 2021

17 Analysis of net assets between funds

2021	General £'000	Designated £'000	Restricted £'000	Expendable Endowment £'000	Permanent Endowment £'000	Total £'000
Tangible assets	-	4,996	-	-	-	4,996
Intangible assets	149	-	-	-	-	149
Investments	897	-	-	7,691	-	8,588
Net current assets / liabilities	2,172	478	107	-	222	2,979
Net assets	3,218	5,474	107	7,691	222	16,712

2020	General £'000	Designated £'000	Restricted £'000	Expendable Endowment £'000	Permanent Endowment £'000	Total £'000
Tangible assets	-	5,135	-	-	-	5,135
Intangible assets	187	-	-	-	-	187
Investments	453	-	-	6,732	-	7,185
Net current assets / liabilities	1,869	328	5	-	-	2,202
Net assets	2,509	5,463	5	6,732	-	14,709

18 Related party transactions

No transactions have taken place with either Members or with the 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.

Yvonne Buckley is an editor of the Journal of Ecology, and was appointed as a trustee in 2020. Yvonne continued to be paid at the fixed rate and received £6,753 in the year (2020: £1,678).

Richard Bardgett was appointed as a trustee in 2018 and stepped down from the board of Trustees in December 2020 he was paid at a fixed rate and received £6,690 in 2020.

Neither Yvonne nor Richard have received remuneration in their capacity as a trustee.

There were no other related party transactions during the current or prior year.

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.