

**BRITISH
ECOLOGICAL
SOCIETY**

**Accounts for the year ended 31 December 2016
together with Council's and auditor's reports**

Company number: 1522897

Charity number: 281213

The British Ecological Society

Accounts for the year ended 31 December 2016

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The British Ecological Society

Council's report

For the year ended 31 December 2016

The Trustees present their report and financial statements for the year ended 31 December 2016.

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.

The vision of the BES is:

A world inspired, informed and influenced by ecology

Our mission is to:

Generate, communicate and promote ecological knowledge and solutions

In order to achieve this our major goals are to:

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

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 4,400 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.

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 notes 5 and 15 respectively.

The first four of the Society's strategic goals stated in section 4 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. It can be divided into several broad categories; research, training & travel, outreach and support for ecologists in Africa. The BES funds grants

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with the aim of promoting ecology as widely as possible and hence individual awards are generally of relatively small value, although many awards are made.

2.1 Communicate world-leading ecological science, and generate, synthesise and exchange ecological knowledge

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

Publishing - Resources Expended = £1.55M (45% of total)

In 2016, our journals grew both in terms of submissions and published papers, with more content than ever before being published. The five BES subscription journals published over 50 additional articles in 2016 compared to 2015, across almost 700 additional pages. There has also been enormous growth in our partner journal *Ecology & Evolution*, which published over 750 papers in 2016. The surplus provided by the journals continues to provide the main source of income into the Society, which in turn funds all our other activities.

The publications team are always keen to support our early career researchers and 2016 was no exception. We produced a number of activities that were designed specifically for this audience: webinars on how to get published and how to become an associate editor; a publishing workshop at the BES's annual summer school for undergraduates; and a workshop on how to get published at the Annual Meeting. We also held a fascinating debate on the future of peer review at our Annual Meeting, which was recorded and subsequently posted online.

Many of our journal articles received coverage in the international press during 2016, including the BBC, *The Telegraph*, *The Guardian*, *Science*, *Nature* and *The Financial Times*. One article discussing ash dieback published in *Journal of Ecology* by Peter Thomas, "Biological Flora of the British Isles: *Fraxinus excelsior*", resulted in Hazel Norman, the BES Executive Director, being interviewed by the BBC News.

In late 2016, we commissioned a survey of BES authors and reviewers, which had over 2,000 responses. We were pleased to find that overall satisfaction with the submission, publication and review process is high and over 79% of respondents stated they were likely to submit to us again. The team are producing a full report on this survey in early 2017 including any planned improvements to our services as a result of this feedback.

The BES hosted two strategic workshops focused on publications during 2016, one in London in April and one in Oxford in September. Participants included an international selection of Editors, Publications Committee members, Council members, BES President, BES Treasurer and key BES personnel. Progress was monitored on the BES's publications strategic plan and activities planned for the coming 12 months to ensure our journal portfolio continues to develop and grow.

Part of the BES's Strategic Plan is to forge better links between practitioners and academics, and the publications team took part in a number of initiatives during 2016 to help with this objective. We conducted

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a number of one-to-one interviews, focus groups and ran a survey (with around 600 responses) to discover more about the information needs of the practitioner community and how the BES's existing journals or any future products can best meet these needs. This work will continue into 2017.

At the 2016 Annual Meeting in Liverpool, *Methods in Ecology and Evolution* Editor Rob Freckleton, along with several experts with backgrounds in programming and ecology, ran an oversubscribed workshop providing practical discussion of writing and sharing code for research. There were various breakout sessions giving participants practical training in best practice for using code in ecology research, focusing on quality, functionality, robustness and usability. Finally, participants were given the opportunity to input into the development of new guidelines for archiving code for publication, which are currently being developed by the BES journal *Methods in Ecology and Evolution*. We hope to publish these guidelines during 2017.

Last but not least, our Annual Meeting in December also provided an opportunity for *Functional Ecology* to celebrate its 30th anniversary. The journal hosted a well-attended thematic session, ran a competition to win a mini-iPad and held a birthday party complete with cake at our traditional Associate Editor reception. As always, we had a large number of Associate Editors and Editors attending the meeting from overseas and within the UK and this meeting provided an excellent opportunity to thank them in person for their essential role on our journals and discuss future developments with them. A big Thank You to everyone who attended and Happy Anniversary to *Functional Ecology*!

Research - Resources Expended = £0.33M (10% of total)

In 2016 the Society received 345 applications for funding across its main grants portfolio (excluding Training & Travel), and funded 49 projects totalling £308,830.

The majority of our awards went towards funding scientific ecological research projects. We supported small projects with new and innovative ideas, as well as larger projects that aim to help early career ecologists to establish an independent research career in ecology.

We supported ecologists in developing countries through the Ecologists in Africa grant scheme. This scheme recognises that ecologists in Africa face unique challenges in carrying out research and aims to provide them with support to develop their skills, experience, and knowledge base, as well as making connections with ecologists in the developed world.

Finally, funding has also contributed to Outreach grants, which support projects promoting the public engagement of ecology and/or improving skills in science communication.

Training & Travel Grants contributed just over £31,000 to enable 63 PhD students or postgraduate research assistants to present their research at meetings across the world or take part in specialist field training. This included supporting four students from countries that are classed as lower or middle-lower income, to attend and present their work at our Annual Meeting in Liverpool and we would welcome more applications from those countries in the future.

Council's report (continued)

In 2013, Grants Committee recognised the importance of the Committee's activities being transparent and made the decision to make all grant success rates publically available on the BES website. Compared to the 2015 rates, there was a small decrease in the rate for Large Research (16% in 2015 to 14% in 2016) and a larger decrease in success rate for Small Research (21% to 16%), both offset by a doubling in success rate for Outreach (9% in 2015 to 18% in 2016) and an increase in Ecologists in Africa (6 to 8%). Going forward, it will be important for the BES to consider how to monitor and mitigate the impact of decreasing application success rates in the longer term.

2016 Success Rates

Grant Type	Number of applications	Number of awards	Success Rate
Large research	42	6	14%
Small Research	137	22	16%
Outreach	80	14	18%
Ecologists in Africa	86	7	8%

We have awarded a number of prizes to outstanding individuals in recognition of their contribution towards the science of ecology, including our annual Anne Keymer student talk prize and Best Poster Prize at the 2017 Annual Meeting in Liverpool.

We continue to support the Gratis Book Scheme, the aim of which is to provide ecology and conservation 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. This scheme 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 2016, the BES contributed £1,400 enabling 124 books to be dispatched to over 40 countries.

We provide an annual contribution to support scholarships for students from European institutions to attend Tropical Biology Association courses. In 2016, our contribution of £10,000 allowed 21 young biologists from 21 institutions, spanning 12 countries, to attend field courses at Kibale National Park in Uganda and Kirindy Forest in Madagascar.

Meetings - Resources Expended = £0.74M (22% of total)

The exchange of ideas and networking that happens at scientific conferences and field trips are vital ways in which science advances and develops.

In 2016, our Annual Meeting was held at the ACC in Liverpool. It ran from 11 - 14 December and attracted 1,200 delegates from over 43 countries. There were 550 talks spread over the daily 12 parallel sessions, 16 thematic topics, 246 posters and two poster sessions. We were pleased to be able to draw renowned names to present our plenary lectures: Anne Chao gave the BES Lecture, Daniel Pauly the Tansley

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Lecture, Alison Hester encapsulated '12 Months in Ecology' and Hugh Possingham gave the Closing Lecture.

Workshops are now a staple of our meeting programme. We retained the popular extended lunchtime slots for sixteen community-generated workshops over the two full days; those who did not attend workshops were able to use the extra time to network. This year we also ran a popular paid-for half-day Coding workshop alongside our Early Career workshop.

We built on the successes of Edinburgh and paid special attention to the delegate experience – ensuring people felt welcomed, included and represented. It was the second year that we held an LGBT+ evening mixer and a Christian morning mixer, both of which were attended by more people than the previous year (c. 25 each). The feedback from the LGBT+ mixer was that they found the BES progressive, inclusive and welcoming, and encouraged us to continue the mixer; the Christian mixer was similarly positive, having an interesting discussion on Bible interpretation from an international mix of delegates.

After the improvement in attendance following a shift in timing last year, the AGM was programmed to run immediately after Anne Chao's plenary lecture; it was a popular lecture, so attendance figures for the AGM were healthy.

Twitter continued to be the main social media platform. This year we asked SIG secretaries to curate the threads, although this can be challenging with the sheer number of tweets. As usual, Twitter was used to accept questions for our plenary speakers, network and widen participation outside of the meeting venue. Its popularity at our Annual Meetings grows year on year, with the meeting hashtag #BES2016 trending in UK and Europe for the whole three days.

We are consistently aware of our commitment to the wider society, which is why we keep Annual Meeting registration fees competitively priced, always seeking extra revenue through sponsorship and the sale of exhibition space. We ensure the Annual Meeting is great value for everyone, but particularly students, unemployed and retired members, which is why we offer them reduced rates, and additional reductions for anyone who works as a 'helper' for part of the meeting. We continue to develop a raft of events within the Annual Meeting including practical workshops, career development, opportunities to network informally and events for the public; we ran our second BES Science Slam (hosted by local comedian Sam Avery), which was attended by about 100 people in a comedy venue close to the ACC.

We also took the opportunity to publicly thank those who helped us make such a positive impact – our numerous assistant editors, Special Interest Groups leaders and grants Review College volunteers. We thank them for their commitment and enthusiasm in helping us to attain our shared goals.

In addition to our Annual Meeting, we delivered a joint symposium with the Cambridge Conservation Initiative (CCI) on 'Making a Difference in Conservation: Improving the Links between Ecological Research, Policy and Practice', 11 – 13 April, Cambridge, UK, with the hashtag #BEScci. It was organised by Bill Sutherland (University of Cambridge), Nancy Ockendon (University of Cambridge), Stuart Butchart (Birdlife International), Zoe Davies (DICE: Durrell Institute for Conservation and Ecology), Nathalie Pettorelli

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(Zoological Society of London), Peter Brotherton (Natural England) and Juliet Vickery (RSPB). The RSPB, Conservation Evidence, DICE and our Conservation Ecology Special Interest Group sponsored this popular symposium, attracting about 250 delegates.

Our Special Interest Groups provide a valuable source of individual disciplinary accessibility to members and non-members, and deliver events for specific ecological areas. There are currently 17 groups, with an additional three as potential new groups. In 2016, our SIGs organised about 44 events, ranging from a conference on rewilding, a UK-India meeting in India and a Data Integration in R workshop. We subsidise these events and promote them through our various communication channels. However, in line with the desire to achieve cost neutrality, the SIGs have also been encouraged to be cost effective, or raise profit if possible. They have also been more encouraged to be aware of the importance of inclusivity when inviting speakers, which venues they choose and when communicating with their communities.

2.2 Share the excitement and relevance of ecology

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

Resources Expended = £0.23M (7% of total)

Following our 2015 policy strategy review, in 2016 we continued to develop and grow our programme of policy engagement. We communicate the value of ecological knowledge to policymakers and promote evidence-informed solutions, whilst supporting our members to enhance the policy impact of their work.

In 2016, the political context of our work was dominated by the UK's decision to leave the European Union, creating the likelihood of the most substantial changes to our environmental policy framework in a generation and placing British science in a state of profound uncertainty. We have engaged proactively with the challenges and opportunities presented by Brexit to ensure that the voice of the ecological community is heard.

On 21 July 2016, over 400 people attended our second "People, Politics and the Planet: Any Questions?" debate; the first post-referendum opportunity for a public audience to question leading politicians on the future of UK environmental policy post-Brexit. Hosted in partnership with the Royal Geographical Society (with IBG) and the Sibthorp Trust, the debate was chaired by leading broadcaster Jonathan Dimbleby, with panellists including Agriculture Minister George Eustice MP, former Green Party leader Natalie Bennett, and former Shadow Environment Secretary Kerry McCarthy MP. The event was live-streamed to undergraduate students attending our summer school, and the video is available online (<http://www.britishecologicalsociety.org/discussions-people-politics-planet-questions-event/>).

In collaboration with the Zoological Society of London, Wildlife and Countryside Link, the Royal Society of Biology and the Campaign for Science and Engineering, we organised a high-profile public discussion evening on 7 September 2016 titled "Making Brexit work for Ecology and Conservation", focusing on the need to protect and use the UK's world class scientific expertise during Brexit. We were able to raise our concerns with Government when our President and Policy Manager attended a follow-up round table meeting with Robin Walker MP, Minister for Exiting the European Union. We have also ensured that

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ecological science informs Parliamentary debate by engaging with a number of Select Committee inquiries throughout the year. Most significantly, we submitted written evidence to the Environmental Audit Committee's inquiry on the future of the UK's natural environment outside the EU, and were subsequently called to give oral evidence. Sue Hartley, BES President, gave evidence on behalf of the Society, and the Committee's final report incorporated many of our recommendations, including on the evidence base for rewilding and the design of agri-environment schemes.

Supporting members to build their policy engagement skills, gain experience and enhance the impact of their research is central to our work. Our annual Fellowship with the Parliamentary Office of Science and Technology continues to offer early career members a unique policy experience, and our 2016 Fellow published a well-received report on environmental crime. Our Parliamentary Shadowing Scheme was extended to Scotland for the first time, with Roseanna Cunningham MSP, Cabinet Secretary for Environment, Climate Change and Land Reform, hosting a shadow. Following a successful scoping phase in 2016, we will soon be launching a new Policy Fellowship for mid-career members.

Scotland was a hive of activity in 2016, as our Scottish Policy Group (SPG) went from strength to strength. The biannual Scottish Biodiversity Science conference addressed the theme of "Connecting People and Environment", and was preceded by a sold-out policy training day for early career members. For the first time the SPG were invited to present to Scottish Government Staff at Victoria Quay on the latest ecological research, and the outputs of the latest iteration of our "Pie and a Pint" discussion evenings directly informed Scottish Natural Heritage's consultation on the future of protected areas.

Finally, a policy focus was embedded throughout a number of BES events over the course of the year, including the first policy themed day at our Annual Meeting in Liverpool. Most notably, our joint symposium with the Cambridge Conservation Initiative (see the Meetings Section above), brought together delegates from research, policy and practice, with international speakers and a public lecture by former UK Government Chief Scientific Advisor, Sir John Beddington.

2.3 Inspire, engage and recognise talent

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

Resources Expended = £0.27M (8% of total)

The Society supports the ecological education of people of all ages and aims to support ecologists at each stage of their career development through providing advice and opportunities for professional development. The BES supports our members in the development of education and public engagement activities related to their research.

In 2016, the Society continued to extend its support for researchers communicating their science to the public, school groups and others. This support is offered through free to attend training courses, guided support in developing and translating science into activities alongside up to £10,000 funding for those who are delivering regional engagement activities.

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The Society delivered two national public engagement events. The RHS Chelsea Flower Show exhibit focussed on identifying a range of no- bee pollinator species gardeners could plant in their gardens, the estimated foot fall through this exhibit was 12,000. Glastonbury took a series of activities to music festival-goers and was a collaborative event with the James Hutton Institute, OPAL and the University of Lancaster. The estimated footfall through this event was almost 1,000.

The Society hosted its second Summer School, a residential school for 1st and 2nd year undergraduates from across the UK including students from Northern Ireland. A total of 49 Undergraduate students from 37 universities attended the school, which was free to attend and travel bursaries were offered.

Additionally we grew our relationship with In2Science and hosted 10 A-level students from black and other minority ethnicities or lower socio-economic status as part of the above summer school. All school, travel, and some clothing costs were covered for students attending. Students were fully integrated into the science programme and provided with in-depth support and careers mentoring throughout. These students then went onto a celebratory event with students from a broader In2Science programme.

In 2016 we expanded our training support for 30 Early Career researchers to include a grant writing workshop. The event was significantly oversubscribed and feedback from it has led to an increase in provision for 2017.

In the lead up to the Annual Meeting, the Society offered a series of 4 free webinars to support early career scientists in using social media at scientific conferences and how to network at conferences. Additional webinars targeted mid-career scientists managing interdisciplinary careers and those considering applying for associate editor roles. These events were part of a growing career development programme for the annual meeting that includes a low cost careers day, with skills development and networking opportunities.

The Society continued to collaborate with a wide range of societies to deliver careers advice and mentoring for women in science. Mentoring and careers advice is provided through a range of free to attend events and conferences. We continue to provide free, paper-based resources to schools.

During 2016, an Equality and Diversity Working Group was established following the recommendations adopted by BES Council in December 2015. Work completed in 2016 included developing and publishing the Society's equality and diversity policy, developing equality and diversity guidelines for BES Committees, and introducing unconscious bias training for staff and volunteers. The Working Group will develop a range of initiatives in 2017 including supporting those with disabilities.

2.4 Build a sustainable, resilient and efficient Society

We have a duty to ensure the long-term viability of the Society. During 2009 BES Council co-invested in Charles Darwin House to provide new office space for the Society, shared with several other organisations with complimentary aims (i.e. the Society for Experimental Biology). A second building close by was purchased in 2013 and the two buildings together diversify income streams to increase the financial resilience of the BES.

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In 2016 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 in the near future, 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. Half way through 2016 a Fundraising and Development Manager was appointed following the implementation of the sustainable fundraising strategy accepted by BES Council. The Society has developed a set of fundraising guidelines that comply with the new advice provided by the Charity Commission and has started to develop various initiatives, which will start to raise funds in 2017.

During 2016 the BES embarked on a quality assurance programme called PQASSO, which has been specifically developed for the voluntary sector. The self-assessment process is being carried out by a working group comprising trustees and staff, and covers a wide range of activities from HR and finance to governance and external communications. The work will be completed in 2017 and will ensure that the Society meets the standards of good practice across all its activities.

2.4.1 Financial Management and Control

During the year the 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 Board considers quarterly management accounts at its meetings through the year, with a narrative provided by the Honorary Treasurer and Executive Director, as appropriate. The narrative focuses on reasons for variation against budget. During 2016 the Finance Board agreed to improve the format of the management accounts by introducing year to date as well as full year actual and budget figures. The quarterly 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 Council at its meeting in December.

The BES has a set of Financial Regulations, which must be followed. These Regulations are reviewed annually by the Finance Board and a significant update occurred during 2016 including changes to the way in which payments are authorised, and placing orders for goods and services, ensuring the BES is following current good practice.

In 2016 £0.34M (10% of resources expended) was given away in grants. This substantive sum requires careful management by the Society. 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 there are sufficient funds available.

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2.4.2 Investment Policy and Performance

The listed investments held by the BES and managed by Barclays Wealth were worth £5.3M in 2016 and their performance is in-line with appropriate benchmarks. The investment managers produce a quarterly summary of performance for the Honorary Treasurer and Executive Director. The investment managers attend one meeting of the Finance Board a year to discuss performance and general strategy. Day to day investment decisions are delegated to Barclays Wealth in accordance with the agreed mandate. The BES has spread its risk as far as practicable by part owning its headquarters building and holding some of its reserves in long-term deposit accounts as well as in equities, bonds and trust funds.

We have continued to use the services of the Ethical Investment Research Service (EIRIS) 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 a more objective and consistent basis for excluding companies. Full details are available from the Honorary Treasurer or the BES Office. A policy of this sort is consistent with the ethos of the BES and is important to maintaining the support of members and the wider ecological research community.

2.4.3 Financial Performance

The accounts show a surplus of £0.48M (surplus of £0.55M in 2015) before net gains on investments of £0.51M (gains of £0.02M in 2015). Total funds of the Society were £9.6M at the end of 2016 (£8.6M at the end of 2015).

2.4.4 Reserves Policy

The Society holds reserves for three purposes.

The first is to act as a buffer against uncertainties over future journal publishing income and generate income for its operational needs. This is held as an expendable endowment and stands at £5.5M (£5.0M in 2015). Continuing concern over the stability of academic publishing pricing models suggests that there is significant insecurity over this very significant source of income for the Society. In addition, the Society has a high level of commitment to its current expenditure levels in the short and medium term. Significant uncertainty over most of the income combined with a high commitment to expenditure represents a major risk to the organisation. The Society is using the expendable endowment fund to gradually accumulate reserves so as to provide greater long-term stability without affecting its day-to-day activities. It is the Trustees' intention to build this and other designated funds for this purpose to approximately £10M. The income from this sum will help to mitigate the possible future decline in publishing income, allowing the Society to continue its work, and provide funds to invest in future income-generating projects. It also enables the Society to take a planned approach to reducing expenditure should income levels drop significantly.

The second purpose for holding reserves is to set aside funds for specific major projects. The 2015 – 2019 Strategic Plan includes significant investment in activities across the Society (e.g., an expansion of the

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publishing portfolio). Returns on investments held by the Society will be required to part fund a number of the new activities contained in the Strategic Plan.

The third is to ensure that the BES can meet its operational needs and working capital requirements (the free reserve). The general funds are currently £1.4M and represent approximately 5.8 months operating costs, excluding third party operating costs and grants. The Society aims to hold between 3 and 6 months operating costs as free reserves.

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, and as such it is not available to meet the general running costs of the Society.

The level of reserves and the Society's financial strategy is regularly reviewed and monitored by the Trustees. The reserves policy is reviewed annually at the Finance Board meeting in September and any recommended changes are considered by Council in December of that year.

2.4.5 Principal Risks and Uncertainties

The BES has a risk register. It is reviewed in detail each spring by the BES Committees and then approved by Council in June. 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.

Some of the major risk areas are: **A major loss in income from journals** resulting from a change in publication models or a decrease in impact factor. Income from journals is a very significant proportion of the Society's funds. There is continued uncertainty regarding publications models and the timeframe in which this might happen. This risk is being mitigated in a variety of ways. We have 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 Head of Publishing to deliver effective and efficient journal management and to ensure that the Society keeps abreast of the latest developments in journal publishing. We diversified our journals' portfolio to include an Open Access journal, *Ecology and Evolution*, by partnering with Wiley. This brings very useful expertise and understanding into the BES on how to run an Open Access title. Each journal has a strategic plan identifying ways in which it can increase its reputation and standing. In addition, in 2014, we developed a detailed publications strategy closely aligned with the Society's overall strategic plan that provides a long term vision of growth and development for the journals' portfolio. This strategy is reviewed annually.

A failure to diversify income sources: Publications make up 83% of the Society's income. To mitigate the risk of a fall in publishing income we not only invest in our publications but we have started to take steps to diversify our income streams. In 2016 we recruited and employed a Fundraising and Development Manager to help achieve our objective of doubling non-publications between 2015 and 2019. Our investment portfolio produces a significant return each year and Charles Darwin House 2 also provides rental income.

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A sustained decline in membership: The Society's Membership Committee receives regular reporting on membership numbers and trends. Council regularly discusses the role of learned societies such as the BES in the 21st century and reviews the activities of the organization to ensure we provide excellent services that are wanted and needed by the ecological community. The BES continues to work on the challenge of recruiting new members and turning them into long-term supporters of the Society. A decline in membership is important for reputation and representational reasons, not financial ones.

2.4.6 Fundraising Policy

During 2016 the BES developed its framework for fundraising by developing a fundraising policy following the Charity Commission's CC20 "*Charity Fundraising: A Guide to trustee duties*".

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

The purchase a new office for the Society in 2009 offered an unprecedented opportunity for the Society to lead the way with regards to reducing our environmental impact. Discussions with the other learned organisations lead to agreement that we should aim for a BREEAM rating of Excellent, the second highest possible rating and a tough objective for a building designed and built in 1959. BREEAM is a method of calculating the environmental impact of a building. The aim of achieving the BREEAM Excellent rating was made fundamental to the refurbishment project and had a major influence on decisions ranging from how to run recycling onsite during the demolition stage through to the choice of mechanical and engineering solutions, selection of the final fixtures and fittings, and the development of a staff transport plan. We were delighted to achieve a BREEAM Excellent rating in 2010. The refurbishment of the second building represents the same opportunity and we are again achieved a BREEAM Excellent rating.

The move to Charles Darwin House has created a new base line for resource consumption from 2010 onwards, although the increase in occupancy of the office floors to rent during 2010 and into 2011, the second phase of construction in 2010, the significant increase in the use of the conference suite over this time period and a significant increase in the number of staff working at CDH in have influenced electricity consumption. The drop in energy use in 2015 and through 2016 is most likely a result of a decrease in the number of people working in CDH1 as tenants moved to the new CDH2 building during the year.

Year	Energy Consumption at CDH1
2010	391,352 kWh
2011	372,939 kWh
2012	394,633 kWh
2013	407,474 kWh
2014	441,169 kWh
2015	414,437 kWh
2016	383,667 kWh

4 FUTURE DEVELOPMENTS

Details of some of the wide range of activities planned for 2017 are given under the headings of the Society's principal aims. The 2015 – 2019 Strategic Plan has provided an exciting and challenging framework for our activities as the Society moves into its second century. As we approach the mid-point of that strategy we will be spending some time looking at it again to make sure that our strategic objectives are still relevant and appropriate given the changing environment we operate in. During 2017 we will continue to look at the potential for expansion of our publishing portfolio with plans to launch a new service, Applied Ecological Resources, and to develop proposals for other new titles. We will be extending our international activities with our Joint Annual Meeting in Ghent, Belgium alongside the Gesellschaft für Ökologie and NecoV in association with the European Ecological Federation. We will be developing our support for mid-career ecologists by expanding our successful grant-writing retreat. The challenges and opportunities presented by Brexit will be a significant strand of work for the policy team and we will be organising two Symposia meetings. We will continue to develop our equality and diversity work to ensure that ecology is open and welcoming to people for diverse backgrounds. In 2017 we will be reviewing our governance structures to make sure they provide the right framework for the Society's activities.

The BES is planning a range of activities and events during 2017 so that we continue to make progress towards our vision of a world inspired, informed and influenced 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.

Council is the supreme governing body of the BES. Council 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 Meetings Committee, Chair of the Publications Committee, Chair of the Policy Committee, and 12 Ordinary Members. Council 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

The British Ecological Society

Council's report (continued)

Members is open to the whole membership. All members of Council 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 nine committees that report to Council. These committees cover specific areas of work such as education, meetings, publications, finance etc., and comprise Council members and, in most cases, ordinary members drawn from the Society's members.

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.

The 2015 – 2019 strategic plan for the Society provides an exciting and challenging framework for the Society's activities as it moves into its second century.

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 Council

C Banks-Leite	Appointed December 2016
R Bardgett	Appointed December 2016
P Brotherton	
Y Buckley	
Z Davies	
M Eichhorn	
T Ezard	Appointed December 2016
W Gosling	
Diana Gilbert	
A Gray	Resigned December 2016
R Hails	
S Hartley	
Jane Hill	
Nina Hautekèete	
O Lewis	Resigned December 2016
M O'Callaghan	Resigned December 2016
A Pullin	
D Purves	Resigned December 2016
H Roy	Appointed December 2016
E Sayer	Resigned December 2016
Dawn Scott	
I Stott	
W Sutherland	Resigned December 2016
P Thomas	Appointed December 2016
L Turnbull	
A Vanbergen	
J Vickery	

The British Ecological Society

Council's report (continued)

Executive Director

H Norman

Principal address

Charles Darwin House
12 Roger Street
London WC1N 2JU

Auditors

haysmacintyre
26 Red Lion Square
London
WC1R 4AG

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

Office bearers

President	S Hartley	
President Elect	Richard Bardgett	Appointed December 2016
Vice President	R Hails	
Vice President	A Pullin	
Hon. Secretary	A Vanbergen	
Hon. Treasurer	T Ezard	Appointed December 2016

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

Finance Board	T Ezard
Management Board	S Hartley
Education & Careers Committee	W Gosling
Grants Committee	R Hails
Meetings Committee	Z Davies
Membership Committee	A Pullin
Personnel Committee	A Vanbergen
Policy Committee	J Vickery
Publications Committee	J Hill

7 COUNCIL'S RESPONSIBILITIES

The Council 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 Council to prepare financial statements for each financial year. Under that law the Council have 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 Council are 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 Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the British Ecological Society (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
- 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.

8 AUDITORS

During the year the BES appointed haysmacintyre as auditors.

This report was approved by the Council on 21 June 2017.



Professor Susan Hartley
Member of the Council

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

We have audited the financial statements of British Ecological Society for the year ended 31 December 2016, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash flow Statement and the related notes. 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).

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 its Members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2016 and of the charitable company's net movement in funds including its 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.

Opinion 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' Annual Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

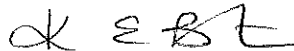
In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' report).

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

Matters on which we are required to report by exception

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

- ²¹ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ²² the financial statements are not in agreement with the accounting records and returns; or
- ²³ certain disclosures of Trustees' remuneration specified by law are not made; or
- ²⁴ we have not received all the information and explanations we require for our audit; or
- ²⁵ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Kathryn Burton, Senior Statutory Auditor
for & on behalf of haysmacintyre
Statutory Auditors

26 Red Lion Square
London
WC1R 4AG

Date: 21 June 2017

The British Ecological Society

Statement of financial activities Incorporating the income and expenditure account For the year ended 31 December 2016

	Notes	Unrestricted £'000	Restricted £'000	Expendable Endowment £'000	2016 £'000	2015 £'000
Income from						
<i>Donations & Legacies</i>		-	5	-	5	10
<i>Other Trading Activities</i>						
Investment income	2	13	-	115	128	131
Other income		53	-	-	53	10
		<u>66</u>	<u>5</u>	<u>115</u>	<u>186</u>	<u>151</u>
<i>Income from charitable activities</i>						
Publications		3,205	-	-	3,205	2,946
Income from conferences		421	-	-	421	368
Subscriptions		106	-	-	106	130
		<u>3,798</u>	<u>5</u>	<u>115</u>	<u>3,918</u>	<u>3,595</u>
Total income						
Expenditure						
Expenditure on raising funds						
Investment management fees		4	-	38	42	6
<i>Expenditure on charitable activities</i>						
Publications		1,551	-	-	1,551	1,464
Meetings		742	-	-	742	592
Research		331	-	-	331	266
Education		267	-	-	267	255
Policy		227	5	-	232	206
Bulletin and other services		279	-	-	279	256
		<u>3,401</u>	<u>5</u>	<u>38</u>	<u>3,444</u>	<u>3,045</u>
Total expenditure	3					
Net income before gains on investment		397	-	77	474	550
Net gains on investments	9	51	-	458	509	20
Net movement in funds in year		<u>448</u>	<u>-</u>	<u>535</u>	<u>983</u>	<u>570</u>
Fund balance brought forward		3,592	2	5,000	8,594	8,024
Fund balances carried forward	13	<u>4,040</u>	<u>2</u>	<u>5,535</u>	<u>9,577</u>	<u>8,594</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 2016

	Notes	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	8	2,652	2,704
Investments	9	6,114	5,556
		<u>8,766</u>	<u>8,260</u>
Current assets			
Debtors	11	935	665
Cash on deposit and in hand		315	154
		<u>1,250</u>	<u>819</u>
Creditors: amounts falling due within one year	12	(439)	(485)
		<u>811</u>	<u>334</u>
Net current assets			
		<u>9,577</u>	<u>8,594</u>
Net assets			
Represented by			
Unrestricted funds			
General fund		1,388	888
Designated - Tangible fixed assets fund		2,652	2,704
		<u>4,040</u>	<u>3,592</u>
Restricted fund		2	2
Expendable Endowment fund		5,535	5,000
	13	<u>9,577</u>	<u>8,594</u>

Included in the above reserves are unrealised gains of £789,842 (2015 gains £333,326).

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

The accounts on pages 21 to 35 were approved and authorised for issue by the Council on 21 June 2017 and signed on its behalf by

S. E. Hartley

Professor Susan Hartley
Member of the Council

The British Ecological Society

Statement of Cashflows

For the year ended 31 December 2016

	2016	2015
	£'000	£'000
Cash flow from operating activities		
Net (expenditure)/income	983	570
Adjustments for:		
Interest income	(128)	(131)
Depreciation	76	64
(Increase)/Decrease in debtors	(270)	(24)
(Decrease)/Increase in creditors	(46)	(5)
Net cash provided by/(used in) operating activities	615	474
Cash flow from investing activities		
Purchase of tangible fixed assets	(24)	(306)
Investment income – bank interest	128	131
Purchase of investments	(2,327)	(1,359)
Disposal of investments	2,278	713
Gain/(Losses) on investments	(509)	(20)
Net cash (used in) investing activities	(454)	(841)
Change in cash and cash equivalents in the year	161	(367)
Cash and cash equivalents at the beginning of the year	154	521
Cash and cash equivalents at the end of the year	315	154

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

Notes to the accounts

For the year ended 31 December 2016

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 basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. 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 administration and compliance with constitutional and statutory requirements. Support costs are allocated on the basis of time spent on each activity.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

1 Accounting policies (continued)

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

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 property - 2% per annum on cost

Furniture, fixtures and equipment - 33% 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 2016

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 Council 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 Council 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

Judgements made by the Trustee, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are deemed to be in relation to the valuation of investments and are discussed above.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

2 Investment income

	2016 £'000	2015 £'000
Income from listed investments	123	110
Interest receivable	5	21
	<u>128</u>	<u>131</u>

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

3 Analysis of total resources expended

	Direct Staff Costs £'000	Other Direct Costs £'000	Support Costs £'000	TOTAL 2016 £'000	TOTAL 2015 £'000
Cost of Generating Income	38	4	-	42	6
Bulletin & Other services	98	40	141	279	256
Publications	396	941	214	1,551	1,464
Meetings	81	599	62	742	592
Research	19	302	10	331	266
Education	101	94	72	267	255
Policy	99	67	66	232	206
	<u>832</u>	<u>2,047</u>	<u>565</u>	<u>3,444</u>	<u>3,045</u>
Support Costs				2016 £'000	2015 £'000
Governance Costs					
Governance staff costs				8	8
Audit Fee				<u>9</u>	<u>6</u>
				17	14
Other Support Costs					
Support staff costs				53	46
Non salary staff costs				55	36
Property				63	58
IT costs				57	25
Venue Costs				9	8
Publicity				15	15
Fees / Affiliations				47	48
Office running costs				37	41
Depreciation				76	64
Bulletin				68	78
Outsourced finance & payroll				32	29
Legal & Consultancy				9	14
Website				-	2
Bank charges				<u>27</u>	<u>36</u>
				565	514

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

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

4 Grants

Grant commitments are as follows:

	2016 £'000	2015 £'000
Grant commitments at 1 January	125	235
Awards made during year	343	282
Payments made during the year	(279)	(392)
Grant commitments at 31 December	<u>189</u>	<u>125</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.

5 Net incoming resources

is stated after charging:

	2016 £'000	2015 £'000
Depreciation	76	65
Auditor's remuneration - audit services	<u>9</u>	<u>6</u>

Other than disclosed in note 15 members of Council did not receive any remuneration during the year. Expenses reimbursed to 13 (2015: 15) Members of Council in the year equalled £9,731 (2015: £10,588).

6 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.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

7 Employees

The actual number of employees during the year was 21.1 (2015: 20.4)

	2016	2015
Membership	1.5	1.5
Publishing	10.2	9.6
Conferences / Meetings	2.0	2.0
Research	0.4	0.4
Education	2.5	2.5
Policy	3.2	3.5
Governance	1.3	0.9
	<u>21.1</u>	<u>20.4</u>
	£'000	£'000
Staff costs during the year amounted to:		
Wages and salaries	749	684
Social security costs	77	72
Employer's pension contributions	45	42
Redundancy	22	-
	<u>893</u>	<u>798</u>

One (2015: one) employee earned £70,000-£79,999 during the year. The employer's pension contributions in respect of this employee during the year was £5,875.

The aggregate benefits including pension contributions of the key management personnel were £262,234 (2015: £248,555), the trustees were not remunerated for services to the charity.

During the year settlement agreements were paid of £21,854 (2015: £nil).

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

8 Tangible fixed assets

Charity	Freehold property £'000	Furniture, fixtures and equipment £'000	Total £'000
Cost			
1 January 2016	2,888	97	2,985
Additions	17	7	24
31 December 2016	2,905	104	3,009
Depreciation			
1 January 2016	208	73	281
Charge for the year	58	18	76
31 December 2016	266	91	357
Net book value			
31 December 2016	2,639	13	2,652
31 December 2015	2,680	24	2,704

During 2009 the charity purchased a part share (36.1%) in the freehold 12 Roger Street as its new headquarters. It shares the ownership of the building with other biological focused charities and the property is held by a nominee company on trust for the Co-owners as tenants in common.

During 2011 the charity had disposed of 6.1% of the freehold in 12 Roger Street to the Society of Biology in accordance with the original plan to share the ownership of the building with other biological focused charities. This transaction resulted in a gain on disposal of £69,498.

During 2013 the Charity completed the purchase of a part share (21.1%) in the freehold property of 107 Grays Inn Road. As part of this transaction the Charity disposed of a part share of its interest in 12 Roger Street, reducing its interest in that property from 30% to 21.1%. It shares the ownership of the buildings with other biological focused charities and the property is held by Charles Darwin House Limited on trust for the Co-owners. This transaction resulted in a gain on disposal of £95,963.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

9 Investments

	2016	2015
	£'000	£'000
Market value 1 January 2016	5,556	4,890
Additions	2,327	1,359
Disposals proceeds	(1,176)	(507)
Net investment gain	509	20
Movement in deposits	(1,102)	(206)
Market value 31 December 2016	6,114	5,556
Historical cost at 31 December 2016	5,325	5,223
Accumulated unrealised gains based on historic cost at 31 December 2016	789	333
Realised gain in year based on historic cost	456	31
Represented by:		
UK equity shares	1,616	1,448
Overseas equities	2,708	1,414
UK fixed interest	318	250
Overseas fixed interest	196	182
UK Other	371	272
Overseas Other	117	100
Market value of listed investments	5,326	3,666
Investment in associated undertaking	-	-
Investment in subsidiary undertaking	-	-
Amounts held in cash	788	1,890
Total	6,114	5,556

10 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 2016 the Share Capital and net assets of BES Trading Company Limited amounted to £2 - (2014 £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%.

At 30 June 2016 the net assets according to the financial statements were £1,000.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

10 Subsidiary undertakings (continued)

	2016 £'000	2015 £'000
Income and Expenditure:		
Turnover	-	-
Cost of sales	-	-
Gross profit	-	-
Interest Received	-	-
Net result	-	-
Balance Sheet:		
Net Assets	-	-

11 Debtors

	2016 £'000	2015 £'000
Trade debtors	554	475
Other debtors	14	49
Prepayments and accrued income	326	133
VAT Refund	41	8
	<u>935</u>	<u>665</u>

12 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	151	268
Social security & other taxes	24	21
Other creditors	2	6
Accruals and deferred income	73	65
Grants payable (note 4)	189	125
	<u>439</u>	<u>485</u>

Movement in deferred income

	2016 £	2015 £
As at 1 January 2016	30	35
Released in year	(30)	(35)
Deferred in year	40	30
As at 31 December 2016	<u>40</u>	<u>30</u>

Notes to the accounts (continued)

For the year ended 31 December 2016

13 Movement in Funds

2016

	Fund balances brought forward 1/1/2016 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2016 £'000
Restricted						
Alex S Watt Breckland Research Trust	2	-	-	-	-	2
Policy Assistant Fund	-	5	(5)	-	-	-
Total restricted funds	2	5	(5)	-	-	2
Unrestricted funds						
General	888	3,798	(3,400)	50	52	1,388
Tangible fixed asset fund	2,704	-	-	-	(52)	2,652
Total unrestricted funds	3,592	3,798	(3,400)	50	-	4,040
Expendable Endowment Funds	5,000	115	(38)	458	-	5,535
Total Funds	8,594	3,918	(3,443)	508	-	9,577

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 Council to meet future expenditure. A transfer is made each year to reflect the change in net book value.				
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The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

13 Movement in Funds (continued)

Restricted

Restricted funds of £1,985 at 31 December 2016 are represented by cash on deposit (2015 - £1,985).

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|--------------------------------------|---|
| 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. |

The Society holds €33,580 (2015 €36,996) on behalf of the European Ecological Foundation. This balance does not form part of these accounts.

Endowment

Expendable endowment funds of £5,535k at 31 December 2016 are represented by investment (2015 - £5,000k).

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|---------------------------|--|
| Expendable Endowment fund | - Represents the value of investments that the Trustees believe they need to hold, to protect income in the longer term, in order to ensure that the society can carry out its mission and thrive. The Trustees believe the fund should be £10,000,000 in order to provide sufficient long-term income. This is because most of the society's income is from academic publishing, the profitability of which is widely expected to begin to decline significantly within the next few years. The society has just begun formal long-term financial modelling to assess the balance of income expenditure against the risk of future income declines. |
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The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

13 Movement in Funds (continued)

2015

	Fund balances brought forward 1/1/2015 £'000	Income £'000	Expenditure £'000	Net gains on Investment Assets £'000	Transfers £'000	Fund Balances Carried Forward 31/12/2015 £'000
Restricted						
Alex S Watt Breckland Research Trust	2	-	-	-	-	2
Policy Assistant Fund	-	10	(10)	-	-	-
Total restricted funds	2	10	(10)	-	-	2
Unrestricted funds						
General	560	3,585	(3,035)	20	(242)	888
Tangible fixed asset fund	2,462	-	-	-	242	2,704
Total unrestricted funds	3,022	3,585	(3,035)	20	-	3,592
Expendable Endowment Fund	5,000	-	-	-	-	5,000
Total Funds	8,024	3,595	(3,045)	20	-	8,594

Restricted Income in the year to 31 December 2015 of £10,000 relates to donations and legacies. Expenditure of £10,000 was in relation to Policy.

The British Ecological Society

Notes to the accounts (continued)

For the year ended 31 December 2016

14 Analysis of net assets between funds

2016	General £'000	Designated £'000	Restricted £'000	Endowment £'000	2016 Total £'000	2015 Total £'000
Tangible assets	-	2,652	-	-	2,652	2,704
Investments	579	-	-	5,535	6,114	5,556
Net current assets / liabilities	809	-	2	-	811	334
Net assets	1,388	2,652	2	5,535	9,577	8,594

15 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.

Emma Sayer – the existing assistant editor of the *Bulletin*, was appointed as a trustee in the prior year. She continued to be paid at the fixed rate and has received £3,730 (2015 £1,513) in the year. She has received no remuneration in her capacity as a trustee.

16 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.

