

**BIOCHEMICAL**  
SOCIETY

# **Trustees' Report and Accounts for the year ended 31 December 2020**

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## OUR MISSION

The Biochemical Society exists for the advancement of the molecular biosciences. Together with our publishing subsidiary Portland Press, the Group promotes and facilitates the sharing of knowledge and expertise, supporting the advancement of biochemistry and molecular biology, and raising awareness of their importance in addressing societal grand challenges.

## PUBLIC BENEFIT STATEMENT

The Biochemical Society promotes the advancement of the molecular biosciences. The Society's activities support the development of individual and collective understanding of biochemistry through dissemination of research and the provision of resources and activities to support the education of students, researchers and the general public. The molecular biosciences impact on many areas of science including biotechnology, agriculture and medicine, helping to play a key role in tackling global issues such as improving lifelong health, treatment of disease, biotechnology and food security.

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 "Charities and Public Benefit".

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**Charity registered number:** 253894

**Company number:** 00892796

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**Company number:** 02453983

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## FOREWORD FROM OUR PRESIDENT AND CHIEF EXECUTIVE

2020 was a year in which both The Biochemical Society and its wholly owned subsidiary, Portland Press, worked through significant changes and challenges, not least those posed by the COVID-19 pandemic. We are proud of the way in which all those involved with the Group took positive action developing new ways of working and offering support and services to our community that place us in a strong position as we move through the final year of the current Group strategy.

The events of the past year highlighted the importance of having a reliable and adaptive infrastructure to underpin the Society's work, and our previous investment in a transition to cloud technologies came to early fruition as staff moved to remote working prior to the UK's first lockdown in March and were able to continue providing the Society's activities as far as was possible. We successfully moved our entire governance process online, holding all committee and Trustee meetings virtually, including our AGM in July 2020, which was our most highly attended AGM to date.

Alongside the move of our staff and governance functions online, our events and training teams transformed our planned events agenda into a fully operational online offering within 3 months of entering lockdown. As a result, we were able to deliver a brand-new 'Biochemistry Focus' series of 22 webinars, and pivot four of our original training courses, each of which were held twice, to an online setting. The webinar series saw the Group achieving twice its previous number of registered delegates for face-to-face events, and the online training courses saw an increase of 144% in delegate numbers, demonstrating the demand for such offerings. We were also able to increase our global reach by operating all events and training online, and the webinar series remains available to view [online](#).

We are delighted with the success of our online events and training programme and will be taking forward the lessons we have learned from its delivery into the year ahead, adopting a more 'hybrid' approach; however, there were inevitable challenges presented by the lack of face-to-face contact. We saw the impact of this on our general travel and sponsored events grants, as, understandably, the need for these was dramatically reduced and many planned events were postponed. However, as we have done in all areas of our work over the past year, we have looked to innovate, change, and find new solutions to support our community. This has seen a decision made early in 2021 to introduce temporary changes to our General Travel Grants, which will allow us to offer the widest possible support to our community within a constantly evolving working environment.

As a member organization we work to represent and support our community, understanding what matters to them. This became critical last year, as laboratories, schools and universities were forced to close, and bioscience subjects made headline news. Our community survey, launched in April 2020, with a second iteration in October 2020, allowed us to identify areas particularly impacted by the pandemic and it was clear that Early Career Researchers (ECRs) were significantly affected.

We wanted to address this, and so introduced an ECR-focused webinar series, and an invitation to ECRs to submit their work to *Biochemical Society Transactions*, a journal that otherwise commissions articles. We also introduced a pilot ECR Editorial Board Mentorship Scheme, established to mentor ECRs through all aspects of journal Editorial Board roles. We will

continue to look at ways in which we can strengthen provisions for ECRs and offer support to this cohort of our community as widely as possible in the year ahead.

Our wholly owned subsidiary, Portland Press, continued to operate proactively throughout 2020, delivering one of our most significant collaborations with 54 institutions signed up to our pilot transformative *Read & Publish* offerings, an initiative which is central to the Group's transition to a more open scholarly landscape. This transformative offering provides 'read' access to institutional subscribers and their scholars, as well as the opportunity for unlimited open access publishing with no article publishing charges.

2020 saw the number of open access publications exceed 1,000 for the first time, with 10% of this content published without per-article charges under a *Read & Publish* route, another first for the Group. As a result of these positive developments, the Group has commenced a sustainable transition to open access; over 9% of what was purely subscriptions income in 2019 has now been transitioned in 2020 to support both open access publishing as well as subscriptions to paywalled content under a transformative *Read & Publish* deal.

The year was not without its challenges for our publishing team, with a series of articles within *Bioscience Reports* tracked back to paper mills, a phenomenon that widely affected the scientific publishing sector in 2020. Portland Press took rapid and proactive measures to address this issue, maintaining transparency throughout the process of retractions and the publishing of 'expressions of concern'. We now have a new series of enhanced checks in place to avoid this issue in future, with over 600 papers since rejected through the peer review process as a result.

Collaboration was once again a focus for us as we worked through an unprecedented year. Following the publication of a [themed collection of content](#), in June 2020 our '[ACE2: Friend or Foe](#)' webinar brought together Editorial Board members, authors from our Clinical Science journal and speakers, (who were Guest Editors of the themed collection). The Society is also working with six other learned societies as part of the "COVID-19 vaccines and the role of public information group", bringing together expertise and resources from across our various communities on this subject. Work with the Royal Society of Biology (RSB) continued, providing community feedback for consultations, and participating in events such as Voice of the Future and the Policy Lates series. We were pleased to sponsor the Bronze Award at the STEM for Britain event and to be able to support the Voice of Young Science initiative.

One area where we recognized the need for improvement is that of Diversity & Inclusion. On the back of issues raised by the Black Lives Matter movement we accelerated our planned equality, diversity, and inclusion activities, setting up an Equality, Diversity, and Inclusion (EDI) Advisory Panel in the latter half of 2020. The Panel is working to introduce a new data policy that will allow us to improve understanding of our community, including the areas where we can best focus our future activities and support, and we have committed to placing EDI at the heart of all strategic and operational decisions taken by the Group going forward.

This year has shown us the strength and resilience of the bioscience community and we are proud to have played a part in representing those at the forefront of current global challenges. We have demonstrated that the Group can be agile and adapt quickly, delivering valued support and services for our community. We thank our Trustees, Members of PPL Board, Local Ambassadors, Editorial Board members, Society members, peer reviewers, authors, partner organizations and staff team for their continued commitment and support of our work.



**Professor Sir Pete Downes**  
**President, Biochemical Society**



**Kate Baillie**  
**CEO, Biochemical Society**  
**Managing Director, Portland Press Limited**

## OUR RESPONSE TO THE COVID-19 PANDEMIC

2020 was an extraordinary year. The challenges presented by the pandemic saw the Group move to new ways of working, pursuing innovative opportunities to engage and support our community, and providing stability and safety to our staff. Throughout this report, we detail the key strategic and operational decisions made by the Society as a reaction to the pandemic, and highlight innovations and adaptations made to ensure the continued stability of our core activities.

As a signatory to the [Wellcome statement on COVID-19 research/data sharing](#) the Group made previously published COVID-related content in the Society's journals free to access from 31 January, the day after the [World Health Organization denoted COVID-19 a public health emergency](#) of international concern. This commitment to share content related to the pandemic also meant papers published after 31 January were published fully open access (OA) at no cost to the authors, with the [Portland Press coronavirus collection](#) receiving 26,472 full-text views in 2020.

The Trustees of the Society were proactive in making decisions around the Society's activities and for the staff team. As soon as the pandemic reached the UK and subsequent lockdowns were in place, the Group announced that, with immediate effect, the Society's programme of events would be postponed or cancelled where necessary. This meant that no in-person scientific meetings were held in 2020. Whilst it was necessary to postpone our face-to-face scientific meetings and training events, we adapted our programme to deliver a brand-new series of [Biochemistry Focus webinars](#) to support the needs of the bioscience community. In addition, one event planned for late in 2020 was converted to run as an online meeting and technologies were scoped and put in place to ensure delivery of 11 live online scientific events and a further 2 hybrid events in 2021, all of which have now taken place. These activities were strengthened with the continued delivery, during 2020, of our online training courses.

All staff began working remotely from 16 March 2020 and the robust cloud infrastructure already in place allowed us to facilitate a successful shift to remote working of both staff and the Society's governance.

We capitalized on working with our networks to see how we could best coordinate our efforts during this period, including liaising with partners across the life sciences and sharing research on the coronavirus itself. A [COVID-19 hub](#) was developed on the Society's website to bring together relevant information, volunteering opportunities, and useful links. This achieved ~5K unique page views<sup>1</sup> in 2020.

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<sup>1</sup> A pageview is defined as a view of a page on a site that is being tracked by the Analytics tracking code. If a user clicks reload after reaching the page, this is counted as an additional pageview. If a user navigates to a different page and then returns to the original page, a second pageview is recorded as well. A unique pageview, aggregates pageviews that are generated by the same user during the same session. A unique pageview represents the number of sessions during which that page was viewed one or more times.

It soon became clear that Researchers were being significantly impacted by the pandemic and, in April, the Society launched a community survey to establish effects on the molecular biology sector. A follow-up survey was sent in October to identify related trends and the resulting evolving needs of the community.

To further support the research community, Portland Press suspended its paywalls on all content published across the Society's seven journals from 21 April to 4 August. This meant access to articles was available to all, combatting potential difficulty in accessing subscription content outside university/institution sites, across the globe. This ensured that everyone had access to our published research and review content, whether they were researching the pandemic itself, related conditions, underlying pathways and therapeutics, or continuing research in other fields.

Moving all Council, committee and panel meetings online ensured stable and continuous governance was in place across the Group. This included the Trustees' Strategy Retreat in November which focused on realigning our strategic objectives for 2021 and beyond.

Stemming from the strategy meeting of Trustees in November 2020:

- With greater emphasis on digital delivery and interaction, the Group will invest more in this area and is expected to focus on a 'Digital Transformation' in response to the new environment. Combining this with the removal of geographical limitations, and the inclusive and affordable nature that online events bring, will allow us to continue developing new and innovative activities.
- Making the most of our flexibility around premises and embracing adaptability and flexibility in step with the landscape, the Council of Trustees has agreed that the staff team will remain working remotely for a 2-year trial basis with the introduction of all-staff meetings once every other month which commenced in October 2021, together with optional serviced office hot desks for staff who would prefer to work in an office setting. An initial review will take place six months from the commencement of all-staff meetings, most likely in March 2022.
- With the reduction in face-to-face activities, we will continue to review our approach in the areas of grants, training, education, policy and public engagement to see how we can adapt our resources to provide the best possible support and continue to provide public benefit. For example, as the impact of lockdown continues into 2021, temporary changes to the rules related to applications for our General Travel Grants scheme are being introduced, reducing pre-existing restrictions on successive applications.
- The interim online provision for Summer Vacation Studentships (as we are not able to hold these face-to-face in 2021), has been sculpted using existing Society training courses that can be delivered online (R for Biochemists 101 and Practical Python for Beginners), and will bring together careers information from across the Group, including careers-related webinars and the 'Day in the Life of...' articles published in *The Biochemist* magazine.
- We will give greater focus to maximizing synergies across the Group, further capitalizing on collaboration between functional teams within the Society as well as with other societies, organizations and partners for the shared benefit of our communities. Examples of these approaches include:



- The [ACE2: Friend or Foe webinar](#) that sprang from a themed collection in our *Clinical Science* journal where the speakers' panel for the event were Guest Editors of the [ACE2 collection of content](#); and
- The Society is part of the “COVID-19 vaccines and the role of public information group”, alongside six other learned societies, a collaborative opportunity to bring together expertise and resources across our various communities on this subject.

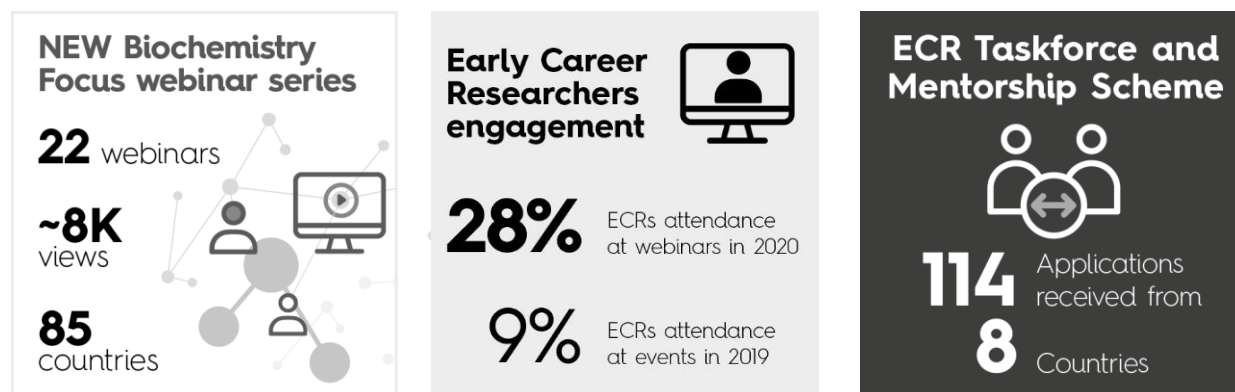
## STRATEGIC REPORT ON GROUP ACTIVITIES

Throughout 2020, the Group continued to deliver on the objectives of its three-year strategy (2019–2021), adapting existing offerings and initiating new activities to continue our support of the molecular bioscience community. What follows is an assessment of Group business within this period.

### Bringing together molecular bioscientists

#### Key objectives for the year

- Expand our offerings for early career bioscientists
- Continue to increase industry involvement across our activities
- Expand our international links and networks
- Continue to foster diversity and equal opportunity for our discipline



2020 saw the Biochemical Society and Portland Press innovating new and exciting ways to bring together molecular bioscientists. Our '[Biochemistry Focus](#)' webinar series, implemented initially as a response to the necessary postponement of much of our face-to-face events calendar, enabled us to connect with attendees from over 85 countries, expanding the Society's global reach. The 22 webinars held throughout the year attracted a total of 3,353 'live' attendees, with a further 4,347 later views via our YouTube channel. These webinars covered a wide range of topics, put forward by the Society's committees and panels, as well as providing opportunities for proposals directly from members and the staff team.

Early Career Researchers (ECR) are a key cohort of our membership and we remain committed to those in the earlier stages of their research careers. We are pleased to have an ECR representative sitting on our Council of Trustees as well as ECR representatives on a number of our other committees.

During 2020, our community [surveys](#) highlighted that ECRs had been significantly affected by the coronavirus pandemic. The follow up survey noted that 53% of respondents reported an

impact on aspects related to research funding, and 56% of ECRs had issues accessing their laboratories in order to progress or complete their work. Furthermore, 60% of respondents anticipated seeing an impact on the collection of new data and were concerned about career progression, and 17% were considering moving away from research. For ECRs, the opportunities to present their work and network, a crucial element in their career development, disappeared overnight.

As a reaction to these findings:

- Building upon the success of the Group's free-to-attend Biochemistry Focus webinar series, the Society provided a specific ECR strand to this series, comprised of two thematic strands, delivering opportunities for the presentation of research to peers, and also for the provision of careers-focused content. A total of 43 submissions were received from the Society's ECRs to the research strand of this series, with the first webinar being delivered on the 9 November to 89 attendees. The initial webinar in the second strand, on the topic of careers in industry for molecular bioscientists, was hosted by the Society's Industry Representative Trustee and was attended by 207 people.
- Invitations to join a newly created ECR Taskforce were issued in June 2020. The scholarly publishing landscape is evolving, and this taskforce was established (following feedback from the Publications Committee of the Society) to engage with ECRs on their views about scientific journals and what they would like to see from the Society's publishing arm, Portland Press. This initiative was promoted in direct email campaigns, via the monthly Members' News bulletin and social media. In total, we received 44 applications (68% were from UK; others were received from Australia, Cyprus, India, Nigeria, Pakistan, Saudi Arabia, and the USA).
- Towards the end of 2020, the Group issued its invitation to ECRs to apply for its pilot ECR Editorial Board Mentorship Scheme. This was established as a means of guiding and mentoring ECRs through all aspects of senior editorial board roles. Almost 70 applications were received against the 17 Associate Editors on the journal editorial boards who agreed to act as mentors. The scheme commenced in March 2021 for two of our research journals, the *Biochemical Journal* and *Clinical Science*, and one of our reviews-only journals, *Biochemical Society Transactions*.
- Additionally, in September 2020 an invitation was issued to ECRs to submit proposals for potential review articles to *Biochemical Society Transactions* (which normally commissions its articles). As a result, 10 articles have been commissioned, two of which were published in 2020.

The molecular bioscience community in industry remained another area of specific focus for the Society, leading to the publication of a series of industry-focused pieces in *The Biochemist*, including articles in the 'A day in the life' series as well as interviews with figures such as Daniel Jamieson, the CEO and Founder of Biorelate. A careers Q&A series, proposed by the Society's Education, Training and Public Engagement Committee was held online via Twitter. The second of these events explored 'Working in industry' and included participants from the Society's Early Career Advisory Panel (ECAP) and Industry Advisory Panel (IAP). This online chat was held

over an hour on 3 September, achieving ~82K impressions and ~800 engagements<sup>2</sup>.

Within 2020 we continued to develop our relationship with the Chinese Society of Biochemistry and Molecular Biology (CSBMB) and attended (virtually) their online annual conference in October. This provided an opportunity for Professor Ming Wei Wang, Associate Editor of the *Biochemical Journal*, to deliver a presentation about the Society and Portland Press to delegates, achieving 2,816 views. Additional activity was delivered to disseminate details of our journal portfolio and international presence through the production of a short video (achieving ~10K clicks), and the launch of a [dedicated section within our website](#). Following the online conference, a '[Spotlight on China](#)' themed issue was published within the *Essays in Biochemistry* journal.

Portland Press also collaborated with external partners to provide a language-editing service to support authors where English may not be their first language. Since launch in August 2020, 26 authors have used the service, mainly based in China, but also including authors based in Germany, India and Japan. This contributed a small sum of £600 in referrals for language editing services versus £3,500 that was forecast in 2020 for this (new) income stream.

The Biochemical Society strives for a 50:50 gender balance across its event speakers and committees where possible. In 2020 we achieved 47:53 female/male balance across all online and on demand events. The Group also employs 43 staff: 65% of whom are female, and 45% are from ethnic minorities.

Events in 2020, including the public campaigning around the 'Black Lives Matter' movement, brought forward our planned equality, diversity and inclusion activities, with a focus of ensuring these are at the heart of everything we do. An Equality, Diversity and Inclusion (EDI) Advisory Panel was formed in the latter half of the year, with its first meeting on 27 October.

The Society continues to be a member of the Equality, Diversity and Inclusion in Science and Health (EDIS) group and last year, six grants were awarded to a total value of £4,000 to support Diversity in Science projects. These included two grants to support children with special educational needs, developing skills and changing perceptions of engineering-related careers, as well as a one-day online conference exploring LGBTQ+ experiences in STEM.

The Society continues to support In2ScienceUK, who support young people from low-income backgrounds to gain insight into STEM careers through summer placements and delivery of a high-quality programme of university access support and employability workshops. Given the

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<sup>2</sup> **Twitter Impressions:** Number of times a tweet appears in a user's timeline or search results.

**Twitter Engagements:** Total number of times a user interacts with a tweet. This can include retweets, clicks, replies, follows, likes, links, cards, hashtags, embedded media, username, profile photo, or tweet expansion.

social distancing rules in place, in 2020 In2ScienceUK ran a Virtual Placement Programme through a dedicated online platform. The Society funded five placements on this programme.

## Supporting career development and lifelong learning

### Key objectives for the year

- Provide learning and networking opportunities
- Support teachers at all levels
- Support the future pipeline of molecular bioscientists
- Continue to offer grants and bursaries



The first of our scientific meetings originally scheduled for 2020 were meant to take place in March, meaning that, in effect, no face-to-face scientific meetings took place, and a swift pivot to support online formats was needed. One scientific meeting was transitioned to an online-only format and three On Demand conferences (which were not live but recorded in 2019 and 2018) were delivered in 2020 and more information on these follows in a subsequent section.

In addition, a new [Biochemistry Focus webinar series](#) was developed and delivered in direct response to the COVID-19 pandemic, to provide learning and career development opportunities in the absence of face-to-face scientific meetings and training events. These one-hour webinars were free to watch and featured either the presentation of scientific research or Q&A discussions around career-focused topics. The themes for these webinars came from our committees, editorial boards, staff and proposals submitted via our website. The webinar recordings are also available to watch on demand and can be found on our [website](#). Topics covered included ACE2, cell biology, genetics, and neurobiology.

By the end of the year the combined total views of the 2020 webinars stood at 7,700 including real-time audience numbers and YouTube views, which continue to increase in 2021. Delegates registered from 85 countries across the world, with coverage in Africa, Asia, Australasia and Europe, as well as North and South America. Despite the limitations placed on the delivery of our events programme in 2020, due to the successful series of the webinars, the Society has been able to more than double its delegate numbers (from 1,475 in 2019 to 3,443 in 2020) in

terms of registrations and global reach.

The Society continues to provide topical training programme in support of the career development and lifelong learning of our community. At the beginning of the year, the confirmed 2020 training calendar included a mix of 13 face-to-face and online courses and events. Once the pandemic reached the UK and the subsequent initial lockdown was in place, the training programme was revised to adapt to the challenges this presented:

- Four of the original courses were able to be run during 2020, however each was held twice to increase reach to our community. Although the total eight courses held were less than those originally planned, the Society attracted a total of 837 delegates, an increase in delegate numbers of 144% on the year before. Two of these training courses were free to members and 460 members were able to take advantage of this (representing 55% of all delegates). An additional 36 delegates from low-income countries were able to benefit from free attendance on these training courses throughout the year. Topics covered the use of technology for effective teaching in higher education; an introduction to public engagement and science policy; and two specific courses on using R and Python to help develop data and statistical analysis skills, an area that is key to biochemists working in both industry and academia.
- In 2020 our [Training Theme Panel](#) also piloted a new group offering through which universities could use the Society's existing 'R for Biochemists 101' course within their own curriculum. The successful initial pilot at Aston University delivered the course to 20 of its students, using their own resources to moderate the Society's course. Looking forward, we plan to use this model on a number of our courses.

The Society continues to engage with three teacher placement schemes, held in collaboration with the Scottish Schools Education Research Centre (SSERC), Deliberate Learning and members of the Society's Education, Training and Public Engagement Committee. Unfortunately, due to the pandemic and associated restrictions, these were not delivered during 2020 - 2021. A revised proposal from Deliberate Learning for their scheme to be delivered in 2022 will be assessed by the Education Committee alongside a review of other teacher placement schemes.

Every year, the Group publishes 'Understanding Biochemistry' - a dedicated issue of *Essays in Biochemistry*, providing up-to-date overviews of key concepts in the molecular biosciences as an essential online resource for post-16 students, teachers and undergraduates. In 2020, we published two open access *Understanding Biochemistry* issues, covering protein structure (authored by Elliott Stollar and David Smith, both members of the Society's Education, Training and Public Engagement committee) and metabolism (authored by Ayesha Judge and Michael Dodd, who is also a member of the Society's Education, Training and Public Engagement committee). This content was promoted to students, teachers and schools to support the pivot to remote learning during the pandemic. In 2020, there was a total of ~129K downloads of Understanding Biochemistry articles, an increase on the ~100K downloads achieved in 2019.

In 2020, we observed a considerable increase in total page views to the education section of the Society's website achieving ~187K total page views, compared with ~14K in 2019. This equates to ~1,200% increase and can be largely attributed to the demand for educational resources and careers information within the pandemic environment. The most popular page of the website throughout the whole of 2020 was 'What is biochemistry?'.

As part of our activities to support both ECRs and teachers in the molecular biosciences, the first of our online careers Q&A sessions, held via Twitter, was on the subject of 'Teaching in Higher Education'. Running for an hour on 28 May, with participants from the Education, Training and Public Engagement committee and Local Ambassador (LA) network on hand to respond to questions this received a total of 58.7K impressions and 623 engagements.

To support careers development and inspire the next generation of bioscientists, five 'A day in the life' interviews were published within *The Biochemist* magazine in 2020 and profiled different roles, such as Scientific Officer, Biomedical Scientist and Science Centre Explainer.

Working with the University of East Anglia and FutureLearn, the Society continued to support and deliver the Massive Open Online Course (MOOC), 'Biochemistry: the Molecules of Life'. In 2020, it was more popular than ever, attracting ~11K registrations, more than double the number achieved in 2019. This takes the total number of registrations on this course to ~36K, from across ~150 countries.

To continue to fund activities that will drive curiosity and inspire interest in biochemistry and the life sciences more generally, the Society runs a Scientific Outreach Grants programme to support others in delivering activities within schools and via events that engage the general public. In 2020, 49 applications for the Scientific Outreach Grants were received and the number of grants awarded increased from 20 in 2019 to 24 in 2020, whilst maintaining the overall value of the scheme at ~£20K.

2020 marked the tenth anniversary of the Society's '[Science Communication Prize](#)', which was initially created to engage those with a burgeoning interest in communicating science and to inspire young people to learn about the molecular biosciences and consider a future in this field. A total of 142 entries were received (compared to 59 entries in 2019) following an expansion of the participation criteria, which encouraged submissions from secondary school and A-level students as well as undergraduates, who had previously been the sole group eligible for entry. Six prizes were awarded covering topics as diverse as blood clotting, the purpose of sleep and genes.

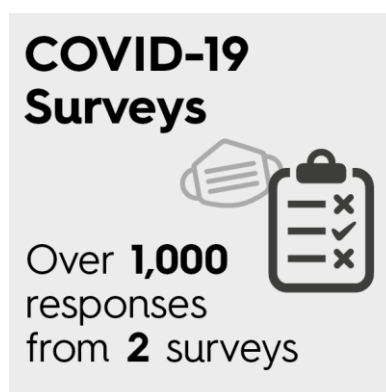
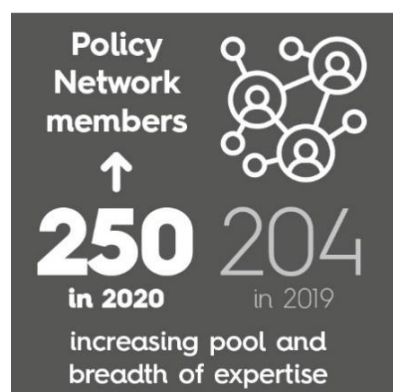
The Society awarded ~£13K in general travel grants and sponsored event grants last year. Understandably this was a significant drop compared to the previous year, due in large part to the necessary postponement of activities and opportunities for which bioscientists would normally require financial support. In 2021 the Society has amended the restrictions preventing applications in immediate subsequent years to encourage the use of this financial support both with regards to 'virtual meetings' as well as face-to-face events expected to resume in late 2021/2022.



## Encouraging wider dialogue and working collaboratively across and beyond our community

### Key objectives for the year

- Ensure a strong future for the molecular biosciences, maximizing opportunities for impact, engagement and innovation through working in strategic collaboration
- Deliver and implement plans for a sustainable transition to open access and open scholarship
- Continue to engage our members with key policy issues relating to science and science education
- Support students and researchers to communicate their work to policymakers and the public
- Give a voice to our community to influence the changing culture of science



A significant and strategic collaboration in 2020 for both the Biochemical Society and Portland Press was with the institutions and consortia that signed up to our pilot transformative [Read & Publish](#) offerings launched in 2020 to support a sustainable transition to open access. There were 55 institutions (ranging from Tokyo to Texas) that signed up to new transformative agreements in 2020. Given the considerable challenges faced during the COVID-19 pandemic, we were particularly pleased to have generated this level of success in piloting a new sales offering in 2020, which we have already seen has quadrupled in 2021<sup>3</sup>.

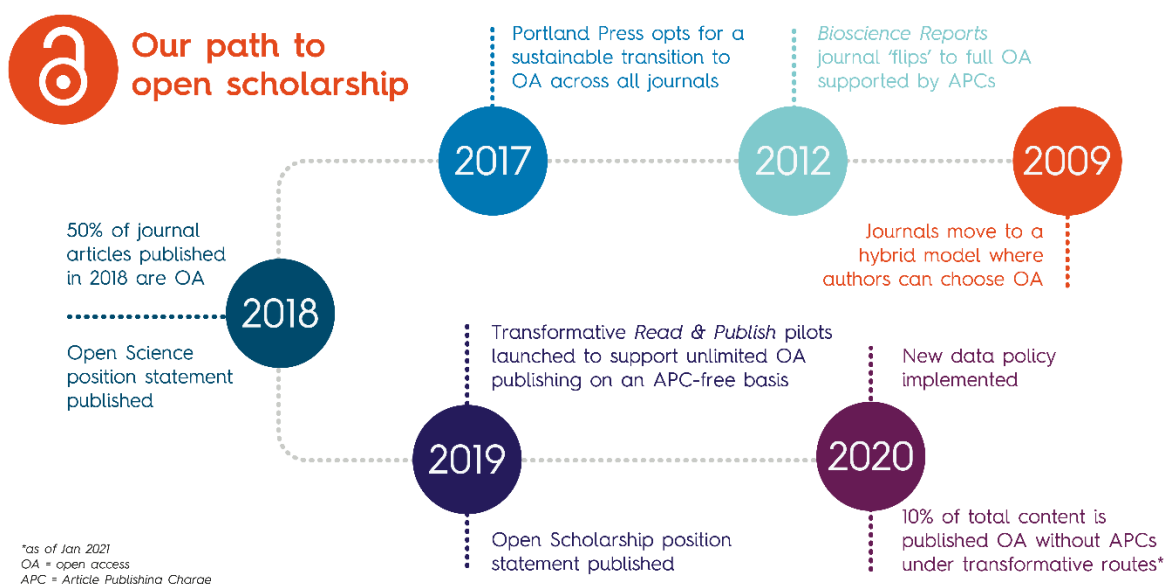
Transformative *Read & Publish* pilots provide 'read' access to institutional subscribers and their scholars, as well as the opportunity for unlimited OA publishing for affiliated corresponding authors. The publishing element of the *Read & Publish* ensures default OA for affiliated authors without the need for article publishing charges (APCs) that have otherwise accompanied OA

<sup>3</sup> As of April 2021, over 200 institutions have opted to *Read & Publish* with the Society's journals.

publication in the Society's journals (and in most journals from other scientific publishers) for well over a decade.

The *Read & Publish* initiative is central to the Group's transition to a more open scholarly landscape. To support this work, in 2020, a dedicated [open scholarship website](#) was created which brought together the Group's work including our related position statement, open data policy and mention of collaborative work with the Society Publishers' Coalition (SocPC), which is a forum for nearly 100 society publishers to discuss principles and best practice in transitioning to OA.

The open scholarship webpage launched in May 2020 and has received ~4K views. A goal of the open scholarship page was to chart the course of our transition towards open scholarship. The below timeline representation is therefore featured on our open scholarship page to highlight our trajectory over the last decade.



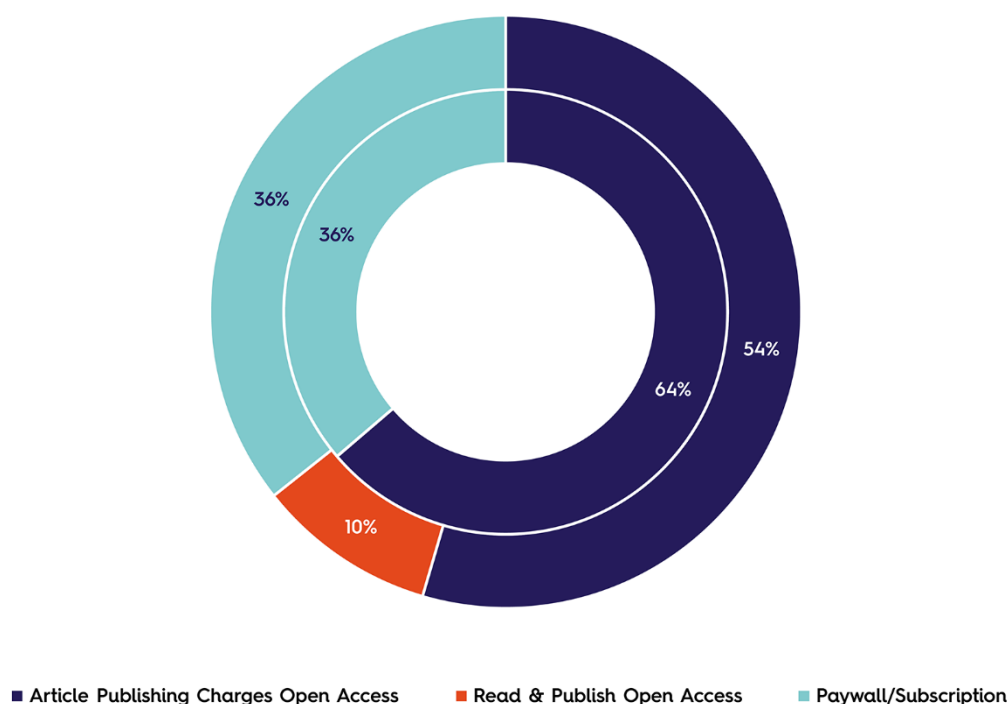
In 2009, authors were first given the option to publish their work open access in the Society's hybrid journals<sup>4</sup> in exchange for an APC levied per article. In 2020, for the first time, 10% of all content was published OA without APCs under a *Read & Publish* route. In addition, 55% of all the OA articles in our hybrid journals in 2020 were published without any APCs under the pilot *Read & Publish* transformative route.

<sup>4</sup> A journal that publishes both paywalled and OA content, i.e., a subscription-based journal that offers authors the option to publish their article OA in return for an APC. Subscription pricing for Portland Press' five hybrid journals are set taking into account quantity of paywalled or subscription-only articles in each hybrid journal and considering the proportion of paywalled to OA content.

This means that debut *Read & Publish* sales in 2020 have transitioned 10% of all content, and more than half of all the OA content published in our hybrid journals, to a new APC-free route supporting OA publishing. This frees up both librarians and authors from the administrative burden of article-level invoices/APCs while scholars (authors and readers alike) benefit from OA (including reusability) of the published content.

By the end of 2020, the number of OA publications across our journal portfolio exceeded 1,000 for the first time, a 6% increase on 2019 figures<sup>5</sup>. This is despite a decrease in the number of published articles, as a result of paper mill submissions, in one of our fully-OA journals, *Bioscience Reports*.

**Effect of R&P pilot on Portland Press publications - breakdown of 2019 (inner ring) vs 2020 (outer ring)**



As a result of these positive developments, the Group has begun to switch the dial towards increased OA publishing. From a standing start, 10% of all content published was open access without APCs via our transformative *Read & Publish* route and 9% of what had in 2019 been purely subscriptions income transitioned to *Read & Publish* income supporting both access to paywalled (i.e., subscription only) content and OA publishing in 2020.

<sup>5</sup> Per publishing KPI metrics logged each month:  
 End 2019 = 982 published OA articles  
 End 2020 = 1043 published OA articles

Alongside this work, as part of our transition to open scholarship, Portland Press also published its [Open Data Policy](#) in 2020. The implementation of this policy supports improved transparency and replicability by mandating data deposition for certain data types and requiring a 'Data Availability Statement' to be included on submission to all four of our research journals.

The Society's Director of Publishing took on the role of Chair of the Society Publishers' Coalition (SocPC) last year. This collaborative group of 93 organizations share a common ambition to see a sustainable transition to open scholarship and to improve the efficiency of the scholarly communication ecosystem for the benefit of researchers and society at large, in a fair and sustainable way. This group has supported and collaborated with the Biochemical Society and Portland Press, strengthening its position on open scholarship, as the organizations work together for the benefit of the scholarly community. Examples of progressive thinking and innovations in transitioning to more open publishing models are included in [this post from the SocPC](#).

In response to the COVID-19 pandemic, the Policy team began investigating the potential impacts of coronavirus within the bioscience community. In April, an initial survey was disseminated which achieved 469 responses. From these [results](#), the Society was able to identify that 76% of researchers had no access to their laboratories during this time. This was anticipated to result in a decrease in research output in the medium- to long-term (by 53% of respondents).

This survey showed a serious impact on ECRs, with 20% stating their concern for career progression in the medium- to long-term. Equally, the respondents showed concern amongst researchers for the future funding landscape both generally and the challenges faced in relation to their current grants. This survey was a crucial piece of work to help the Society understand how to respond to the community, and to pivot to meet their needs.

A follow-up community survey was issued in October to drill down into how the effects of the pandemic on the biosciences community may have changed, allowing us to identify trends and potential trajectories. This survey saw an increase in responses, with 615 feeding back on their experience. These results continued to show that researchers are facing significant impacts on their work – this was for 73% of respondents, increasing to 77% for ECRs. The survey also reported on other underlying factors causing concern. [This article](#) published in *The Biochemist* April 2021 summarizes responses to both surveys.

The Society's Policy Network is a group of engaged community members with specific interest and/or expertise in matters of science, education and government policy, that feed their expertise into the discussions of our Policy Advisory Panel, in 2020 this group continued to grow reaching 250 members by the end of the year. During 2020, the Society responded to a total of eight consultations. Four of these were via one of our partner societies, the Royal Society of Biology (RSB). These specifically covered: [OFQUAL and the exceptional arrangements for summer exams in England](#); [the impact of COVID-19 on education](#); and a governance framework for human genome editing. The fourth response was to the UK Research and Innovation (UKRI) review of its OA policy, whereby the Group provided a response via both the [RSB](#) and the [SocPC](#).

In addition to consultation responses, we provided input into the Organisation for Economic Co-operations and Development (OECD)/Oxford University Press (OUP) consultation on visions for the “Future of STEM Education”, and Programme for International Student (PISA) Assessments, amongst others. The OUP consultation was the first step in a major programme of research being conducted by OUP in conjunction with University College London (UCL) and the OECD to review the PISA assessments for science for the round 2024–2033. Following the survey, the Policy and Public Affairs Officer was invited to participate in a “Strategic Visioning Event” as part of the next stage of the review in February. This saw the Society represented on a panel of “Biological Sciences”, presenting themes that were apparent in the Biochemical Society written response. Areas of focus included the increasing interdisciplinarity of scientific research and industry not reflected in education, and in particular the need to integrate data skills, digital literacy and computer programming across science subjects at school. There was also a desire for skills to be central to the curriculum and assessment of education rather than knowledge, to prepare students for further education in scientific fields and enable them to thrive in an ever-evolving, increasingly technologically dependent workplace.

The Society continued to participate in a number of key community and policy events, including the Policy Lates series and Parliamentary Links Day, both run online in 2020 by RSB. We were proud to sponsor the Bronze Award at the 2020 STEM for Britain event and continue our involvement with [Voice of the Future](#) and [Voice of Young Science](#), three initiatives that support the careers of ECRs.

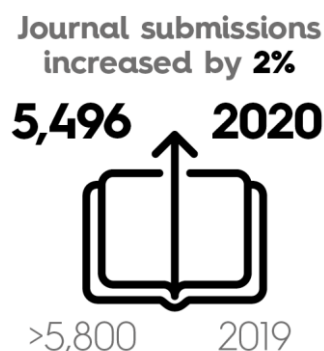
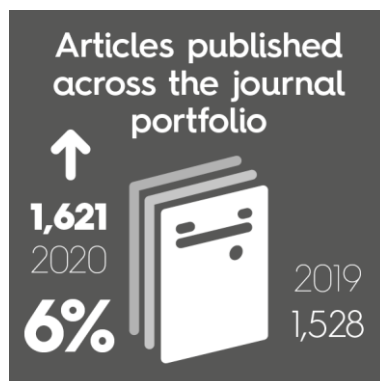
At the beginning of the year, the Society supported the RSB by sponsoring a table at the celebration of their tenth anniversary. The Group chose to encourage its ECRs to apply for one of the seats at our table and we received 50 applications. This event was held just a few weeks prior to the UK lockdown and provided the Group with the opportunity of networking with members in the early stages of their career, to obtain their view of different aspects of the Society’s work and our transition to open scholarship.

The Society’s Public Engagement activities, typically delivered via a series of face-to-face events throughout the year, were significantly reduced due to COVID-19. In June, the organizers of Hullabaloo – an annual science festival – adapted to running an online event. The Society participated in ‘Hullabaloo at Home’ with a dedicated online space to promote its [Scientific Scissors](#) activity which explains CRISPR and gene-editing. There were 1,500 visitors to this online space, engaging individuals across the globe, including Argentina, Australia, Canada, Jamaica, the Netherlands, Qatar, Taiwan and the United States. The Society also participated in the RSB’s Science at Home Festival, which was held in November, and continues to host resources of the participating organizations [online](#). During the opening weekend, the Society’s online page, promoting Scientific Scissors, achieved 533 visitors.

## Promoting and sharing knowledge

### Key objectives for the year

- Develop the Portland Press portfolio to offer a home for every paper published within the molecular biosciences
- Support and serve our publishing communities
- Continue to evaluate the positioning of the Society's scientific meetings and training programme
- Continue to create online content to support the teaching and understanding of biochemistry



In 2020, total submissions to Portland Press' journal portfolio increased on the previous year. Submissions to the hybrid journals ([Biochemical Journal](#), [Clinical Science](#), and [Biochemical Society Transactions](#)), were higher than 2019 and above target. The only journal that saw a fall in submissions was [Bioscience Reports](#).

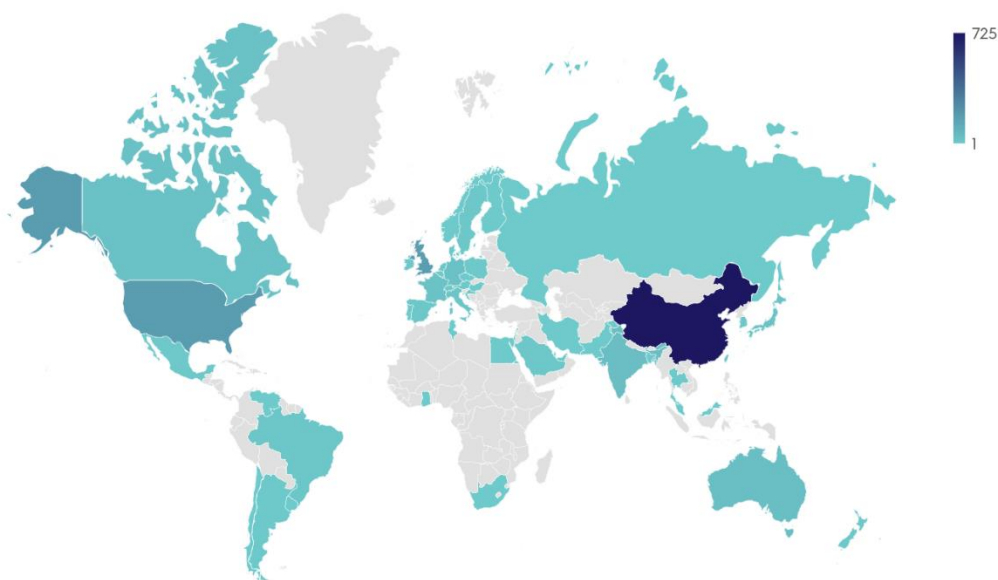
Equally, publications for 2020 have also increased against 2019 with a 6% uplift in the number of published articles. From the articles published, we had 1,553 (1,470 in 2019) corresponding authors from across 58 countries (49 in 2019). Specific [collections of articles](#) were curated by Portland Press in 2020, showcasing work on topics of relevant scientific interest. Over the year, the articles in these collections were viewed ~250K times.

In terms of total usage, article views and downloads, this figure has fallen to levels before 2018. In 2020, we achieved 4.37M views and downloads, compared with 6.19M in 2019. This fall was monitored throughout the year and investigated. The pandemic and subsequent global lockdowns did have an impact on how many researchers were able to have the time to access content against other priorities.

Across the year, usage from subscribing institutions was down ~7% against 2019; 2020 was the first full year that the Silverchair platform, upon which the published content is hosted, was live,

providing us with a new way of measuring usage, which will have also had an impact on reported metrics.

### Global Portland Press Corresponding Authors, 2020



**In 2020 1,553 corresponding authors from 58 countries had their work published in a PPL journal.**

In support of our charitable objectives, and to be able to deliver added value to our stakeholders particularly during the COVID-19 pandemic, there were a number of actions taken to support the researcher experience. For peer reviewers, more flexibility was provided on their review times for submitting their reports. For authors, flexibility on the submission of revised papers was offered, allowing more time as we were aware that, in some cases, additional requested experiments could not be done due to laboratory closures.

Paywalls were also lifted on all content between 21 April and 4 August. The Group was aware that, globally, many researchers were having to work remotely and therefore might not be able to access content through their institutional logins. The decision to lift paywalls on all content was a specific service to the research community as a result of the pandemic.

In June, anonymous posts on Twitter questioned the validity of some articles published within *Bioscience Reports*. Portland Press immediately began to investigate the articles that had been flagged. It appeared that a series of articles had been generated by paper mills<sup>6</sup> and Portland Press was not the only publisher affected ([Nature article](#), [Royal Society article](#)).

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<sup>6</sup> A 'papermill' is a company that produces scientific papers 'on demand', and then sells these papers to researchers who are using questionable means to obtain a scientific paper published in an international journal in



Portland Press proactively engaged with the community to maintain transparency, retract published content when supporting data was not provided, or publish expressions of concern where questions remained unresolved. Under the authority of the journal's Editorial Board and the Society's Publications Committee, Portland Press has implemented a series of new processes and enhanced checks to avoid fraudulent data being published to maintain the accurate scientific record. The mandatory requirement for raw data (Western blots) and institutional letters went to Publications Committee on 16 June and was approved rapidly by email the same day. The internal Bioscience Reports team and our external vendor also adopted these changes on 16 June, with a statement added to the Silverchair and submission website on the same day.

By the end of 2020, *Bioscience Reports* had retracted 18 papers, corrected 13 papers and issued expressions of concern for 33 papers. From the lessons learnt and patterns that have identified, as at April 2021 over 600 papers have been rejected as potential paper mills during the peer review process. Further details on our response are available in [this blog](#) and parts of [this editorial](#) written by the Editor-in-Chief and Deputy Editor-in-Chief of the *Bioscience Reports* journal.

Additional services were introduced in 2020 to support the research community. This included implementing the Contributor Roles Taxonomy (CRediT) for the *Biochemical Journal*, *Clinical Science* and *Neuronal Signaling*. This service provides a more granular and machine-readable way to demonstrate the role of each author on a published article.

Portland Press also partnered with the IP Registry ([PSI](#)) in order to manage IP registration for users and to block IP intrusion. A new widget, Trend MD, was implemented on the Portland Press website, which provides a more tailored reading experience based on user interest and keywords. In support of extending the global reach of published articles, the content included within [Emerging Topics in Life Sciences](#) was accepted in PubMed, and [Neuronal Signaling](#) was accepted for inclusion in PubMed Central. The Group also indexed its content on the [Researcher App](#), providing another accessible option for viewing content via mobile and tablet.

The delivery of a face-to-face programme of scientific meetings and conferences is a central activity for the Society, and one that many active researchers deem an essential part of the research process; to share their work amongst their peers, network and receive feedback. As soon as the pandemic reached the UK and subsequent lockdowns were in place, the Group announced that, with immediate effect, the Society's programme of events would be postponed or cancelled where necessary. This meant that no in-person scientific meetings were held in 2020. The possibility of safe re-opening of face-to-face events was reviewed by Trustees throughout the year with our first in-person meeting, 'Synthetic Biology', held on 22-23 November 2021.

Responding to constraints on face-to-face events, and in addition to delivering a new webinar series outlined in a previous section, new technologies for pivoting scientific meetings to an

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order to get promotion/graduation, but do not have time to actually do the research. It is not clear whether the experiments in the papers have actually been performed. Some papermills do have laboratories producing actual images or results BUT such images/results might be sold to multiple authors to represent different experiments. Therefore, the data in these papermill submissions are often falsified/fabricated.



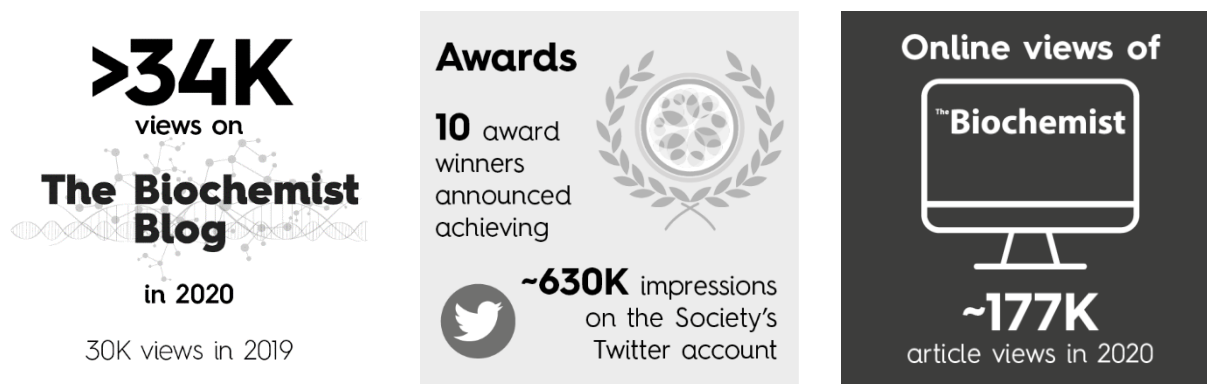
online-only format were scoped over 2020. As a result, in December 2020, one of the face-to-face scientific meetings originally planned as an in-person event was held online, with 41 delegates in attendance. Efforts over 2020 also ensured that, for 2021, the Society was able to deliver a programme of 11 live online scientific events and a further 2 hybrid events.

Meanwhile, to help develop content and provide learning opportunities for researchers to remain engaged over 2020, three of the Society's previous conferences were also re-released on demand. This format included pre-recorded presentations with the original speakers available to answer questions for the period that these events were made available online. The three on demand scientific meetings held in 2020 achieved 49 attendees.

## Promoting the importance of our discipline and through this, the broader life sciences

### Key objectives for the year

- Raise the profile of the molecular biosciences, the Society and Portland Press
- Emphasize the value of our publishing independence: by scientists for scientists
- Champion the needs of life scientists through all our activities



There are several external-facing activities and opportunities the Society harnesses to raise the profile of the molecular biosciences. The Society's Awards Portfolio remains an important way in which we raise the profile of work within the molecular biosciences, and the discipline itself. In 2020, ten award-winners were announced as the 2021 recipients. The awards cover a variety of categories, different areas of expertise and stages of career. The announcement of our award winners achieved ~630K impressions on the Society Twitter account, meaning the details of these individuals and their contribution to the molecular biosciences was shared widely across the sector.

The magazine of the Society, [The Biochemist](#) was given its latest (current) online presence in October 2019 as part of the launch project for the new [Portland Press](#) websites provided by the Silverchair publishing platform. With this, 2020 has been the first full year that the magazine was hosted online with its entire digital archive and newly published content available in an indexed and searchable manner. From a content workflow perspective, for the first time in 2020, all issues of the magazine were published [online](#) ahead of issue collation steps and distribution of the printed hardcopies. Content in the magazine achieved ~177K article views by the end of the year, and 2020 is the first year we can report on annual usage of the magazine.

[The Biochemist Blog](#) provides an online space for members and others working in and studying the molecular biosciences to submit short articles about specific topics of interest. Posts on this site are published to help raise the profile of the bioscience sector and support understanding of scientific issues in an accessible and less formal way. The blog has achieved ~129K views since its launch in 2017 from ~75K visitors. In 2020, there were 31 posts, achieving ~34K views, an increase on ~30K views in 2019. Visitor numbers to the blog have also increased from ~16K in 2019 to ~20K in 2020.

Social media remains a significant channel for the Group to communicate details of its activities, champion the needs of life scientists and raise the profile of biochemistry and molecular biology. In 2020, the number of followers on Twitter increased by 10% for the [Biochemical Society](#), 6% for [Portland Press](#) and 14% for [The Biochemist](#). By the end of the year, the number of followers on [LinkedIn](#) had also grown by 16%.

We continue to engage with Biology Week (organized by the RSB) as a partner society, promoting interest in biology and the life sciences in the general public, with an emphasis on schools and family engagement. Between 3 and 11 October 2020, the Society organized a webinar, celebrating the last ten years of RSB and featuring presentations on the contribution made by the biosciences to society. A dedicated issue of [Emerging Topics in the Life Sciences](#) featured articles along the same theme, and to coincide with Biology Week, this particular issue was also made freely available for a month. During this week, the Group also continued to showcase its programme of events, share relevant blogs and career profiles of those working in the sector. This activity achieved ~64K impressions via Twitter.

Later in October, the focus moved to Open Access Week. As part of the Group's continued communication of its transition to open scholarship, a dedicated webinar was held, entitled '[Open Access – ask me anything!](#)'. This featured a panel of experts, representing an author, a librarian, an ECR and the Director of Publishing representing a publisher viewpoint. The webinar has achieved ~150 views and has been a useful resource in demystifying OA and explaining some of the associated technical language. Throughout this week of activity, relevant articles, blogs and infographics were shared across social media, achieving ~25K impressions.

## Continuing to ensure sustainable support for the advancement of science

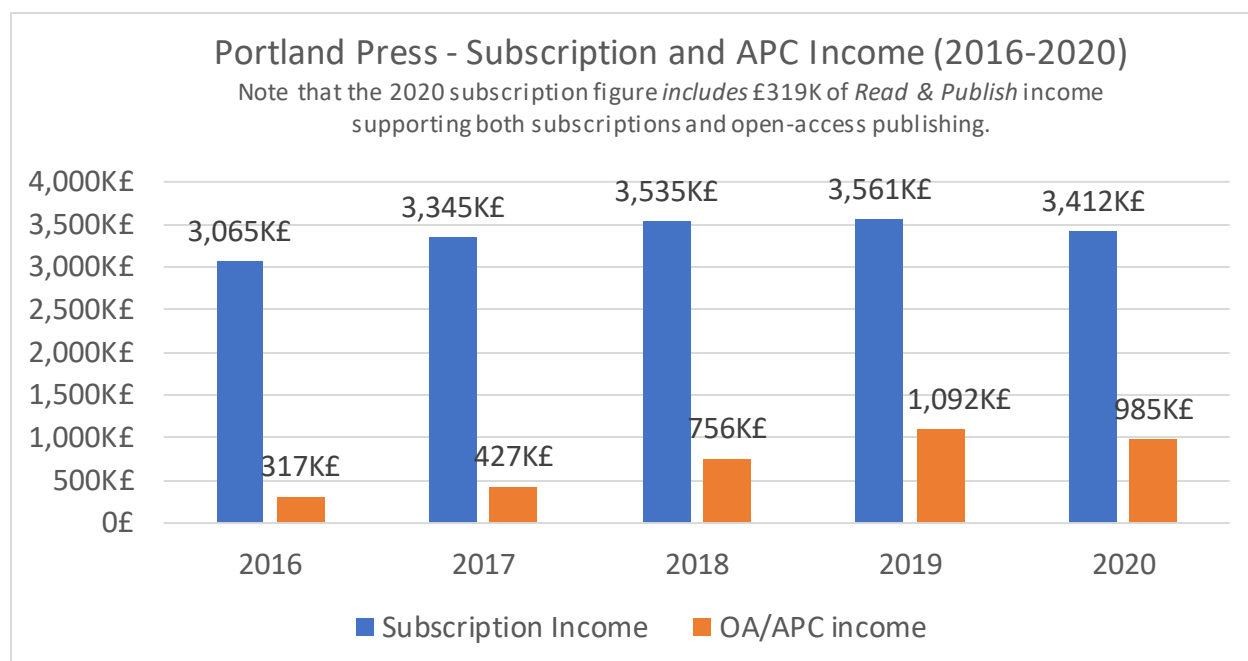
### Key objectives for the year

- Commence a financially sustainable transition to open scholarship that responds to the changing needs of researchers everywhere
- Ensure operational excellence across the organization through effective use of governance, business technology, finance and human resources
- Continue to build our reputation as a knowledge hub for the life sciences



There is no doubt that 2020 has been a turbulent and unprecedented year. During the COVID-19 global pandemic, the Group launched its pilot transitioning business model against a backdrop of lockdown, where face-to-face events were unable to be held, and limited access to laboratories had an impact on the Group's revenue streams from publishing and event sponsorship. Despite this, the year has ended in a financially strong position, as outlined in the Financial Review later in this report.

Journal subscription revenue for 2020 was ~£3.4M, which is ~£112K less than in 2019. However, of the total £3.4M about 10% (£319K) came from new *Read & Publish* deals. This represents ~10% of what was subscription income in previous years that has been rewired in favour of transformative deals supporting 'read' access and OA publishing in 2020. In its first year, 54 institutions have signed up to *Read & Publish* from across 11 countries. Revenue generated from APCs for 2020 stands at ~£985K.



By March, the Group had secured ~£64K in sponsorship for its 2020 events (with another ~£12K agreed in principle). However, unfortunately, these events were postponed or cancelled with one exception which ‘flipped’ to be held online. For this event, the supporting external organization declined to sponsor the event in its new incarnation. Following the postponement of other events, we had agreement for £40K of sponsorship income to be carried over to postponed dates and the remaining amounts will need to be re-confirmed or re-applied for in due course (subject to face-to-face meetings resuming).

Due to its flexible infrastructure, the Group was able to respond immediately to the COVID-19 pandemic and subsequent lockdown in supporting staff to work from home. At a meeting of the Council of Trustees in May, it was decided that the Group would reposition its working environment by vacating its physical office space to continue supporting remote working until March 2021. This was followed by the Council of Trustees’ Strategy Retreat in November, where it was agreed that the Group would maintain remote working for at least two years, with a decision for face-to-face meetings for all staff once every other month to commence no sooner than October 2021, and a review 6 months after these commence. Subscriptions to local serviced co-working spaces would also be offered to all staff, to ensure our staff are able to take advantage of the benefits that flexible remote working can bring.

During the year we also transitioned all Council, Board and Committee meetings to a video-conference format. This has ensured continuity of robust governance during a challenging year.

To ensure sustainability and stability of the Society’s core activities, whilst exercising a prudent approach to additional expenditure, a freeze was placed on recruitment to all vacant positions within the Society. Where possible, staff with relevant skills were refocused on core activities to ensure that we made best use of the excellent skills pool available to us in-house while avoiding the need to contract staff hours or furlough staff during 2020. Where necessary, additional posts were created, but only on a ‘fixed-term’ basis.

## Plans for the future

Throughout 2021 the Biochemical Society continued to drive forward its [2019-2021 Strategy](#) with Trustees due to meet in early 2022 to set the strategy for the coming three year period. We will continue to focus on delivering our six core streams of activity, however we will also expand our focus to include:

### Embracing and developing digital resources

Making better use of our current platforms is a key area of focus for the future. The Society will explore a more integrated approach across its internal systems, enhance the website and support further digital development across a variety of formats, including an evaluation of pre-printing possibilities. The removal of geographical limitations and the inclusive and more affordable nature of online meetings has allowed the Society to connect with even more bioscientists in 2021. As well as forthcoming [online conferences and training courses](#), the Society's programme of webinars continues in the form of the [Biochemistry Focus](#) series as well as a complementary series dedicated to early career researchers. These webinars were developed following the first COVID-related lockdown and will remain freely available to the community.

### Synergies and 'packages'

We are aiming to maximise synergies across the Group, with collaboration between in-house departments and other/external relevant societies. In this context synergies are seen as identifying opportunities between existing activities that are taking place, recent examples of which have been the Biochemistry Focus ECR webinar on developments in neuroscience and an interim online provision for the usual in-person Summer Vacation Studentships and Teacher Placement Schemes provided by the Society.

The idea of proactively curating resources from across the Group into 'packages' that can be offered to users takes the synergies idea further, actively choosing topics to cover and using existing content alongside potential new content to also be part of the package. We will focus on three specific areas as 'proof of concept' of packages: virology and vaccinology; synthetic biology; and mitochondria.

Along with renewed focus on synergistic working, there will be opportunity for community engagement to be driven by existing content and resources across the Group, bringing together various strands of the Society's activities and publications. There will also be a need to consider alternative sources of revenue to replace sponsorship for face-to-face meetings and changes in publishing revenues.

We remain alert to the possibility of future disruption due to the evolving nature of the Covid pandemic and will ensure we maintain our agile approach to community engagement and events. We will continue to innovate new ways of working, as we did in March 2020, to support and represent the bioscience community and ensure we can function effectively and appropriately in a changing environment. Contingency plans are in place for all scientific events to allow for planned hybrid meetings to be switched for an entirely online offering if required, with the four online training events held in 2021 all selling out to full capacity. Our governance and income generation functions remain entirely equipped to operate at full capacity online, with remote working in place.

## **Equality, Diversity and Inclusion**

This will be considered as part of everything the Society does. The longer term move to a virtual office reflects this commitment to providing a more diverse and inclusive working environment, where employment is not restricted to staff who live in and around London. It will also facilitate greater flexibility for those with caring responsibilities or disabilities. The Society is equally committed to improving 'in-house' diversity across communities, committees, boards and panels, in parallel with developing the EDI strategy further.

## GOVERNANCE AND MANAGEMENT

### *Corporate Status and Constitutional Documentation*

The Society is a charitable company registered in England and Wales and was incorporated by guarantee on 25 November 1966. It has no share capital and the liability of each member is limited to £1.00. The governance document is the [Articles of Association](#), which can be found on the Society's website, on Companies House, or is available by request.

The Society's Trustees are also Directors of the Company. Trustees pay due regard to the Charity Commission guidance on public benefit and commission annual audits of Society activities to ensure compliance.

### *Governance Committee Structure*

The Biochemical Society delivered its mission and charitable objectives in 2020 through its members, who were represented on the Council of Trustees and its contributing subcommittees, as well as the Executive Management Committee. A structure of all related committees can be found on the [Society's website](#).

- Council of Trustees

The Council of Trustees is the governing body of the Biochemical Society. It meets four times a year and addresses Society strategy and matters reserved for consideration by Directors/Trustees. Its full composition is detailed on page 36 of this report. During the period covered by this report there were 14 Trustees, as shown on page 36.

- Executive Management Committee

The Executive Management Committee has the remit of overseeing the implementation of the Society Strategy, as set by the Council of Trustees. It meets a minimum of five times a year and met ten times in 2020. It comprises the Chair of the Executive Management Committee, the Honorary Treasurer, the Chair of Portland Press Board, an Independent Member (not otherwise appointed to a sub-committee of the Council of Trustees) and the Chief Executive Officer. The composition of the Executive Management Committee will change in 2022 after the term of office of the current Chair of Portland Press Board comes to an end when this role on the EMC will be replaced by a Balance Trustee who will serve on both the EMC and CoT.

- Finance Committee

The Finance Committee has delegated authority to oversee financial matters on behalf of the Council of Trustees and make recommendations for action. Final authority remains with the Trustees. It meets four times a year and is comprised of the Honorary Treasurer, Chair of the Executive Management Committee, Chair of the Board of Portland Press Limited, and two Independent Members appointed from outside the Society with expertise in general financial and charity financial matters. Independent Members are appointed via an external recruitment process overseen by the Honorary Treasurer and two further members of the Finance Committee.



- Audit Committee

All audit activity is initially managed by the Audit Committee, which is chaired by an independent appointee from outside the Society membership, with demonstrable skills and experience in compliance and audit-related matters. The Honorary Treasurer attends by request. The President of the Society may not attend these meetings.

- Additional Sub-Committees of the Council of Trustees

In addition to the above, within 2020, the Council of Trustees also had the following subcommittees:

- Awards Committee
- Conferences Committee (into which three Theme Panels feed: Basic Bioscience Theme Panel, Clinical and Translational Research Theme Panel and Training Theme Panel)
- Early Career Advisory Panel
- Education, Training and Public Engagement Committee
- Equality, Diversity and Inclusion (EDI) Advisory Panel
- Grants Committee
- Industry Advisory Panel
- Publications Committee
- Policy Advisory Panel

#### *Elections and Appointment of Trustees*

The Society is keen to encourage as wide a representation of its members as possible amongst its Trustees, as well as ensuring sufficient breadth of skill and experience. Members are invited to stand for election through announcements placed on the website and delivered directly by email, or via post if no valid email address is held. During 2020, the Society used Civica Election Services to manage both the nominations and elections processes, providing the members with a straightforward nominations platform, and ensuring an additional layer of scrutiny to the process. The nominations process is overseen by the Nominations Panel and scrutinized by the Audit Committee. These committees are mindful of the particular skills of existing Trustees and Committee Members and areas of Trustee skills that might be strengthened. As of 2021, the Chair of the EDI Advisory Panel will sit on the Nominations Panel to ensure EDI matters are given due consideration in all deliberations.

#### *Trustee Induction and Access to Training*

On appointment new Trustees receive an induction pack consisting of all key Society governance documents (including the Articles of Association and Society By-Laws), the annual Accounts for the previous financial year, and outline of the responsibilities of key Officers of the Society, Terms of Reference for all Society Committees and Sub-Committees, and the Society Risk Register. Trustees who will have specific responsibility for a Committee/Sub-Committee also receive copies of the minutes from any appropriate meetings that have taken place within at least the last 12 months.

All Trustees are required to sign-up to the Code of Conduct containing a confidentiality agreement and register any applicable interests upon the Society's Interests Register, which is updated throughout the year and available for review upon request. This information is managed and maintained and is reviewed at the beginning of all Trustee meetings.

All Trustees are invited to attend an induction comprising introductory sessions on charity management, law and governance, as well as the responsibilities of Trustees. Where Trustees require additional skills, enhancements to pre-existing skills, or EDI-related training (for example on 'unconscious bias') this is provided.

#### *Statement of Trustee Responsibilities*

The Trustees (who are also Directors of the Biochemical Society for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable legislation and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs for the Charitable Company and of the income resources, and the application of resources, of the Charitable Company for the period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities Statement of Recommended Practice and FRS-102.
- 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 charitable organization will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- Insofar as each Trustee is aware, there is no relevant audit information for which the Charitable Company's Auditor is unaware.
- They have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charitable Company's Auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom (particularly in England and Wales) governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### *Management of the Society's Business and Activities*

The Trustees have delegated the authority to manage the Society to the Chief Executive Officer (CEO) who reports on the performance of the Society against the strategic and operational

plans approved by the Trustees. The Chief Executive is supported by other members of the Senior Management Team (SMT) which in 2020 comprised the Director of Operations, Director of Publishing and Director of Society Programmes. As of 25 August 2021, the SMT comprises the CEO, Director of Publishing, Head of Content and Engagement, Head of Conferences and Events, Head of Human Resources, EDI and Technology and the Head of Finance and Governance. The SMT progress the Society's activities and strategy, and members deputize for the CEO in her absence. All Heads of Department report to the CEO or a Director.

#### *Portland Press Limited*

Portland Press is a trading subsidiary wholly owned by the Biochemical Society, responsible for publishing, marketing, selling and distributing the Society's journals and other publications, as well as offering related services to third parties.

Portland Press has its own Board of Directors, on which sit three Society Trustees. The full membership of the Portland Press Board of Directors in 2020 is listed on page 36.

The Group employs two personnel responsible for Human Resources utilizing 40% of their time. The remaining 60% of their time is contracted, via Portland Press Limited, to provide HR guidance to the Microbiology Society, Society for Experimental Biology, and Society for Applied Microbiology.

The Society began the year with a small office space located at LABS, 90 High Holborn, London WC1V. The Society started working remotely from March 2020 due to COVID-19 restrictions. On 27 November 2020, the Trustees of the Society elected to continue remote working for a period of 2 years starting in October 2021 (the point at which they had considered it potentially safe to begin face-to-face activities), with an initial interim review beginning in March 2022, or 6 months after the commencement of bi-monthly face to face all staff meetings as mentioned elsewhere in the Annual Report.

## Principal Risks and Uncertainties

### *Risk Management*

In addition to overseeing the annual audit, the Audit Committee undertakes detailed reviews of the Society's Risk Register, wherein measures to mitigate individual risk are agreed and monitored. The outcomes of these reviews are reported to the Trustees and inform their deliberations when making decisions affecting the Society.

### *Principal Risks*

The Trustees consider the principal risks to the Society to be as follows:

- Changing government funding policies for science and higher education in a major region and/or open access mandates (including Plan S) adversely affect research or library budgets thereby leading to (i) reduced ability to generate previous levels of income via subscription content, and/or (ii) reduced submissions to Society journals.
- Liability for the Biochemical Society Pension Scheme and/or proportional liability for the USS deficit damages the Society's financial stability and ability to deliver member and community activities. The actuarial estimate is that the Biochemical Society Pension Scheme will be balanced by mid-2027 and the Society is paying deficit contributions of £285k each year from 2021 to 2027 with a one-off additional payment of £400k which was also made during 2021.
- Changes to publishing-related governmental policy in China impacting upon article submissions to the Society's journals and diminishing revenues from the *Bioscience Reports* journal.
- Errors in Business Technology infrastructure negatively impacting the ability of the business to undertake key operational, publishing and/or society programmes related activities.
- Portland Press transition to open access plans leading to drop in revenue and/or return to the Biochemical Society.

Mitigating activities, both pro-active and reactive, associated with each risk are identified by the 'Risk Owner' within the Senior Management Team and presented to the Audit Committee for discussion. The application and efficacy of mitigations are approved by the Council of Trustees under guidance from the Audit Committee. The Trustees consider that the plans outlined within the mitigations currently listed within the Group Risk Register (including the regular updating of business and strategic plans; scrutiny of the Society's accounts against budget; review of key performance indicators throughout the year, and close engagement with trends within the sector) will address these risks.

## Biochemical Society Trustees

The following are Members of the Council of Trustees (Board of Trustees and Directors of the Society) or were members of the Council of Trustees for the year under review and up to the date of this report:

Charles Peter Downes	President
Sheila Graham	Chair, Executive Management Committee
Frank Sargent	Honorary Treasurer
Stefan Roberts	Honorary Meetings Secretary (up to 31 December 2021)
David Pye	Honorary Policy Officer (up to 31 December 2020)
Derry Mercer	Honorary Policy Officer (from 1 January 2021)
Richard Reece	Chair, Portland Press Limited Board of Directors
Helen Watson	Chair, Education, Training and Public Engagement Committee
Luciane Vieira de Mello	Chair, Training Theme Panel
Michelle West	Honorary Meetings Secretary
Joanne Edwards	Chair, Clinical and Translational Theme Panel (up to 31 December 2021)
Martin Pool	Local Ambassador Representative
Dominika Gruszka	Early Career Researcher Representative
Malcolm Weir	Industry Representative (up to 31 December 2021)
Augustin Amour	Interim Industry Representative (from 25 November 2021)
Lisa Chakrabarti	Chair, Basic Bioscience Theme Panel (from 1 January 2022)
Martin Lindley	Chair, Clinical and Translational Research Theme Panel (from 1 January 2022)

## Directors of Portland Press Limited

The following were Directors of Portland Press Limited for the year under review:

Richard Reece	Chair, Portland Press Ltd Board of Directors
Matthew Cockerill	Non-Executive Director
Philip Garner	Non-Executive Director
Peter Richardson	Non-Executive Director
Sheila Graham	Non-Executive Director and Chair, Biochemical Society
Frank Sargent	Non-Executive Director and Honorary Treasurer, Biochemical Society
Kate Baillie	Executive Director and Managing Director, Portland Press Ltd and CEO, Biochemical Society
Malavika Legge	Executive Director and Director of Publishing, Biochemical Society

## Senior Management Team

### **Kate Baillie**

CEO, Biochemical Society and Managing Director, Portland Press  
[kate.baillie@biochemistry.org](mailto:kate.baillie@biochemistry.org)

### **Adam Hughes (to 23 August 2021)**

Director of Operations  
[adam.hughes@biochemistry.org](mailto:adam.hughes@biochemistry.org)

### **Malavika Legge**

Director of Publishing  
[malavika.legge@biochemistry.org](mailto:malavika.legge@biochemistry.org)

### **Ivana Knyght (to 31 March 2021)**

Director of Society Programmes  
[ivana.knyght@biochemistry.org](mailto:ivana.knyght@biochemistry.org)

### **Kofo Balogun (from 6 April 2021)**

Head of Human Resources, EDI and Technology  
[Kofo.balogun@biochemistry.org](mailto:Kofo.balogun@biochemistry.org)

### **Clare Curtis (from 6 April 2021)**

Head of Content and Engagement  
[clare.curtis@biochemistry.org](mailto:clare.curtis@biochemistry.org)

### **Lorraine Reese (From 6 April 2021)**

Head of Conferences and Events  
[lorraine.reese@biochemistry.org](mailto:lorraine.reese@biochemistry.org)

### **Doug Armin (From 25 August 2021)**

Head of Finance and Governance  
[Doug.armin@biochemistry.org](mailto:Doug.armin@biochemistry.org)

## Key contacts

### Bankers

Coutts & Co  
440 Strand  
London  
WC2R 0QS

National Westminster Bank Plc  
100 The Crescent  
Colchester  
CO4 9GN

### Solicitors

Bates Wells LLP  
10 Queen Street Place  
London  
EC4R 1BE

### Auditor

BDO LLP  
55 Baker Street  
London  
W1U 7EU

### Investment managers

Newton Investment Management Ltd (part of BNY Mellon)  
160 Queen Victoria Street  
London  
EC4V 4LA

### Registered office

Biochemical Society  
First Floor  
10 Queen Street Place  
London  
EC4R 1BE

### Company Secretary

Adam Hughes (to 6 August 2021)  
[adam.hughes@biochemistry.org](mailto:adam.hughes@biochemistry.org)

## Financial review

The Group's results for the year are set out in the Statement of Financial Activities on page 55.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102), and follow the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS 102) effective 1 January 2019).

### *Treasurer's report*

During these unprecedented times, the Biochemical Society and Portland Press can look back at a year of financial stability achieved through good planning and cost control.

Total income from Charitable Activities was £4,765,000 (2019: £5,507,000) which included income of £4,509,000 (2019: £4,812,000) from publishing activities.

As a consequence of the pandemic, the income stream hit the hardest was that of our Scientific conferences. All of our face-to-face scientific conferences in 2020 were cancelled or postponed resulting in a significant drop in income to £5,000 (2019: £383,000). In order to support the needs of the biosciences community, we adapted our programme to deliver a brand-new series of [Biochemistry Focus webinars](#). These events were strengthened with the delivery of our online training courses which continued to provide learning opportunities to researchers. Additionally, we hosted our first fully online scientific meeting in December 2020 and will continue to offer hybrid and online options going forward.

Income from Membership fees fell to £231,000 in 2020 (2019: £272,000) reflecting the timing difference in direct debit collections from members which will be corrected in the course of 2021.

Despite the notable changes in expenditure, the Society implemented a number of activities during 2020 to ensure continued progression with our charitable objectives. Such activities included career-focused webinars, establishing a new ECR-focused webinar series and in order to capitalize on our sector networks, a [COVID-19 hub](#) was developed on the Society's website to bring together relevant information. Due to the restrictions on travel and postponement of face-to-face conferences, the Society awarded significantly fewer grants and awards in 2020, and although we saw an increase in applications for online meetings towards the end of the year, potential amendments to the conditions of grants applications (in order to encourage greater uptake in 2021) are being considered.

Total expenditure relating to Charitable Activities has decreased to £4,241,000 (2019: £5,714,000).

On an operating basis, and before accounting for other recognized gains and losses, the Group made a surplus for the year of £811,000 (2019: £744,000).

The majority of the Society's funding comes from publishing activities (see below), other major sources stem from membership subscriptions, conferences registration fees and sponsorship, totaling £256,000 (2019: £816,000) and investment income of £105,000 (2019: £180,000).

The Society's charitable expenditure, excluding Portland Press trading activities, amounted to £1,541,000 (2019: £2,825,000).



Portland Press Limited, the Society's trading subsidiary, made a pre-tax profit for the period of £2,160,000 (2019: £2,119,358 profit). These profits were distributed to the Society during 2021 under deed of covenant and are included in the figures stated above.

The Biochemical Society Staff Pension Scheme, a defined benefit scheme, was closed to new entrants and future accrual from March 2011. The Society currently offers staff the opportunity to be members of the Universities Superannuation Scheme, a multi-employer defined benefit scheme. In line with Pensions regulations this is the scheme in which all Society employees are initially 'auto-enrolled'. This is summarized further in Note 15.

The Society accounted for net gains on investments of £198,000 from the equity investments.

After accounting for these items, the Group made a net surplus of £1,651,000 (2019: £852,000) for the year, with closing reserves of £12.4 million (31 December 2019: £10.7 million).



**Professor Frank Sargent**

Honorary Treasurer

Date: 21 February 2022

## **Reserves Policy and Going Concern**

The Society plans to fund its ongoing charitable activities from its free reserves.

Free reserves are the unrestricted funds not designated for other purposes and readily available in the short to medium term. For this purpose, free reserves are calculated as 'Other Charitable Funds' less the value of intangible assets. As at 31 December 2020 free reserves amounted to £11.9 million (2019: £11.0 million).

The Trustees consider it ideal to maintain a level of reserves representing 12 months of committed Society expenditure, including pension scheme deficit funding, with lower and upper bounds of 6 to 18 months. This policy is intended to provide a sufficient buffer without accumulating unnecessary levels of reserves.

As at 31 December 2020, the Society had free reserves sufficient to cover 34 months of charitable expenditure. This is above the level of free reserves as outlined by the policy and is as a result of selling freehold and investment property during 2019 with the sale proceeds not being reinvested back into property. The Trustees have carried out an investment strategy review during the first half of 2021 and will review the reserves policy in line with the current financial climate and in the context of the wider landscape with threats to declining subscription income.

### **Free reserves**

Following the events of 2020 relating to COVID-19 the Trustees made the decision to halt the proposed purchase of permanent premises and in November 2020, made the decision to adopt a longer-term remote working trial for staff on a 2-year trial basis. Whilst this action is not in direct consequence of any requirement to make cost savings following the impact of COVID-19, these savings further strengthen the financial position of the Group in uncertain times.

### **Going Concern**

The trustees have assessed whether the use of the going concern basis is appropriate, particularly after taking the impact of the Covid-19 pandemic into account. They have reassessed the business plans, income and expenditure projections and taken into account the Charity's reserves levels. Their conclusion is that there is little doubt about the Charity's ability to continue operating as a going concern.

Portland Press undertook a fresh profitability analysis for 2021 and 2022 considering four scenarios based on market information, with assumptions ranging from a positive outcome to a worst-case scenario. Profit is anticipated even in the most extreme scenario modelled.

By December 2021, Portland Press had already received 44% of its budgeted revenue for 2022 subscription sales totaling £1.388m.

We remain alert to the possibility of future disruption due to the evolving nature of the Covid pandemic but note that the income generation functions remain entirely equipped to operate at full capacity online, with remote working in place.

The Group currently holds significant values of cash at bank in addition to a significant level of liquid investments held as part of an investment portfolio.

The Trustees have made their assessment for a period of at least one year from the date of approving the financial statements and are assured that the Group and Charity has adequate resources to continue to operate for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements and hence a material uncertainty does not exist.

### **Remuneration Policy**

The Trustees, being the Non-Executive Directors of the Society, receive no direct remuneration for the duties they undertake on behalf of the Society.

All employee remuneration is benchmarked against similar positions within the sector and against comparative professional positions where possible. The Council of Trustees delegates the responsibility for setting the budget for 'cost of living' related increases, as well as the level of funds available for performance-related bonuses to the Finance Committee. Responsibility for management of general staff remuneration levels, as well as the allocation of performance-related bonuses, is delegated to the Remuneration Committee.

### **Investment policy**

The [Articles of Association](#) give the Trustees the power to invest as necessary to support the promotion of the objects of the Society.

The Society's equity investment assets are managed through a pooled fund, the 'Newton Sustainable Growth and Income Fund for Charities'. This fund allows exposure to investments which would not be economically available to the Society within a segregated fund and provides cost-efficient means of investment management. All our investments are ethically screened in line with the Society's current investment policy.

On 8 October 2020, the Newton Growth Fund for Charities converted into the Newton Sustainable Growth and Income Fund for Charities with an updated investment objective and a change of performance benchmark.

The delegated management of assets remains with Newton Investment Management Limited, a subsidiary of BNY Mellon. The overall investment objective is to generate capital growth over the long term (5 years or more) without taking undue risk, whilst also ensuring ethical principles around investment practices are met. Focus on Environmental, Social and Governance (ESG) considerations are enhanced by incorporating Newton's full Sustainable Investment Process. This objective is to be achieved principally by investing in the Newton Sustainable Growth & Income Fund for Charities. Total investment performance is expected at the minimum to exceed, over the medium to long term, the returns to be achieved on cash deposits.

No investments are made into companies predominantly involved in the production of tobacco products or armaments.

Although a reasonable and consistent level of income and growth is expected, the performance of the investment managers is essentially judged on the total return of income plus capital growth minus investment management fees. The performance of the unrestricted fund

investments is benchmarked against a parcel of indices. The managers are expected to outperform these indices.

The equity investment fund outperformed its comparative index over the year achieving a return of 5.7% against a comparative index performance of 2.3%. At 31 December 2020, the investment portfolio was valued at £5,208,394 including cumulative unrealized gains of £1,461,194.

At 30 September 2021, the investment portfolio was valued at £5,705,422 including cumulative unrealized gains of £1,958,242. The annualised returns for the 12 months to 30 September 2021 are 15.7% against the performance benchmark of 14.6%

Due to the COVID-19 pandemic and the subsequent ongoing market risk, Trustees and Senior Management are closely monitoring the performance of the investment portfolio and the inevitable impact that the pandemic is having on it.

The Trustees have reviewed the current investment policy during 2021 in line with a review of the reserves policy and the Society is in process of transitioning to a more diversified portfolio which will reduce its dependence on the performance of a single investment fund.

### **Auditor**

BDO LLP were appointed in 2020 and offer themselves for reappointment as Auditor.

### **Trustees' Approval**

In approving the Trustees Annual Report, the Trustees are also approving the Strategic Report in their capacity as Trustees of a charitable group.



**Professor Sir Pete Downes**  
President  
Biochemical Society



**Professor Sheila Graham**  
Chair, Executive Management Committee  
Biochemical Society

Date: 21 February 2022

# **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE BIOCHEMICAL SOCIETY**

## **Opinion on the financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Society's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources and the Parent Society's incoming resources and application of resources 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.

We have audited the financial statements of the Biochemical Society ("the Society") and its subsidiary ("the Group") for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the consolidated and Society balance sheet, the consolidated 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).

## **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Independence**

We remain independent of the Group and Parent Society 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.

## **Conclusions related 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 Group and the Parent Society'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, other than the financial statements and our auditor's report thereon. The other information comprises: Strategic report on Group activities. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **Other Companies Act 2006 reporting**

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 and the Strategic 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 Strategic report and the Directors' Report, which are included in the Trustees' report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Society and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's 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 Parent Society, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Society financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of Trustees**

As explained more fully in the Statement of Trustee Responsibilities, the Trustees (who are also the directors of the Society 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 determines 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 Group's and the Parent Society'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 Group or the Parent Society or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the Group and Society. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting

Practice, the Charities Act 2011, the Companies Act 2006, Data Protection Act 2018, Bribery Act 2010 and tax legislation.

- We understood how the Group and Society are complying with those legal and regulatory frameworks by making enquiries to management. We corroborated our enquiries through our review of the Society and subsidiary company minutes.
- We assessed the susceptibility of the Group and Society's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. As part of this assessment we discussed the outcome of specific investigations with the Trustees of the Charity and external advisors.
- In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition. In light of subsequent events, we reassessed performance materiality, revised testing with no reliance placed on controls and sought evidence of receipt for all income amounts tested.
- We considered the implications of a number of subsequent events on financial results for the year and tested the accuracy and completeness of adjustments made to the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

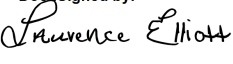
A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://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 Society'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 Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



DocuSigned by:  
  
C9A7C7386A35456...

Laurence Elliott (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London, UK

**Date** 23 February 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

## Principal Accounting Policies

The below financial statements have been prepared in accordance with Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (FRS 102), and follow the recommendations in the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS 102) effective 1 January 2019). The Biochemical Society meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared under the historical cost convention except that investments are valued at fair value (see below). The principal accounting policies of the Group, judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below and have been consistently applied to the years presented, unless otherwise stated. The financial statements are prepared in sterling which is the functional currency of the Group and rounded to the nearest £'000.

### *Basis of preparation: Going Concern*

The financial statements are prepared on a going concern basis.

The Trustees consider it ideal to maintain a level of reserves representing 12 months of committed Society expenditure, including pension scheme deficit funding, with lower and upper bounds of 6 to 18 months. This policy is intended to provide a sufficient buffer without accumulating unnecessary levels of reserves.

As at 31 December 2020, the Society had free reserves sufficient to cover 34 months of charitable expenditure and this increased throughout 2021 to 42 months in October. This is above the level of free reserves as outlined by the policy and is as a result of selling freehold and investment property during 2019 with the sale proceeds not being reinvested back into property. The Trustees have carried out an investment strategy review during the first half of 2021 and reviewed the reserves policy in line with the current financial climate and in the context of the wider landscape with threats to declining subscription income.

Following the events of 2020 relating to COVID-19, the Trustees took the decision to temporarily halt the ongoing search for purchasing permanent premises and in November 2020, the Trustees made the decision to adopt a longer-term remote working trial for staff on a 2-year basis. Whilst this action is not in direct consequence of any requirement to make cost savings following the impact of COVID-19, these savings further strengthen the financial position of the Group in uncertain times.

Portland Press undertook a fresh profitability analysis for 2022 considering four scenarios based on market information, with assumptions ranging from a positive outcome to a worst-case scenario. Profit is anticipated even in the most extreme scenario modelled.

By the first week in December 2021, Portland Press had already received 44% of its budgeted revenue for 2022 subscription sales totaling £1.388m.

Whilst the Society benefits from the gifting of profits by Portland Press Limited, enabling it to widen its reach, given the strength of its financial position, the Society does not need to rely on future profits in Portland Press to support its operations.

The Group is forecasting a small surplus for the 2021 financial year and currently holds in excess of £7m cash at bank which is in addition to a significant level of liquid investments held as an investment portfolio which had a market value in excess of £5.7m at October 2021.

After considering the current state of reserves, the significant values of cash held at bank, the decision to hold off on purchasing premises in the current climate and the Portland Press 2022 profitability analysis, it is the opinion of the Trustees that the Group is adequately financed to continue its activities for the foreseeable future, and also, that both the Society and Portland Press Limited are going concerns.

The Trustees have made their assessment for a period of at least one year from the date of approving the financial statements and are assured that the Group and Charity has adequate resources to continue to operate for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements and hence a material uncertainty does not exist.

#### *Basis of consolidation*

The Group financial statements consolidate those of the Society and of its principal subsidiary undertaking drawn up to 31 December 2020. Surpluses or deficits on intra-group transactions are eliminated in full. The results of the trading subsidiary have been incorporated on a line-by-line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the Society have not been presented because the Society has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

CDH Limited is not consolidated as it is a non-controlling investment (see note 19).

#### *Use of judgements and estimates*

In preparing these consolidated financial statements, management has made certain judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Information about assumptions used and estimation uncertainties in the year ended 31 December 2020 is included in the following note:

#### **Note 15 – Pensions**

Certain elements of the Group's accounting policies and disclosures require the measurement of fair values. Where third-party information, such as broker quotes or pricing services, is used to measure fair values, then evidence is obtained from third parties to support the conclusion that such valuations meet the requirements of FRS 102.

#### *Income recognition*

Income is recognized when the Group has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the precondition has been met.

Investment income comprises dividends receivable during the accounting period and interest receivable on listed and unlisted investments.

Income against journal subscription sales as well as sales of a 'transformative' nature (i.e., *Read & Publish* sales) are deferred across evenly divided amounts throughout the annual duration of the subscription. Article Publishing Charges for open access (i.e. APC income) is recognized, on a per-article basis, in the month that the relevant article is published.

Membership fees are recognized as income evenly in the period for which the customer has paid for access to the goods and services. Amounts received for future periods are included in creditors as subscriptions in advance (note 12).

Meetings and conference income is recognized in the period in which the meeting or conference is held.

#### *Expenditure*

Expenditure is recognized once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Premises, IT and HR overheads have been allocated on a basis of headcount and administration and finance costs on the basis of time spent on those areas by staff. During 2020, IT expenditure directly attributable to a category has been charged to it. In previous years, IT expenditure had been treated as a support cost.

Raising funds are those costs incurred in attracting voluntary income, in managing the Society's investments, and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with the core work of the Society in promoting the advancement of biochemistry.

Governance costs include those incurred in the governance of the Group and its assets and are primarily associated with constitutional and statutory requirements. These costs are shown as part of charitable activities.

#### *Allocation of support costs*

Support costs are those functions that assist the work of the Society but do not directly undertake charitable activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. Costs are allocated through activity-based costing using the most appropriate method e.g., staff time, transaction numbers, headcount.

#### *Property, plant and equipment depreciation*

In general, fixed assets costing less than £500 are not capitalized.

Property plant and equipment are measured at cost, less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost or valuation, less estimated residual value, of each fixed asset held for charity use by equal annual instalments over their expected useful economic lives.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

The periods generally applicable are:

Equipment and furniture	3–5 years
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#### *Intangible assets*

The costs of developing the new membership fulfilment system and publishing online hosting system were capitalized as an intangible asset. These costs are being amortized by equal annual instalments over 3 years.

#### *Investments*

Investments are measured at fair value based on the bid price at the statement of financial position date. Net gains and losses arising on revaluations and disposals during the year are included in the statement of financial activities. Those investments that are not publicly traded and whose fair value cannot otherwise be measured reliably are recognized at cost less impairment.

#### *Stock*

No value has been placed on stock of unsold copies of books and journals published.

#### *Foreign currencies*

Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. All exchange gains and losses on settled transactions are reported as part of the surplus or deficit for the year.

#### *Taxation*

No provision is made for direct taxation on income as the Society is a registered charity and its income is therefore exempted from United Kingdom direct taxation to the extent that it is applied to the Society's charitable purposes.

The adoption of FRS 102 paragraph 29.14A, no tax charge arises on the profits of Portland Press Limited (PPL) where these profits are distributed to the Society under gift aid within 9 months of the period end. A tax charge does not therefore normally arise in the financial statements, except to the extent that the amount gift aided falls short of the taxable profits. These gift aid payments are recognized in the PPL financial statements as distributions through equity rather than as an expense through the statement of comprehensive income. The gift aid payments are recognized on the accrual basis where a legal obligation to make a distribution exists at year end.

#### *Fund accounting*

Restricted funds are to be used for specific purposes laid down within their objects.

Expenditure for these purposes is charged to the fund.

Unrestricted funds are incoming resources received or generated for expenditure on the general objectives of the Group.

Designated funds are unrestricted funds which have been designated for specific purposes by the Trustees.

The Fixed Asset Fund represents the net book value of the Group's fixed assets as shown in note 6.

#### *Cash and cash equivalents*

Cash and cash equivalents, for the purpose of the statement of cash flows, comprise cash in hand and short-term deposits with an original maturity date of three months or less.

#### *Debtors*

Debtors are recognized initially at fair value. A provision for impairment of trade debtors is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. Any losses arising from impairment are recognized in the statement of financial activities.

#### *Creditors*

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and subsequently measured at amortized cost using the effective interest model.

#### *Termination and redundancy pay*

In addition to statutory redundancy payments, enhanced redundancy pay is determined on a case-by-case basis and is conditional upon the completion of term to notice and settlement agreement. In addition to any agreed lump-sum payment, enhanced redundancy pay can also cover other items such as costs relating to specific learning and development.

#### *Pensions*

The Society operates defined benefit pension provision through two Schemes, the Biochemical Society Pension Scheme and the Universities Superannuation Scheme (USS).

#### *Biochemical Society Pension Fund*

Biochemical Society operates a pension scheme for all qualifying employees. The assets of the Scheme are held in a separate trustee administered fund. The Biochemical Society Staff Pension Scheme was closed to new entrants and future accrual with effect from 1st March 2011, and employees were given the opportunity to join the USS from this date.

The defined net benefit pension asset or liability in the statement of financial position comprises the total of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is only recognized to the extent that it is recoverable by the Society.

The cost of providing benefits is determined on an actuarial basis using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations). The current service cost and costs from settlements are charged against operating surplus. Past costs are spread over the period until the benefit vests. Net interest on the net defined liability during the reporting period is included in other finance costs.

Re-measurements, comprising actuarial gains and losses and the return on the net defined benefit liability (excluding amounts included in net interest) are reported as other recognized gains and losses in the statement of financial activities.

#### *Universities Superannuation Scheme (USS)*

The Society participates in the USS. Throughout the current and preceding periods, the Scheme was a defined benefit only pension scheme until 31 March 2016 which was contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set.

The Biochemical Society is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme and therefore, as required by Section 28 of FRS 102 "Employee benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the contributions payable to the scheme in respect of the accounting period. Since the institution has entered into an agreement (the Recovery Plan that determines how each employer within the scheme will fund the overall deficit), the institution recognizes a liability for the contributions payable that arise from the agreement to the extent that they relate to the deficit and the resulting expense in the income and expenditure account.

#### *Amounts received under gift aid from Portland Press Limited (PPL)*

PPL is a wholly owned subsidiary undertaking of the Biochemical Society, 10 Queen Street Place, London, EC4R 1BE. PPL distributes substantially all of its distributable profits to the Society under gift aid. Income received under gift aid is credited to the Society's Income and Expenditure account on the accruals basis, where a legal obligation to make the distribution exists at year end.

#### *Leased assets*

For leases regarded as operating leases, payments made are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

#### *Financial instruments*

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

# Consolidated Statement of Financial Activities for the year ended 31 December 2020

Including Consolidated Income and Expenditure Account

		2020	2019
		Total	Total
	Note	£'000	£'000
<b>Income from:</b>			
<b>Donations and sponsorship</b>		-	121
<b>Charitable Activities</b>			
Scientific Conferences		5	383
Membership fees		231	272
Policy, Education, Professional		12	31
Journals		4,509	4,812
Other		8	9
<b>Other Trading Activities</b>			
Investment income (incl. rent)	3	105	180
<b>Total income</b>		<b>4,870</b>	<b>5,808</b>
<b>Expenditure</b>			
	4		
<b>Raising Funds</b>			
Investments		(20)	141
<b>Charitable Activities</b>			
Membership recruitment		5	67
Membership		389	816
Grants and Awards		53	226
Scientific Conferences		531	999
Policy, Education, Professional		379	471
Journals: Production		2,402	2,503
Journals: Distribution		12	24
Administration: Portland Press Limited		286	362
Governance Costs		184	246
<b>Other</b>			
Interest on defined benefit pension schemes		36	14
Taxation		-	-
<b>Total Expenditure</b>		<b>4,257</b>	<b>5,869</b>
<b>Net income / (expenditure) before gains &amp; losses</b>		<b>613</b>	<b>(61)</b>
<b>Net gains on investments</b>			
Realized	8	-	-
Unrealized gain		198	805
<b>Net Income before other gains c/f</b>		<b>811</b>	<b>744</b>



# Consolidated Statement of Financial Activities for the year ended 31 December 2020 (cont.)

		2020	2019
		Total	Total
	Note	£'000	£'000
<b>Net Income before other gains b/f</b>		<b>811</b>	<b>744</b>
Other recognized gains and losses			
Realized losses on sale of Investment properties		-	(74)
Realized gain on sale of freehold property		-	1,063
Investment impairment release		2	4
Actuarial gains / (losses) on defined benefit pension scheme	15	838	(885)
<b>Net Movement in funds relating to the year</b>		<b>1,651</b>	<b>852</b>
Fund balances brought forward 1 January		10,726	9,874
Fund balances carried forward 31 December		<b>12,377</b>	<b>10,726</b>

Net income before other recognized gains and losses for the year of £811,000 comprises £776,000 net income for unrestricted funds and a £35,000 net income in restricted funds.

The accompanying accounting policies (on pages 49 to 54) and notes (on pages 60 to 74) form an integral part of the financial statements.

# Statement of Financial Position as at 31 December 2020

		Group		Society	
		2020	2019	2020	2019
	Note	£'000	£'000	£'000	£'000
<b>Fixed Assets</b>					
Tangible Assets	6	9	13	9	13
Intangible Assets	7	64	154	64	154
Investments	8	6,221	6,023	6,221	6,023
<b>Total Fixed Assets</b>		<b>6,294</b>	<b>6,190</b>	<b>6,294</b>	<b>6,190</b>
<b>Current Assets</b>					
Debtors	11	542	612	3,449	1,862
Cash at bank and in hand		8,930	8,278	3,913	4,839
<b>Total Current Assets</b>		<b>9,472</b>	<b>8,890</b>	<b>7,362</b>	<b>6,701</b>
<b>Current Liabilities</b>					
Creditors	12	(3,190)	(3,339)	(1,081)	(1,151)
<b>Net current assets</b>		<b>6,282</b>	<b>5,551</b>	<b>6,281</b>	<b>5,550</b>
<b>Net Assets excluding long term pension liability</b>		<b>12,576</b>	<b>11,741</b>	<b>12,575</b>	<b>11,740</b>
<b>Long term defined benefit pension liability</b>	15	<b>(199)</b>	<b>(1,015)</b>	<b>(199)</b>	<b>(1,015)</b>
<b>Total net assets</b>		<b>12,377</b>	<b>10,726</b>	<b>12,376</b>	<b>10,725</b>
<b>The Funds of the Charity</b>					
Restricted Funds	9	1,181	1,146	1,181	1,146
Unrestricted Funds					
Fixed Asset Fund	10	9	13	9	13
Other Charitable Funds	10	10,191	9,567	10,191	9,567
Revaluation Reserve	10	1,787	1,589	1,787	1,589
Non-charitable trading funds	10	1	1	-	-
		<b>11,988</b>	<b>11,170</b>	<b>11,987</b>	<b>11,169</b>
Pension Reserve	15	(792)	(1,590)	(792)	(1,590)
<b>Total Unrestricted Funds</b>	10	<b>11,196</b>	<b>9,580</b>	<b>11,195</b>	<b>9,579</b>
<b>Total Charity Funds</b>	10	<b>12,377</b>	<b>10,726</b>	<b>12,376</b>	<b>10,725</b>

The financial activities above include £2,510,000 of net incoming and £1,896,000 of outgoing resources relating to the charity. Further details are included in Note 17.

Total income comprises £4,854,000 for unrestricted funds and £16,000 for restricted funds. A detailed analysis of income by source is provided in the statement of financial activities.

The financial statements were approved and authorised for issue by the Trustees of the Biochemical Society



Professor Sir Peter Downes  
President

Date: 21 February 2022

Company number: 00892796



Professor Sheila Graham  
Chair

The accompanying accounting policies (on pages 49 to 54) and notes (on pages 60 to 74) form an integral part of the financial statements

# Consolidated Statement of cash flows for the year ended 31 December 2020

Note

		2020 £'000	2019 £'000
<b>Cash flows from operating activities</b>	<b>A</b>	<b>553</b>	<b>(136)</b>
Cash flows from investing activities			
Dividends from investments	105	139	
Rents from investments	-	41	
Purchase of property, plant and equipment	(8)	(9)	
Purchase of intangible asset	-	(158)	
Proceeds from sale of freehold property	-	2,555	
Proceeds from sale of investment property	-	3,263	
Investment of impairment release	2	4	
Net cash provided by investing activities		99	5,835
Change in cash and cash equivalents in the year		652	5,699
Cash and cash equivalents at beginning of year		8,278	2,579
<b>Cash and cash equivalents at end of year</b>	<b>B</b>	<b>8,930</b>	<b>8,278</b>

## Notes to the Statement of Cash Flows

### A. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £'000	2019 £'000
Net income for the year	811	744
Depreciation	12	10
Amortisation of intangible asset	90	90
(Gains) on investments	(198)	(805)
Interest and rents from investments	(105)	(180)
Decrease in debtors	70	42
(Decrease) in creditors (excl. Pension fund)	(163)	(45)
Pension scheme costs charged	-	(6)
Pension schemes interest	36	14
	553	(136)

### B. Analysis of cash and cash equivalents

Cash at bank and in hand	8,930	8,278
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**Analysis of changes in net funds**

<b>Current year</b>	<b>1 Jan 2020 £'000</b>	<b>Cash- flows £'000</b>	<b>Other non- cash changes £'000</b>	<b>31 Dec 2020 £'000</b>
<b>Cash and cash equivalents</b>				
Cash	8,278	805	(153)	8,930
Overdrafts	-	-	-	-
<b>Net Funds</b>	8,278	805	(153)	8,930

<b>Prior year</b>	<b>1 Jan 2019 £'000</b>	<b>Cash- flows £'000</b>	<b>Other non- cash changes £'000</b>	<b>31 Dec 2019 £'000</b>
<b>Cash and cash equivalents</b>				
Cash	2,579	6,399	(700)	8,278
Overdrafts	-	-	-	-
<b>Net Funds</b>	2,579	6,399	(700)	8,278

### 1. Statutory information

The Biochemical Society is a Charity registered with the Charity Commission, registration number 253894 and is also registered as a Private Limited Company, domiciled in England & Wales, company number 00892796.

### 2. Income from subsidiary company

The Charity has one wholly owned trading subsidiary, which is incorporated in England & Wales as Portland Press Limited, 10 Queen Street Place, London, EC4R 1BE, company number 02453983. It is principally engaged in the publication and distribution of scientific journals. Portland Press pays substantially all of its profit to the Biochemical Society.

A summary of Portland Press Limited's results is shown below. Audited financial statements are held with the Registrar of Companies.

#### Statement of comprehensive income and retained earnings for the year ended 31 December 2020

	2020 £'000	2019 £'000
Turnover	4,522	4,768
Cost of Sales	(1,948)	(2,209)
	2,574	2,559
Administrative expenses	(413)	(493)
	2,161	2,066
Exchange (losses) / gains	(2)	53
Interest received	1	-
	2,160	2,119
Reserves brought forward	1	1
Profit for the year	2,160	2,119
Distribution to the Biochemical Society under gift aid	(2,160)	(2,119)
	1	1

Portland Press Limited's Statement of Financial Position is summarized as follows:

Current Assets	3,737	2,997
Current Liabilities	(3,736)	(2,996)
	1	1

The turnover and profit is attributable to the publication and distribution of scientific journals and books.

Portland Press Limited taxable profit for the year was £2,160,396 (2019: £2,119,000). An amount of £2,160,396 will be distributed to the Biochemical Society under gift aid in 2021. A Deed of Covenant was established during 2019, which allowed for this distribution to be recognized in the Comprehensive Income in Portland Press Limited. Therefore, no corporation tax is expected to be recognised in respect of profits generated in 2020.

### 3. Investment income

	2020 £'000	2019 £'000
Listed investments (including unit trusts)	105	139
Rent income	-	41
	105	180

#### 4. Analysis of expenditure

<i>Current year analysis</i>	<b>Staff Costs £'000</b>	<b>Support Costs £'000</b>	<b>Other £'000</b>	<b>2020 £'000</b>	2019 £'000
Cost of generating funds					
Cost of investment	7	-	(27)	(20)	141
Charitable expenditure					
Membership recruitment costs	-	-	5	5	67
Membership	294	62	33	389	816
Grants payable					
Grants to individuals	-	-	11	11	113
Royal Society of Biology	-	-	23	23	10
Summer Vacation Studentships	-	-	(2)	(2)	63
Scientific Outreach	-	-	22	22	20
STEM Insight	-	-	(2)	(2)	19
In2science UK	-	-	1	1	1
Scientific conferences	386	35	110	531	999
Policy, Education, Professional	225	26	128	379	471
Journal and Books: Production	902	86	1,414	2,402	2,503
Journal and Books: Distribution	-	-	12	12	24
Administration: Portland Press Ltd	176	47	63	286	362
Governance	97	14	73	184	246
Pension schemes interest	-	-	36	36	14
Total outgoing resources	2,087	270	1,900	4,257	5,869

<i>Prior year analysis</i>	<b>Staff Costs £'000</b>	<b>Support Costs £'000</b>	<b>Other £'000</b>	<b>2019 £'000</b>
Cost of generating funds				
Cost of investment	7	-	134	141
Charitable expenditure	-	-	-	-
Membership recruitment costs	-	-	67	67
Membership	345	219	252	816
Grants payable				
Grants to individuals	-	-	113	113
Royal Society of Biology	-	-	10	10
Summer Vacation Studentships	-	-	63	63
Scientific Outreach	-	-	20	20
STEM Insight	-	-	19	19
In2science UK	-	-	1	1
Scientific conferences	381	105	513	999
Policy, Education, Professional	222	60	189	471
Journal and Books: Production	1,086	504	913	2,503
Journal and Books: Distribution	-	-	24	24
Administration: Portland Press Ltd	266	70	26	362
Governance	124	25	97	246
Pension schemes interest	-	-	14	14
Total outgoing resources	2,431	983	2,455	5,869

# Analysis of expenditure continued

The breakdown of support costs is as follows:

	Admin and Finance £'000	IT support £'000	Total Support £'000	Total 2019 £'000
<i>Current year analysis</i>				
Membership	47	15	62	219
Scientific Meetings	29	6	35	105
Policy, Education, Professional	20	6	26	60
Journal and Books: Production	55	31	86	504
Administration: Portland Press Ltd	41	6	47	70
Governance Costs	12	2	14	25
	<b>204</b>	<b>66</b>	<b>270</b>	<b>983</b>

	Admin and Finance £'000	IT support £'000	Total Support £'000	
<i>Prior year analysis</i>				
Membership	152	67	219	
Scientific Meetings	45	60	105	
Policy, Education, Professional	17	43	60	
Journal and Books: Production	36	468	504	
Administration: Portland Press Ltd	40	30	70	
Governance Costs	16	9	25	
	<b>306</b>	<b>677</b>	<b>983</b>	

Expenditure that was incurred by Portland Press is included above and is itemized in Note 2.

Expenditure amounting to £13,000 (2019: £45,000) in respect of restricted funds is included in other costs above. Membership expenditure includes £nil (2019: £112,000) for the costs of publishing and distributing *The Biochemist* which from 2020 onwards is reported as a Journal and Books: Production activity. During 2020, direct IT expenditure has been attributed to the charitable activity and is included in other costs above.

Net income / (expenditure) is, after charging:

	2020 £'000	2019 £'000
Payments to auditor - Biochemical Society	17	15
Payments to auditor - Portland Press Ltd	17	15
Payments to auditor - taxation services	3	3
Irrecoverable VAT	47	27
Operating lease rentals - land and buildings	-	-
Depreciation of tangible fixed assets	12	10
Amortisation of intangible assets	90	90
	<b>2</b>	<b>(53)</b>
Loss / (Gain) on currency revaluations		

## 5. Employees

	2020 £'000	2019 £'000
Staff costs during the year were as follows:		
Wages & Salaries	1,632	1,645
Social Security costs	174	175
Pension costs	278	530
Staff costs before redundancy and termination	2,084	2,350
Redundancy and termination	4	79
Staff costs including redundancy and termination	2,088	2,429
Closed pension scheme deficit funding	-	-
Total staff costs	2,088	2,429

Included in pension costs is £278,000 (2019: £530,000) in respect of the defined benefit Universities Superannuation Scheme.

Further details on Pension Scheme costs are shown in note 16.

Included within Redundancy and termination costs are £4,040 (2019: £48,368) of enhanced costs relating to redundancies.

The average number of employees of the Society during the year was 41 (2019: 42).

8 Trustees (2019: 13) have received a total of £2,647 (2019: £22,091) in respect of reimbursed travel and accommodation costs incurred in attending Society meetings. Trustees do not receive remuneration.

Salaries paid during the year together with accrued redundancy and termination costs, but excluding pension contributions, exceeding an annual equivalent remuneration of £60,000 were in the following bands. Relevant Redundancy payments for employees included within these bands amount to £nil (2019: £40,000):

Salaries including redundancy payments	2020	2019
£60,001 to £70,000	4	2
£70,001 to £80,000	-	-
£80,001 to £90,000	1	1
£90,001 to £100,000	-	-
£100,001 to £110,000	-	1
£130,000 to £140,000	-	-
£140,001 to £150,000	-	-
£150,001 to £160,000	1	1

Salaries paid during the year, excluding redundancy payments and pension contributions, exceeding an annual equivalent remuneration of £60,000 were in the following bands:

Salaries excluding redundancy payments	2020	2019
£60,001 to £70,000	4	2
£70,001 to £80,000	-	-
£80,001 to £90,000	1	1
£90,001 to £100,000	-	-
£130,000 to £140,000	-	-
£140,001 to £150,000	-	-
£150,001 to £160,000	1	1

Key Management compensation	£'000	£'000
Salaries and short-term employee's benefits (incl NIC and pension)	504	476

As at 31 December 2020, the Society's senior management structure is formed of the CEO and Managing Director; Director of Operations; Director of Society Programmes and Director of Publishing.

As of 25 August 2021, the Society's senior management structure is formed of the CEO and Managing Director; Director of Publishing; Head of Human Resources and EDI; Publisher; Head of Conferences and Events; and Head of Finance and Governance



## 6. Tangible Assets

### The Society and the Group

	Equipment & Furniture £'000	Total £'000
Cost or Valuation		
At 1 January 2020	243	243
Additions	8	8
Disposals	-	-
At 31 December 2020	251	251
Depreciation		
At 1 January 2020	230	230
Charge for the year	12	12
Disposals	-	-
At 31 December 2020	242	242
Net book value at 31 December 2020	9	9
Net book value at 31 December 2019	13	13

## 7. Intangible Assets

### The Society and the Group

	Software Development £'000
Cost	
At 1 January 2020	154
Additions	-
Amortisation	(90)
Disposals	-
At 31 December 2020	64
At 31 December 2019	154

## 8. Investments

### The Society and the Group

#### Equity Investments at fair value

	2020 £'000	2019 £'000
Fair value at start of year	6,023	5,218
Less disposals at cost	-	-
Add: acquisitions at costs	-	-
Net gain on revaluation	198	805
Fair value at end of year	6,221	6,023
Historical cost at end of year	4,434	4,434

Unrealized gains on investments for the year of £198,000 comprised of £165,000 gains for unrestricted funds and £33,000 gains for restricted funds.

Equity investments are managed through a pooled fund, the Newton Growth Fund for Charities, listed in the UK, and are valued at fair value through the statement of financial activities.

The Society holds non-controlling investment in shares to the value of £294 (2019: £294) in Charles Darwin House limited, a private company formed to manage Charles Darwin House, the Society's previous headquarters, which was sold in 2019. At the time of writing Charles Darwin House Limited is in the process of voluntary liquidation with outstanding loans payable to the Biochemical Society of £29k.

9. Restricted Funds The Society and the Group	Balance	Movement in funds			Balance
	1 January	Incoming	Expenditure	Investment	31 December
	2020	Resources	& Transfers	Gains	2020
	£'000	£'000	£'000	£'000	£'000
Keilin Memorial Lecture Fund	60	-	(2)	1	59
Morton Memorial Lecture Fund	62	1	-	1	64
Harden Legacy Fund	175	3	-	5	183
Centenary Award Fund	118	1	-	3	122
Krebs Memorial Scholarship Fund	381	8	(9)	16	396
Eric Reid Fund for Methodology	307	3	-	6	316
Randle Lecture Fund	14	-	(2)	-	12
Synthetic Biology Fund	29	-	-	-	29
	1,146	16	(13)	32	1,181

#### Prior year analysis

Restricted Funds The Society and the Group	Balance	Movement in funds			Balance
	1 January	Incoming	Expenditure	Investment	31 December
	2019	Resources	& Transfers	Gains	2019
	£'000	£'000	£'000	£'000	£'000
Keilin Memorial Lecture Fund	54	1	-	5	60
Morton Memorial Lecture Fund	56	1	-	5	62
Harden Legacy Fund	154	3	(2)	20	175
Centenary Award Fund	106	2	-	10	118
Krebs Memorial Scholarship Fund	332	11	(26)	64	381
Eric Reid Fund for Methodology	293	3	(15)	26	307
Randle Lecture Fund	16	-	(2)	-	14
Synthetic Biology Fund	29	-	-	-	29
	1,040	21	(45)	130	1,146

#### Keilin Memorial Lecture Fund

The Keilin Fund was instituted in 1964 by means of an appeal to commemorate the late David Keilin and income is used to pay for the costs of the speaker in giving a lecture, generally every other year.

#### Morton Memorial Lecture Fund

The fund was instituted in 1978 following an appeal at which some £3,400 was received in donations. Income from the fund is used to pay for the speaker's costs in giving a lecture biennially at a meeting of the Society and at the University of Liverpool. The lecture commemorates R.A. Morton.

#### Harden Legacy Fund

In his will in 1940 Sir Arthur Harden left funds to support publication of original scientific research. The income from the fund can be applied to assisting scientists with their travel and accommodation costs incurred in attendance of Harden conferences.

#### Centenary Award Fund

In recognition of the Society's centenary in 2011, this fund was created through the merger of the former Jubilee Lecture and the Hopkins Memorial Lecture funds. The Centenary Award Fund facilitates an annual award to a biochemist of distinction from any part of the world, with the award winner presenting a Sir Frederick Gowland Hopkins Memorial Lecture.

#### Krebs Memorial Scholarship Fund

The Krebs fund resulted from an appeal launched in December 1982 to commemorate the life and work of Sir Hans Krebs. Income from the fund is used to fund a postgraduate scholarship in Biochemistry or allied biomedical science, tenable at any British university. The Scholarship, awarded every year, is primarily intended to help candidates whose careers have been interrupted for non-academic reasons beyond their own control and/or who are unlikely to qualify for a grant.

## Restricted Funds continued

### Eric Reid Fund for Methodology

This fund has been renamed from the Guilford Bench Methodology Fund in memory of the late Dr Eric Reid, and was set up through funds provided by him from a trust which he co-founded in 1981. It was set up with the aim of assisting 'non big league' investigators in bypassing benchwork bottlenecks. The fund's Capital is sufficient to award about eight grants each year. The fund is akin to the Royal Society of Chemistry's Research Fund, but extends to paying for vacation help.

### Randle Lecture Fund

This fund was instituted in honour of the late Professor Sir Philip Randle who was one of the world's foremost researchers into mammalian metabolism. Income from the fund is used to finance a biennial award lecture by globally selected nominated scientists on the basis of their contribution to the understanding of mammalian metabolism.

### Synthetic Biology Fund

This fund has been created by the organisers to underwrite future years' conferences.

In the opinion of the Trustees, all funds have adequate resources to fulfil their ongoing obligations.

## 10. Unrestricted and Other Charitable Funds

The Society and the Group	Balance 01 Jan 2020 £'000	Net Utilised £'000	Transfer £'000	Balance 31 Dec 2020 £'000
<b>Unrestricted Funds</b>				
Fixed Asset Fund	13	(4)	-	9
Other Charitable Funds	9,567	822	(198)	10,191
Revaluation Reserve	1,589	-	198	1,787
Non-charitable trading funds	1	-	-	1
Pension Reserve	(1,590)	798	-	(792)
	<u>9,580</u>	<u>1,616</u>	<u>-</u>	<u>11,196</u>

The Revaluation Reserve represents the unrealized gains in Equity Investments (Unrestricted: £1,461,194 and restricted: £326,020).

The Pension Reserve represents the net pension scheme liability recognised in the statement of financial position (Biochemical Staff Pension scheme: £199,000 and Universities Superannuation Scheme: £593,377).

	Balance 01 Jan 2019 £'000	Net Utilised £'000	Transfer £'000	Balance 31 Dec 2019 £'000
<b>Unrestricted Funds</b>				
Fixed Asset Fund	1,180	(1,167)	-	13
Other Charitable Funds	6,475	3,084	8	9,567
Revaluation Reserve	1,597	-	(8)	1,589
Non-charitable trading funds	1	-	-	1
Pension Reserve	(419)	(1,171)	-	(1,590)
	<u>8,834</u>	<u>746</u>	<u>-</u>	<u>9,580</u>

The Revaluation Reserve represents the unrealized gains in Equity Investments (Unrestricted: £1,295,975 and restricted: £293,882)

The Pension Reserve represents the net pension scheme liability recognised in the statement of financial position (Biochemical Staff Pension scheme: £1,015,000 and Universities Superannuation Scheme: £575,000)

**Unrestricted and Other Charitable Funds continued**
**Analysis of Net Assets of the Group's Funds**

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>Total Funds £'000</b>
Fund Balances at 31 December 2020 are represented by:			
Property Plant and Equipment	9	-	9
Investments	5,208	1,013	6,221
Intangible Assets	64	-	64
Current Assets	9,304	168	9,472
Current Liabilities	(3,190)	-	(3,190)
Net pension liability	(199)	-	(199)
Total net assets	11,196	1,181	12,377
Fund Balances at 31 December 2019 are represented by:			
Property Plant and Equipment	13	-	13
Investment Properties	-	-	-
Investments	5,042	981	6,023
Intangible Assets	154	-	154
Current Assets	8,725	165	8,890
Current Liabilities	(3,339)	-	(3,339)
Net pension liability	(1,015)	-	(1,015)
Total net assets	9,580	1,146	10,726

**11. Debtors**

	<b>The Group</b>		<b>The Society</b>	
	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Trade debtors	229	227	2	8
Other debtors	119	183	119	183
Amounts owed by group undertakings	-	-	3,245	1,549
Prepayments and accrued income	194	202	83	122
Total debtors	542	612	3,449	1,862

**12. Creditors and deferred income: Amounts falling due within one year**

	<b>The Group</b>		<b>The Society</b>	
	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
Trade creditors	114	312	110	307
Amounts owed to group undertakings	-	-	-	-
Social security and other taxes	62	(57)	62	(57)
USS Pension Scheme	593	575	593	575
Other creditors	50	463	9	17
Subscriptions in advance	1,953	1,713	97	124
Other deferred income	80	25	80	25
Accruals	338	308	130	160
Total creditors and deferred income	3,190	3,339	1,081	1,151

**Creditors and deferred income continued**

	The Group		The Society	
	2020	2019	2020	2019
Analysis of deferred income	£'000	£'000	£'000	£'000
At 1 January	1,738	2,273	149	142
Amount recognised in the year	(1,738)	(2,273)	(149)	(142)
Amount deferred in the year	2,033	1,738	177	149
At 31 December	2,033	1,738	177	149

Deferred income primarily arises from journal subscription receipts received in advance, which is then unwound through the year.

**13. Capital Commitments**

There were no capital commitments as at 31 December 2020 (2019: £nil).

**14. Contingent liabilities**

There were no contingent liabilities as at 31 December 2020 (2019: £nil). All known liabilities have been accounted for in the financial statements.

**15. Pensions**

The Biochemical Society operates a defined benefit pension provision through two Schemes, the Biochemical Society Staff Pension Scheme and the Universities Superannuation Scheme.

**The amounts recognised in the statement of financial position are as follows:**

	2020	2019
	£'000	£'000
Biochemical Staff Pension scheme (See Note 15A) - Long Term	199	1,015
Universities Superannuation Scheme (See Note 15B) - Short Term	593	575
Liability recognised in the statement of financial position	792	1,590

**A. The Biochemical Staff Pension Scheme**

The Biochemical Society Staff Pension Scheme provides final salary defined benefits for service up to and including 28 February 2011. The scheme is closed to new entrants and future accrual. The assets of the scheme are held in a separate trustee-administered fund and subject to independent triennial actuarial valuations.

The level of benefits provided by the Scheme depends on a member's length of service and their salary at their date of leaving the scheme.

The pension fund is subject to triennial valuations by an independent actuary. The last valuation as at 1 January 2020 showed a deficit of £2.3m and a funding level of 89%.

In conjunction with the valuation a recovery plan and schedule of contributions was agreed with the trustees of the pension fund.

The actuarial estimate is that the pension fund will be balanced by mid-2027 and the Society is paying deficit contributions of £285k each year from 2021 to 2027 with a one-off additional payment of £400k which was also made during 2021.

The results of the valuation have been projected to 31 December 2020 with allowance for scheme cashflows and using the assumptions set out below. The figures in the following disclosure were measured using the Projected Unit Method.

## Pensions continued

The principal assumptions used to calculate the liabilities under FRS102 are set out below:

### Main financial assumptions

	31 December 2020	31 December 2019
	%pa	%pa
RPI inflation	3.1	3.25
CPI inflation	2.3	2.35
Pension increases RPI inflation up to 7%	3.1	3.25
Discount rate for Scheme liabilities	1.4	1.95

### Main demographic assumptions

	31 December 2020	31 December 2019
<b>Mortality</b>		
- Base table	100% of S3PxA_L	100% of S2PxA_L
- Future improvements	CMI 2019	CMI 2017
- Long term rate	1% pa	1.25% pa
*120% of base table probabilities for male pensioners. Light version of table for female members		

### Expected future lifetime from age 65

- Male currently aged 65	22.7 years	22.3 years
- Female currently aged 65	24.3 years	23.3 years
- Male currently aged 45	23.8 years	23.6 years
- Female currently aged 45	25.5 years	24.9 years

### Scheme asset allocation:

	31 December 2020	31 December 2019
	£'000	£'000
Target return funds	8,136	7,787
Equities	2,243	2,005
Bonds (including insured pensioners)	3,129	3,029
Swaps/Gilts (including cash)	6,505	5,304
Closing fair value of scheme assets	<u>20,013</u>	<u>18,125</u>

None of the Scheme assets are invested on the Society's financial instruments or in property occupied by, or other assets used by, the Society.

### Changes to the present value of the defined benefit obligation during the year:

	2020	2019
	£'000	£'000
Opening defined benefit obligation (DBO)	19,140	16,473
Interest expense on DBO	370	457
Actuarial losses on scheme liabilities	1,071	2,500
Net benefits paid	(369)	(290)
Closing defined benefit obligation	<u>20,212</u>	<u>19,140</u>

### Changes to the fair value of scheme assets during the year:

	2020	2019
	£'000	£'000
Opening fair value of scheme assets	18,125	16,349
Interest income on scheme assets	350	454
Gain on scheme assets	1,909	1,615
Contributions by the employer	-	-
Net benefits paid out	(369)	(290)
Administration expenses	(2)	(3)
Closing fair value of scheme assets	<u>20,013</u>	<u>18,125</u>
Actual return on Scheme assets	2,259	2,069

## Pensions continued

### Reconciliation of funded status to Statement of Financial Position:

	2020 £'000	2019 £'000
Fair value of assets	20,013	18,125
Present value of funded benefit obligations	(20,212)	(19,140)
Funded status	<u>(199)</u>	<u>(1,015)</u>
Liability recognized on the Statement of Financial Position	<u>(199)</u>	<u>(1,015)</u>

### Amounts recognised in Statement of Financial Activities (SOFA):

	2020 £'000	2019 £'000
Interest on defined benefit liability	22	6
Past service cost	-	-
Pension expense recognized in the Statement of Financial Activities	<u>22</u>	<u>6</u>
	2020 £'000	2019 £'000
Return less interest income on scheme assets	1,909	1,615
Actuarial (loss) on liabilities	(1,071)	(2,500)
Gain / (loss) arising in the Statement of Financial Activities	<u>838</u>	<u>(885)</u>

## B. Universities Superannuation Scheme

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan with £593,000 (2019: £575,000) being recognised in the statement of financial position.

The Society employer contributions for the year ended 31st December 2020 amounted to £273,118 (2019: £258,249). There was neither a prepayment nor an accrual at the end of the financial year in respect of these contributions. The disclosures below represent the position from the scheme's financial statements.

## Pensions continued

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete. Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

Defined benefit liability numbers for the scheme have been produced using the following assumptions:

	2020	2019
Discount rate	2.44%	2.44%
Pensionable salary growth	n/a	n/a
Price inflation (CPI)	2.11%	2.11%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

Male members' mortality	97.6% of SAPS S1NMA "light"
Female members' mortality	102.7% of RFV00

Use of these mortality tables reasonably reflects the actual USS experience. To allow for further improvements in mortality rates the CMI\_2017 projections with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa (male) and 1.6% (female) were also adopted. The current life expectancies on retirement at age 65 are:

	2020	2019
Males currently aged 65 years	24.4	24.6
Females currently aged 65 years	25.9	26.1
Males currently aged 45 years	26.3	26.6
Females currently aged 45 years	27.7	27.9

## 16. Financial Instruments

	The Group		The Society	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
<b>Financial Assets at fair value through statement of</b>				
Equity investments	6,221	6,023	6,221	6,023
<b>Financial Assets that are debt instruments measured at</b>				
Trade and other debtors	348	410	121	191
<b>Financial Liabilities measured at amortised cost</b>				
Trade Creditors	(114)	(312)	(110)	(307)



## 17. The Society's Income and Expenditure

The Society has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements.

An analysis of the differences in movements in resources between the Group and the Society is set out below:

	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2020 Total Funds £'000</b>
Incoming and endowments per consolidated statement of financial activities	4,854	16	4,870
Deduct: income of Trading Subsidiary	(4,522)	-	(4,522)
Add: gifted payments from Trading Subsidiary	2,160	-	2,160
Incoming resources - Society	<u>2,492</u>	<u>16</u>	<u>2,508</u>
 Total expenditure per consolidated statement of financial activities	 4,244	 13	 4,257
Deduct: expenditure of Trading Subsidiary	(2,362)	-	(2,362)
	<u>1,882</u>	<u>13</u>	<u>1,895</u>
 Net Gains on Investments	 166	 32	 198
Investment impairment released	2	-	2
Net income - Society			
Before gains and losses as per consolidated statement of	<u>778</u>	<u>35</u>	<u>813</u>
 Unrealised losses on Investment properties	 -	 -	 -
Realise gain on sale of leasehold property	-	-	-
Actuarial gain / (loss) on defined benefit pension scheme	838	-	838
	<u>1,616</u>	<u>35</u>	<u>1,651</u>
 Net movement in funds relating to the year			
	<u>1,616</u>	<u>35</u>	<u>1,651</u>
	<b>Unrestricted Funds £'000</b>	<b>Restricted Funds £'000</b>	<b>2019 Total Funds £'000</b>
Incoming and endowments per consolidated statement of financial activities	5,787	21	5,808
Deduct: income of Trading Subsidiary	(4,821)	-	(4,821)
Add: gifted payments from Trading Subsidiary	2,119	-	2,119
Incoming resources - Society	<u>3,085</u>	<u>21</u>	<u>3,106</u>
 Total expenditure per consolidated statement of financial activities	 5,824	 45	 5,869
Deduct: expenditure of Trading Subsidiary	(2,702)	-	(2,702)
	<u>3,122</u>	<u>45</u>	<u>3,167</u>
 Net Gains on Investments	 675	 130	 805
Investment impairment released	4	-	4
Net income - Society			
Before gains and losses as per consolidated statement of	<u>642</u>	<u>106</u>	<u>748</u>
 Unrealised losses on Investment properties	 -	 -	 -
Realise gain on sale of leasehold property	1,063	-	1,063
Actuarial gain / (loss) on defined benefit pension scheme	(885)	-	(885)
	<u>820</u>	<u>106</u>	<u>926</u>
 Net movement in funds relating to the year			
	<u>820</u>	<u>106</u>	<u>926</u>

## 18. Academic Support Grants

	2020 £'000	2019 £'000
Academic Support Grants paid in year	14	50

Academic Support Grants were paid to the following university departments to cover time spent by Trustees on Society business:

University of Liverpool £nil (2019 £3,609); University of Salford £nil (2019 £4,812); University of Manchester £nil (2019 £12,916); University of Bristol £nil (2019 £4,812); University of Glasgow £9,624 (2019 £9,624); University of Sussex £4,812 (2019 £4,812); University of Newcastle £nil (2019 £4,812); The Francis Crick Institute £nil (2019 £4,812).

These grants contributed towards research activities that are in alignment with the objects of the Charity.

## 19. Transactions with related parties

The Charity has one wholly owned trading subsidiary, which is incorporated in England & Wales as Portland Press Limited (See note 2). All transactions between the two entities during the year have been concluded under normal market conditions.

During the year, Portland Press Limited paid the Society £2.119m (2019: £2.411m), being the amount distributable to the Society under gift aid for the year ended 31 December 2019.

At the year end, the Society was owed £3.425m (2019: £1.544m) from Portland Press Limited due from group undertakings.

The Society holds non-controlling investment in Charles Darwin House Limited, a private company formed to manage Charles Darwin House, the Society's previous headquarters, which was sold in 2019. At the time of writing Charles Darwin House Limited is in the process of voluntary liquidation.

	2020 £'000	2019 £'000
Income		
Accounting	-	-
IT Services	-	-
Association Management	-	-
Other	-	-
	<u>-</u>	<u>-</u>
Expenditure		
HR Services	4	24
Conference facilities	-	12
Operating expenses	-	126
Other	-	1
	<u>4</u>	<u>163</u>

As at 31 December 2020, debtor balances totalling £nil (2019: £nil) and a creditor balance of £nil (2019: £18,000) were outstanding with Charles Darwin House Limited.

A loan of £29,400 was made to Charles Darwin House Ltd in February 2018 and the full balance of this loan remains outstanding as at 31 December 2020.

**Transactions with related parties continued**

Details of transactions between the Group and the co-owners of Charles Darwin House Limited for the year ended 31 December 2020.

	<b>SEB</b> <b>£'000</b>	<b>BES</b> <b>£'000</b>	<b>RSB</b> <b>£'000</b>	<b>MS</b> <b>£'000</b>	<b>SfAM</b> <b>£'000</b>	<b>TOTAL</b> <b>£'000</b>
<b>Income</b>						
Accounting	-	-	-	-	-	-
IT / Admin / HR Service	18	-	-	61	25	104
External Events	-	-	-	-	-	-
Share of office costs	-	-	-	-	28	28
Other	-	-	1	-	-	1
<b>Total income</b>	<b>18</b>	<b>-</b>	<b>1</b>	<b>61</b>	<b>53</b>	<b>133</b>
<b>Expenditure</b>						
Subscriptions	-	-	15	-	-	15
Grant	-	-	2	-	-	2
Grant - Sponsored Staff	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>17</b>
 Balances as at 31 Dec 2020						
Debtors	5	-	-	18	2	25
Creditors	-	-	-	-	-	-

Charles Darwin House Limited (CDH Ltd) held the legal title to the properties on trust for the beneficial owners of the properties; the beneficial owners being the Biochemical Society, Royal Society of Biology (RSB), British Ecological Society (BES), Society for Experimental Biology (SEB), Microbiology Society (MS) and Society for Applied Microbiology (SfAM).

There are no other related-party transactions to disclose.