

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**ANNUAL REPORT AND ACCOUNTS**

**For the Year Ended**

**31 March 2017**

**Registered Charity  
England and Wales No. 1152954  
Scotland No. SC038675**

**Company Registration No. 08553976**

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**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**ANNUAL REPORT AND ACCOUNTS**

**For the year ended 31 March 2017**

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\* The Summary Income and Expenditure Account is required to meet the accounting requirements of the Companies Act 2006 and presents in a different format amounts included in the Statement of Financial Activities, but excluding the Endowment Funds.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT**

**For the year ended 31 March 2017**

The Board presents its Annual Report together with the Accounts of the Botanical Society of Britain and Ireland ("the Society", generally known as BSBI) for the year ended 31 March 2017. Since Charity Trustees are also Directors, this Annual Report is also a Directors' Report as required by S417 of the Companies Act 2006.

The Accounts have been prepared in accordance with the accounting policies set out on page 15-17 and comply with the Society's Articles, the Charity SORP (FRS 102) and applicable law and accounting practice.

### **1. Objectives and activities**

#### Objectives

The objects of the Society (as stated in its Articles of Association) are:

- to promote the study and understanding of, and interest in, the British and Irish vascular plant and charophyte flora; and
- to support, encourage, carry out and participate in research into the taxonomy, ecology, biogeography and conservation of the British and Irish flora and to co-operate with European and other botanists in matters of mutual interest and concern.

#### Activities

The Society meets these objectives in the following ways:

BSBI seeks to attract members of all ages and backgrounds by setting membership subscriptions at a level affordable by all with further concessions for disadvantaged groups. BSBI seeks to supplement its income by donations, legacies and grant-aid while utilising its culture of voluntary service to achieve its objectives at low cost.

BSBI supports the botanical survey work carried out by its members as volunteers coordinated locally by its network of volunteer Vice-county Recorders, supported nationally by its volunteer expert referees and also by its staff. BSBI has the capacity to plan, implement and interpret surveys with particular regard to computer database systems. Members and staff are currently actively engaged in fieldwork for the Society's third plant distribution Atlas (the Atlas 2020 project) and many members are also participating in the National Plant Monitoring Scheme, in which BSBI is a partner. A BSBI Recorders' Conference was held in September 2016 – we hold such conferences approximately every 18 months as part of the society's support for our members' botanical survey work and similar events are held in Wales, Scotland and Ireland.

BSBI's botanical surveys deliver specific scientific and conservation objectives including the monitoring over time of changes in the geographic ranges of British and Irish wild plants and more detailed recording of the locations and population sizes of the scarcer species. They also support the development and implementation of Government policies on environmental stewardship and the spread of (invasive) non-native species.

BSBI is deeply concerned at the loss of opportunities for the study of whole-plant biology at schools and universities; our policies to counter this loss have three main strands. Firstly, BSBI holds field meetings throughout Britain and Ireland to further its botanical survey programme while introducing new members to the Society, fostering the mentoring of individuals' field identification skills and encouraging members to work together. Secondly, BSBI's Training and Education programme

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT (continued)**

**For the year ended 31 March 2017**

provides training grants, bursaries and conference grants and has participated in the development and promotion of Field Identification Skills Certificates (FISCs) at seven levels of competence. BSBI works with partner organisations to deliver training courses. Thirdly, BSBI's annual conferences and exhibition meetings aim to bring together botanists of national and international standing to mix with the general membership and to pursue themes relevant to the day, and to publicise the results of recent research.

BSBI launched a new journal in 2011, the *New Journal of Botany*, to enhance its ability to publish research by academics and amateurs relevant to the study of the British and Irish flora. BSBI has continued to publish *BSBI News* to its members for less formal exchanges. BSBI's comprehensive website <http://bsbi.org/> is fundamental in making its plant distribution and taxonomy databases freely available as a service to the botanical community. New and revised titles in BSBI's Handbook series are published regularly, dependent as ever on the voluntary services of key authors, to bring authoritative titles to members, and to the public at large, at low cost.

## **2. Achievements and performance**

The Society is now 181 years old and its principal achievement is in continuing to do what it has always done, acting as an information exchange for British and Irish botanists, whether in the field or indoors, and from one generation to the next. The Society and its members have always engaged themselves in the accurate recording of plant distributional data and this long tradition continues – as one member once put it, finality in field botany is fortunately unattainable. In 2016, members undertook high-profile research such as the Atlas 2020 project and were supported as they engaged in collaborative research. Reports of many of the 47 field meetings and workshops held between April and November 2016 are included in the Society's 2017 Yearbook.

### Membership

In 2015, the Society adopted 31 March as its financial year-end whilst retaining the calendar year for membership purposes. It is therefore considered more meaningful to present membership numbers here for 2016 and 2017 at the latest practicable date (30 June) rather than at the balance sheet date.

Total membership as at 30 June 2017 was 2,720 (2016: 2,677) made up of 2,512 (2016: 2,485) members from the United Kingdom, the Isle of Man and the Channel Islands; 147 (2016: 134) from the Republic of Ireland and 61 (2016: 58) from elsewhere.

### Public Benefit

The Trustees complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission (most recently in September 2013) when exercising any powers or duties to which the guidance is relevant. The Society's core activities are facilitating the recording of the distribution of plants in the wild in its area, and publishing expert works to aid accurate plant identification.

The Society's website, refurbished in April 2016, contains a digital archive of botanical publications and offers much information on the Society's activities on a free-to-user basis. BSBI members and volunteers regularly present lectures to the public and support conservation and outreach projects, both locally and nationally.

During the year under review, the Society published another title in its series of plant identification Handbooks. The *BSBI Viola Handbook* (number 17 in the series) was published in March 2017, with a print run of 500.

In these ways, the Society is able to inform the public and those with an interest in conservation and to meet the objects for which the Charity was established.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT (continued)**

**For the year ended 31 March 2017**

### BSBI Review

The continuing transformation of BSBI has occupied much time and some expense over recent years. We needed to modernise our structures and networks to maintain our central role in UK and Irish botany, which is both our heritage and our destiny.

The first stage was to change from an unincorporated association into a Company Limited by Guarantee and at the same time to create a proper Trustee body and advisory Council.

The second stage was a review of our strategy and operations and the drawing up of strategic and action plans on a rolling five-year basis. This process was about better identifying what our membership in particular and botany in general need from us, how we can use our resources even more effectively and how we organise ourselves in order to attract further resources. The strategic and action plans were approved by the Trustees on 23 July 2014 and are under continual review.

The third stage (currently underway) involved the setting up in 2016 of a review group to generate feedback from the wider membership on the changes already implemented and to solicit suggestions on how best to proceed with modernisation; a report was presented to BSBI Council in February 2017 and action points are currently being implemented.

A Communications Officer was appointed in June 2016 to expand on the work hitherto done under the publicity and outreach banner, and to continue updating our website, making it more versatile and user-friendly, and more accessible to the increasing proportion of the membership wanting mobile access to it, often when engaged in fieldwork. A new Finance Officer was appointed in September 2016 to manage the society's financial affairs and help us seek out new funding streams for our work to complement long-standing support from Central Government and its national agencies. At a strategic level, we are also examining more closely the Society's future financial sustainability and the effectiveness of service delivery as further explained in the Financial Review below.

### **3. Financial review**

#### Overview

The year ended 31 March 2017 was the third full year of operations of BSBI, which took over the assets, liabilities and operations of the Botanical Society of the British Isles from 1 November 2013.

The Board of Trustees is pleased to report a Net Surplus of Income of £36,517 (2016: Net Expenditure -£201,537) for the year under review. The improvement is a result of the combination of a strong run of investment gains through the year and by maintaining the Operating Deficit at a level similar to the previous year.

#### Investments

Total Return on investments (net gains and income) was +£212,278 (2016: -£42,176). This amounted to a superb +22.0% (2016: -3.9%) of the average investment during the year.

The Net Surplus generated has meant that, by year end, the Society had higher Net Assets than at the previous year end; £1,003,319 (2016: £966,802). These are held as a diversified investment portfolio of £973,300 and net current assets of £30,019.

At the year-end, cash held was sufficient to cover two to three months' of expenditure. After the year end, however, £130,000 cash was withdrawn from the investment portfolio in order to protect against the potential risk of a turn to negative stock market volatility and its impact on the Society's short to medium term operations. This decision was reached following advice from the Society's Investment

## **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2017**

Manager Brewin Dolphin, and careful deliberation by both Investment Committee and the Board. After year-end, the markets have levelled a little and although further gains have continued to be made, they are at a much lower level than before.

#### Income

Subscriptions from members and the related Gift Aid made up a higher proportion, 26% (2016: 20%) of the Society's total annual income. With the subscription rate unchanged at £30 for an individual, it is pleasing to report that membership numbers at year-end had increased by +2.4% compared to the same point last year, bearing out the sense that the subscription represents excellent value to members. The Society continues to encourage tax efficient giving and over 1,600 Gift Aid reclaims were submitted for the year under review with even more expected in the coming year.

BSBI was delighted to publish an attractive new Viola Handbook in early 2017; sales for this latest addition to the series of BSBI Handbooks, and for the Evening Primrose Handbook published in Spring 2016, have been very pleasing. During the previous year BSBI released its prestigious *Hybrid Flora of the British Isles*.

The Society continues to benefit from generous legacies and donations, some of which are gifted anonymously, and it expresses its grateful appreciation for them all. One such donor was Miss Mary Elizabeth Young who bequeathed a generous and unrestricted legacy in early 2017. She had been a member for over 40 years since 1967.

National statutory agencies, namely Natural Resources Wales, Scottish Natural Heritage, National Parks and Wildlife Service in Ireland and latterly to a much lesser extent, Natural England, have continued to provide significant income to BSBI, amounting in total to 21% (2016: 29%) of the Society's income. As before, this contributes to supporting those of the Society's staff most closely engaged in the programmes and projects of mutual benefit. The Board is disappointed to report, however, that efforts to engage with Natural England have so far been unsuccessful and its long standing agreement with BSBI ended in 2016 with the loss of £25,000pa income. BSBI has now redoubled its efforts to generate funds from other sources and the Board is optimistic that these efforts will bear fruit in 2017.

#### Expenditure

The Society continues to direct the use of its financial resources carefully, and it is pleasing to note that a record high of 93% of total expenditure (2016: 90%) was directed towards delivering the Society's Charitable Activities.

Within this expenditure, more funding was devoted this year towards Meetings, Conferences and Courses designed to provide members with structured educational forums where there also lie more informal opportunities for botanists to meet face to face and learn from each other. An exciting timetable of field meetings is organised throughout the year which aim to accommodate members dispersed throughout Britain and Ireland and to achieve a balance between scientific and training objectives and as such, are very well-attended. We are especially pleased to report the success of field meetings in Ireland, fuelled by its vibrant and active membership there.

The Board of Trustees seeks to maintain the Governance costs of running the Society well under control. Whilst these costs are higher this year, this is largely a result of one off recruitment costs for the newly developed role of Communications Officer and for a replacement Finance Officer on the retirement of the incumbent, as explained earlier in this report.

#### Unrestricted Funds

The Board explains at note 13 its decision to de-designate its two Endowment Funds, totalling £363,271, into its General Fund which is unrestricted. Charity Commission has been consulted in reaching this decision, which the Board feels is in the best interests of the Society as it gives the Society greater financial sustainability and clarity with which to plan ahead.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT (continued)**

**For the year ended 31 March 2017**

### Volunteers

In closing its Financial Review of 2017, BSBI would once again like to draw attention to the immense value BSBI places on the voluntary activities of its members, whether via membership of its Board of Trustees and Standing Committees, or - to a much greater extent - through the invaluable results of recording, which are increasingly focussed towards the Society's exciting Atlas 2020 project.

BSBI is indebted to all its volunteers as it simply could not exist without these generous gifts of time and effort. It is impossible to quantify the time input of such volunteers reliably however we believe a value of £10 million may be close to the immense voluntary effort which our Charity calls upon each and every year.

To all of those 300+ members engaged as Vice-county Recorders or Referees and many more actively supporting the plant recording activities led locally by the Vice-county Recorders, we thank you all.

### Summary

Overall, the Board of Trustees is satisfied with the Society's performance, its financial position and the level of total reserves at the end of the reporting period and, importantly, with the continued commitment and devotion of its membership, the future outlook for BSBI in delivering its charitable activities is positive.

## **4. Structure, governance and management**

### Constitution

The Society was incorporated as a company limited by guarantee in England and Wales (No. 08553976) on 3 June 2013 with Articles of Association that specify its aims and objects and governance. It is also registered as a Charity in England and Wales (No. 1152954) and in Scotland (No. SC038675). It has no share capital.

As explained earlier, BSBI is the successor body to the Botanical Society of the British Isles, a charity and an unincorporated association, which, following the approvals of the Charity Commission (for England and Wales) and the Office of the Scottish Charity Regulator (for Scotland) transferred its assets and activities to a company limited by guarantee formed for that purpose. The transfer (as documented by a transfer agreement dated 30 September 2014) took place as at 1 November 2013.

The Society is governed by a Board of Directors which is known as the Board of Trustees, as all Company Directors are also Charity Trustees. Day-to-day management is delegated to the Head of Operations, who meets regularly with a sub-committee of the Board's senior officers, the Operations Committee.

### Dissolution of predecessor body

The Botanical Society of the British Isles was dissolved on 15 December 2014 when it was removed from the Register of Charities maintained by the Charity Commission and placed on the Commission's Register of Mergers. That merger ensures that any legacies made out to the Botanical Society of the British Isles become due to BSBI.

### Board of Trustees (Directors)

In terms of its Articles of Association, the Society is governed by a Board of Directors, members of which are also Charity Trustees. Directors are elected by the members of the Society in a General Meeting. The Board may also co-opt Directors, who then serve until the next AGM. There is a maximum number of 12 Directors. One third of the Directors (other than those currently co-opted) retire by rotation at the next AGM (25 November 2017) and may be re-elected for a renewable term of up to three years, up to a maximum of nine years.

## **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2017**

The eight Trustees of the Society, all of whom are elected, who served during the year covered by these financial statements and as at 31 March 2017 are set out below together with their dates of first appointment. No Trustees retired during the year.

Dr AI Denholm (Chair)	Appointed 3 June 2013
Mr DA Pearman	Appointed 3 June 2013
Dr S Whild	Appointed 3 June 2013
Professor MJ Crawley	Appointed 24 July 2013
Mr C Metherell	Appointed 24 July 2013
Mrs D Williams	Appointed 24 July 2013
Dr C Cheffings	Appointed 24 November 2014
Dr PR Bisson	Appointed 25 May 2016

At present, the membership of the Board of Trustees is reserved by the Articles of Association for members of the charitable company. All trustees are made aware of their obligations and the charitable company's Articles of Association and its financial performance and status. Charity Commission guidance, including "the Essential Trustee" and statements on the Public Benefit are made available and Trustees have unrestricted access to the Board Chair and the Society's administrative staff.

The Board has developed a skills matrix to identify gaps in their group competencies so that selection, induction and training of future trustees are targeted as effectively as possible.

#### Council

Council, which is chaired by the BSBI President, advises the Trustees and contributes to the development and maintenance of the Society's scientific and social activities. At the Society's AGM on 28 November 2015, the Articles of Association were amended to provide for *ex-officio* appointments to Council of the Honorary General Secretary, the Treasurer, the Editor of the Society's Journal and representatives from each of the Society's Permanent Working Committees and National Committees. Up to twelve of the members of Council at any time may be elected by the members of the Society in General Meeting and Council has the power to co-opt up to five members. One third of the members of Council appointed in General Meeting retire at the next AGM and may be re-elected for a renewable term of up to three years, up to a maximum of nine years. Co-opted members serve until the next AGM when they are eligible to be elected.

#### Officers

The principal honorary officers of the Society are the President, the Chair of the Board of Trustees, the Honorary General Secretary and an Honorary Treasurer. They are assisted by three staff members, the Head of Operations, Head of Science and Finance Officer.

Details of other office bearers, including Vice-county Recorders and the panel of Referees and Specialists are to be found in BSBI Yearbook 2017, pages 5-31.

#### The Board, the Staff and the Society's Committees

The Directors are the Society's legal trustees and the Board governs all its activities. The Board is assisted on a day-to-day basis by the Head of Operations and a management committee, which together co-ordinate the work of the principal honorary office bearers and the staff, and their interaction with the Board and the Society's membership.

As at 31 March 2017 the Society employed 11 staff equivalent to 8 full time posts to work with the principal honorary office bearers in co-ordinating and interpreting the work of its volunteers on which it almost entirely depends, and in the administration of the Society's affairs. There are three Country Officers, four Science staff (two specialising in data management), and four in general, financial and membership communication and administration.



## **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

### **ANNUAL REPORT (continued)**

#### **For the year ended 31 March 2017**

The BSBI Yearbook 2017 sets out full details of BSBI's Committees. Council advises the Board on the development and maintenance of the Society's scientific and social activities. The National Committees for Ireland (comprising in this context Northern Ireland and the Republic of Ireland), Scotland and Wales to give a more localised focus to the Society's work. There are four Permanent Working Committees, as follows:

- i. The Meetings and Communications Committee organises conferences and field meetings.
- ii. The Publications Committee has responsibility for the Society's journals, for BSBI publications and for making grants to assist the publication of local Floras and similar works.
- iii. The Recording and Research Committee has primary responsibility for BSBI's plant distribution studies, including maintaining the Vice-county Recorder network and the panel of plant referees and specialists. It is assisted by the staff of the BSBI Science Unit. Its Science and Research sub-Committee allocates research grants.
- iv. The Training and Education Committee co-ordinates these activities for the Society, and awards training, conference and plant study grants.

#### Investment Policy

The Society's investment powers are governed by the Trustee Act 2000. The Trustees have approved an Investment Policy Statement and have delegated discretionary management of the Society's investments to its investment manager, Brewin Dolphin.

The Society has an Investment Committee, made up of at least 3 Trustees, which periodically meets with the Society's investment manager to review investment performance and holds them to account. Investment Committee's responsibilities are set out in a Terms of Reference which was formalised in June 2017.

BSBI requires prudent diversification amongst shares, bonds and cash, capable of delivering income returns and portfolio growth combined at 2% over inflation in the long term after expenses. Investment income is accumulated however it remains readily accessible through realisation of liquid investments.

#### Grant-making Policy

Details of BSBI's policy in relation to grants for the publication of works on the British and Irish flora, for training and education courses, and for botanical research are set out on the BSBI website at <http://bsbi.org/training>.

#### Risk Management

The Trustees have examined the Society's Risk Register documenting the major risks to which the Society is exposed, and, in particular those related to the operations and finances of the Society. The Trustees are satisfied that systems are in place to mitigate and control the Society's exposure to the major risks. In particular:

- i. The Society has in place a comprehensive policy of Trustee Indemnity Insurance.
- ii. The Society maintains a balance sheet in which listed investments represent substantially all of its net assets. Consequently it is exposed to market risk which may materially affect its financial performance in any year of account. The risk is mitigated in a number of ways: the investment portfolio is diversified and is subject to the discretionary management of an independent professional investment manager, who follows BSBI's investment policy and agreed investment risk profile, reporting to the Trustees in writing quarterly and in person annually; the Trustees

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT (continued)**

### **For the year ended 31 March 2017**

review the financial performance arising from its operations and its investments separately and take a long-term view of investment performance against targets.

- iii. Exchange rate risk is managed by most of the investments being sterling designated and also in maintaining foreign currency designated accounts at the lowest levels possible commensurate with maintaining operations and minimising exchanges between currencies.
- iv. The Society is exposed to cash flow and liquidity risk as a result of running a deficit budget, whilst aiming to maintain its investment base from which it derives income and the capacity for gains. The Society's investment portfolio is managed on a discretionary basis. The individual investments are freely traded and so it is possible to withdraw funds on short notice.

The Trustees mitigate these risks as they see fit (eg. The withdrawal of £130,000 cash as described in the Financial Review pg 3) The Finance Officer and Trustees monitor bank balances so as to ensure that at any time, the Society has in place sufficient liquid funds to meet its liabilities as they fall due.

Now that Article 50 of the Lisbon Treaty has been triggered, the United Kingdom will eventually leave the European Union. The Trustees do not, however, consider this will have any material impact on the operations or finances of the Society. Funding from outside the UK represents a very small percentage of the Society's income and BSBI will continue to carry on its activities throughout the biogeographical area loosely indicated by its name, the UK, (the Republic of) Ireland, the Isle of Man, Guernsey and Jersey, and to engage with botanists further afield.

#### Financial Reserves Policies

The Society has an Unrestricted Fund; the General Fund, the Policy for which is to provide Working Capital for the continuation of the Society's activities and as a buffer against fluctuations in income. The General Fund affords BSBI the ability to promote itself and, critically, to continue to raise further funds to ensure its future and long-term financial sustainability. The Trustees consider that 2 years' future operating deficit – currently a figure of c£0.3M - is an adequate General Fund. The General Fund was boosted by £0.4M in the reporting period by the receipt of de-designated Endowment Funds and, at its increased level of £1.0M, the Trustees are satisfied.

In addition, three Restricted Income Funds are maintained, currently valued at £5,910. One is to provide for an annual award for outstanding contributions to botany and the second is for botanical publications relating to North Wales. A third fund receives income restricted to meet expenditure relating to the post of Scottish Officer. Because income has been fully expended during the year, this fund has no carrying value.

#### **5. Reference and administrative details**

Founded	1836, as the Botanical Society of London (Present name adopted 2013)
Incorporation	Registered 3 June 2013 as a Company Limited by Guarantee in England and Wales No. 08553976, as the successor body to the Botanical Society of the British Isles
Registered Office	57 Walton Road, BRISTOL, BS11 9TA
Registered Charity	England and Wales No. 1152954 Scotland No. SC038675
Bankers	CAF Bank Ltd, Kings Hill, WEST MALLING ME19 4TA

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **ANNUAL REPORT (continued)**

**For the year ended 31 March 2017**

Investment Manager	Brewin Dolphin, 12 Smithfield Street, EC1A 9BD
Independent Examiner	WMT, 45 Grosvenor Rd, St Albans, AL1 3AW
Principal Officers	
Chair of the Board of Trustees	Dr A I Denholm
Honorary General Secretary	Mr C Metherell
Honorary Treasurer	Vacant
President and Chair of Council	Dr J S Faulkner
Head of Operations	Ms J Houldsworth
Head of Science	Dr K A Walker
Company Secretary	Dr C M Lovatt
Finance Officer	Ms J Etherington
Website	<a href="http://bsbi.org/">http://bsbi.org/</a>

### **6. Statement of Trustees' Responsibilities**

The Trustees (who are also directors of BSBI for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the appended Accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the trustees are required to:

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

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

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by the Board of Trustees on 25 September 2017 and signed on its behalf by:



Dr A I Denholm, Chair of the Board



Mr D A Pearman, Trustee

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **INDEPENDENT EXAMINER'S REPORT**

### **To the Trustees of the Botanical Society of Britain and Ireland**

I report on the accounts of the company for the year ended 31 March 2017 which comprise of the Statement of Financial Activities, the Balance Sheet, the statement of cash flows and the related notes numbered 1 to 19.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees, matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

#### **Respective responsibilities of Charity trustees and examiner**

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 ('the 2011 Act') or under Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 ('the 2006 Regulations') and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for Independent Examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 ('the 2005 Act');
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulation 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- a) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 356 of the Companies Act 2006 and section 44(1)(a) of the 2005 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Companies Act 2006, and section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations and the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

  
**EE Irvine FCA**

Dated 25 September 2017

**WMT - Chartered Accountants**  
45 Grosvenor Road, ST ALBANS, Herts AL1 3AW

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 March 2017

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Endowment Funds 2017 £	Total Funds 2017 £	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total Funds 2016 £
<b>INCOME AND ENDOWMENTS FROM</b>									
Donations and legacies	2	197,078	15,000	-	212,078	185,772	-	15,000	200,772
Charitable activities	3	108,613	-	-	108,613	156,254	-	-	156,254
Investments	4	38,896	-	-	38,896	41,130	-	-	41,130
<b>Total</b>		<b>344,587</b>	<b>15,000</b>	<b>-</b>	<b>359,587</b>	<b>383,156</b>	<b>-</b>	<b>15,000</b>	<b>398,156</b>
<b>EXPENDITURE ON</b>									
Raising of funds	5	36,526	-	-	36,526	49,571	-	-	49,571
Charitable activities	6	454,206	15,000	-	469,206	461,757	250	15,000	477,007
<b>Total</b>		<b>490,732</b>	<b>15,000</b>	<b>-</b>	<b>505,732</b>	<b>511,328</b>	<b>250</b>	<b>15,000</b>	<b>526,578</b>
<b>OTHER RECOGNISED (LOSSES)/GAINS</b>									
Realised (losses)/gains on investments	9	17,287	89	-	17,376	(5,929)	-	(2,924)	(8,853)
Unrealised (losses)/gains on investments	9	164,436	850	-	165,286	(43,036)	-	(21,226)	(64,262)
<b>Total (losses)/gains on investments</b>		<b>181,723</b>	<b>939</b>	<b>-</b>	<b>182,662</b>	<b>(48,965)</b>	<b>-</b>	<b>(24,150)</b>	<b>(73,115)</b>
<b>Net (expenditure)/income</b>		<b>35,578</b>	<b>939</b>	<b>-</b>	<b>36,517</b>	<b>(177,137)</b>	<b>(250)</b>	<b>(24,150)</b>	<b>(201,537)</b>
<b>RECONCILIATION OF FUNDS</b>									
Total funds brought forward		598,560	4,971	363,271	966,802	775,697	5,221	387,421	1,168,339
Net movement in funds as above		35,578	939	-	36,517	(177,137)	(250)	(24,150)	(201,537)
Transfer between funds	13/15	363,271	-	(363,271)	-	-	-	-	-
<b>Total funds carried forward</b>		<b>997,409</b>	<b>5,910</b>	<b>-</b>	<b>1,003,319</b>	<b>598,560</b>	<b>4,971</b>	<b>363,271</b>	<b>966,802</b>

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **SUMMARY INCOME AND EXPENDITURE ACCOUNT**

**For the year ended 31 March 2017**

	<b>Note</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Income</b>			
Donations and legacies	2	212,078	185,722
Charitable activities	3	108,613	156,254
Investment income	4	38,896	41,130
Realised gains on investments	ii	17,376	-
Unrealised gains on investments	ii	165,286	-
		<hr/>	<hr/>
Gross income		542,249	383,156
		<hr/>	<hr/>
<b>Expenditure</b>			
Raising funds	5	36,526	49,571
Charitable activities	6	469,206	462,007
Realised losses on investments	ii	-	5,929
Unrealised losses on investments	ii	-	43,036
		<hr/>	<hr/>
Total expenditure		505,732	560,543
		<hr/>	<hr/>
Net income / (expenditure) before tax		36,517	(177,387)
Tax payable	iii	-	-
		<hr/>	<hr/>
Net income / (expenditure)		36,517	(177,387)
		<hr/>	<hr/>

### **Notes to the Summary income and expenditure account**

- i) The Summary Income and Expenditure Account is required to meet the accounting requirements of the Companies Act 2006 and presents in a different format amounts included in the Statement of Financial Activities, but excluding the endowment funds.
- ii) Losses and gains on investments as allocated to the different classes of funds are shown in the Statement of Financial Activities and in total in note 9 to the accounts.
- iii) The Society is a charitable company which does not engage in business subject to Corporation Tax. The Society holds a general exemption from Corporation Tax and is required to make tax returns only on the request of HMRC or in the event of receiving income subject to Corporation Tax.

# BOTANICAL SOCIETY OF BRITAIN AND IRELAND

## BALANCE SHEET

As at 31 March 2017

	Note	2017		2016	
		£	£	£	£
<b>Fixed Assets</b>					
Investments	9		973,300		948,522
			<hr/>		<hr/>
<b>Current Assets</b>					
Stocks	10	24,480		30,351	
Debtors	11	61,534		47,188	
Cash at bank		81,040		69,499	
		<hr/>		<hr/>	
		167,054		147,038	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	12	137,035		128,758	
		<hr/>		<hr/>	
<b>Net current assets</b>			30,019		18,280
			<hr/>		<hr/>
<b>Net assets</b>			1,003,319		966,802
			<hr/>		<hr/>
<b>Funds</b>					
Endowment funds	13	-		363,271	
Restricted income funds	14	5,910		4,971	
Unrestricted income fund	15	997,409		598,560	
		<hr/>		<hr/>	
		1,003,319		966,802	
		<hr/>		<hr/>	

Under the Companies Act 2006, s454, on a voluntary basis the trustees can amend the financial statements if they subsequently prove to be defective.

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006.

For the year ending 31 March 2017 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

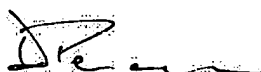
The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

Approved by the Board of Trustees on 25 September 2017 and signed on its behalf by:



Dr A I Denholm  
Chair of the Board of Trustees



Mr D A Pearman  
Trustee

Company registration number 08553976

Charity registration number 1152954 (England and Wales) and SC038675 (Scotland)

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**STATEMENT OF CASH FLOWS**

**For the year ended 31 March 2017**

	<b>Note</b>	<b>2017</b>		<b>2016</b>	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash used in operating activities	18	(175,989)		(190,388)	
Cash generated from interest on deposits		30		47	
		<hr/>		<hr/>	
<b>Net cash used in operating activities</b>			(175,959)		(190,341)
<b>Cash flows from investing activities</b>					
Proceeds from sale of investments	9	187,500		190,000	
		<hr/>		<hr/>	
<b>Net cash provided by investing activities</b>			187,500		190,000
			<hr/>		<hr/>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>			11,541		(341)
<b>Cash and cash equivalents at the beginning of the year</b>			69,499		69,840
			<hr/>		<hr/>
<b>Cash and cash equivalents at the end of the year</b>			<b>81,040</b>		<b>69,499</b>
			<hr/>		<hr/>



# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS**

**For the year ended 31 March 2017**

### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, subject to the revaluation of investments to market value, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trustees have assessed whether the use of the going concern basis of accounting is appropriate and have considered possible events or conditions that might give rise to significant doubt on the ability of the charity to continue as a going concern. This assessment covered a period of 12 months subsequent to the date of approval of these financial statements. The Trustees have concluded that the charity has adequate financial and other resources to continue in operational existence for the foreseeable future, and that there are no factors of which they are aware which could put in jeopardy the charity's going concern status during or beyond this period. Accordingly, the financial statements are prepared on the going concern basis.

#### **Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

There are no material key sources of estimation uncertainty that could have an impact on the financial statements.

#### **Statement on Public Benefit**

Botanical Society of Britain and Ireland is a public benefit entity under the Financial Reporting Standard 102 (FRS 102) and has selected its accounting policies accordingly.

#### **Recognition of Income**

Income is accounted for when the Society has entitlement, there is reasonable certainty of receipt and the amount is measurable. Income is deferred in respect of funding where the funding relates to a future period in order to match it to the expenditure profile. The specific bases used are as follows:

Subscription income and the related Gift Aid (where applicable) is accounted for in the period to which it relates. As subscriptions cover calendar years, the portion attributable to the subscription year falling after the balance sheet date is deferred.

Income from grants and donations for specific purposes received in advance of the related expenditure is carried forward as deferred income. Income is only deferred where restrictions are imposed that amount to pre-conditions for use. Contract income and grants received in arrears are recognised in line with underlying expenditure or activities, or, where appropriate, on a straight line or similar basis.

Legacies are recognised as receivable when the amount receivable is reasonably certain (i.e. probable) as to amount and timing, and not until probate has been granted in respect of the legatee's estate.

Donated facilities are recognised where the value to the Society can be quantified.

Other income, including investment income and donations, is recognised when received.

The Society's Vice-county Recorders are authorised to charge, in their own names, for services in extracting and interpreting data relating to their own area from the Society's Distribution Database, for commercial use, on the understanding that these charges represent a partial recovery of expenses incurred in their voluntary services to the Society. Such transactions are therefore outside the scope of these accounts.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

### **Expenditure**

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as services are supplied.

Costs of raising funds are those costs incurred in attracting income.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Where employees are engaged in more than one of the Society's charitable activities - survey and interpretation, botanical education, publications and website, or governance – related costs and expenses which cannot be allocated directly are apportioned on the basis of estimated usage.

Grants for scientific work are charged in the year when the offer is given to the recipient, except in those cases where the grant is conditional. Training grants are charged when the conditions attached to the grant or award has been met and disbursement has been approved. Publication grants are charged when disbursed, normally shortly before publication.

Governance costs, which are included in the costs of charitable activities include those associated with meeting the constitutional and statutory requirements of the Society and include the professional fees and costs linked to the strategic management of the charity.

### **Fixed assets and depreciation**

The Society's policy is to capitalise expenditure on fixed assets amounting to more than £1,000 per individual item. When fixed assets are recognised, depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which for office equipment such as computer hardware and software and other similar assets is estimated at four years. Fully depreciated assets are written off.

### **Investments**

Investments are carried at market value. The related net unrealised gain or loss on the portfolio is recognised in the Statement of Financial Activities separately from other income and expenditure. Realised net gains or losses arise on sale of individual investments and represent the net total of the excess or deficit of net sales proceeds over the original cost.

### **Stocks**

Publications and other stocks are valued at the lower of cost and net realisable value.

### **Financial Instruments**

The Society only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

### **Debtors, Cash at Bank and Creditors**

Debtors - short term debtors are measured at transaction price, less any impairment losses.

Cash and cash equivalents - cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks.

Creditors - short term creditors are measured at the transaction price.

### **Holiday pay accrual**

A liability is recognised for short-term compensated absences where employees have accumulated a right to paid annual leave (holiday pay) but had not fully used it at the balance sheet date. The accrual is measured at the undiscounted salary and social security cost of the future holiday entitlement.

### **Operating leases**

Rentals payable under operating leases are charged to expenditure on a straight line basis over the term of the lease.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

### **Pensions**

Staff employment contracts include a provision for an employer's pension contribution based on a fixed percentage of salary to be paid into a personal pension policy established by the member of staff. Contributions are charged to the Statement of Financial Activities as they fall due.

### **Foreign Currencies**

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year-end. All exchange differences are taken to the Statement of Financial Activities.

### **Taxation**

The Society is recognised as a Charity by HMRC. Accordingly, its investment income, including capital gains, is exempt from taxation and Income Tax is recoverable on subscriptions and donations paid under Gift Aid. The Society receives no similar exemption in respect of Value Added Tax. Income and Expenditure is reported net of VAT, unless it is irrecoverable.

### **Fund accounting**

The Society's accounts are a consolidation of funds which are defined as follows:

Restricted funds - are those where restrictive covenants were established by the original donor(s) as to what expenditure could be charged against them.

Endowment funds - are those funds designated / set aside by the Trustees for specific purposes.

General funds - represent the accumulated surplus available for unrestricted use by the Society at the discretion of the Trustees in furtherance of its stated charitable objectives.

All income and expenditure of the Society is included in the Statement of Financial Activities.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

<b>2. DONATIONS AND LEGACIES</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Subscriptions and tax recoverable on Gift Aid	94,065	84,499
Donations and sundry income	16,564	1,122
Core grants	80,872	90,151
Legacies	5,577	10,000
	<hr/>	<hr/>
Total Unrestricted Income Fund income	197,078	185,772
Restricted Income / Endowment fund income (note 13/14)	15,000	15,000
	<hr/>	<hr/>
Total reported in Statement of Financial Activities	212,078	200,772
	<hr/>	<hr/>
<b>3. INCOME FROM CHARITABLE ACTIVITIES</b>		
Botanical survey and interpretation	44,122	89,171
Botanical Education meetings, conferences and courses income	42,095	30,935
Botanical publications and website publication sales	17,674	32,579
Journal support and royalties	4,722	3,569
	<hr/>	<hr/>
Total income from charitable activities	108,613	156,254
	<hr/>	<hr/>
<b>4. INCOME FROM INVESTMENTS</b>		
Investment income	38,866	41,083
Bank deposit interest	30	47
	<hr/>	<hr/>
Total income from investments	38,896	41,130
	<hr/>	<hr/>
<b>5. EXPENDITURE ON RAISING FUNDS</b>		
Membership administration	9,374	10,868
Staff costs and expenses	16,465	13,347
Publicity	2,586	15,569
Investment management costs	8,101	9,787
	<hr/>	<hr/>
Total expenditure on raising funds	36,526	49,571
	<hr/>	<hr/>

# BOTANICAL SOCIETY OF BRITAIN AND IRELAND

## NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2017

6. EXPENDITURE ON CHARITABLE ACTIVITIES	2017 £	2016 £
<b>Botanical Survey and Interpretation</b>		
Project staff costs	175,972	171,728
Project staff overhead costs	21,416	7,794
Project direct costs	19,969	17,712
Grants awarded for scientific work	3,672	5,851
Support staff costs	42,183	73,793
Support staff overhead costs	<u>2,840</u>	<u>2,756</u>
	<u>266,052</u>	<u>279,634</u>
<b>Botanical Education</b>		
Meetings, conferences and courses	48,091	36,996
Grants awarded for training and education	<u>8,325</u>	<u>4,270</u>
	<u>56,416</u>	<u>41,266</u>
<b>Botanical Publications and Website</b>		
New Journal of Botany	31,569	22,113
BSBI News and other similar publications	21,339	21,758
Cost of publication sales	18,914	31,226
Grants awarded for botanical publications	-	1,250
Taxonomic database and website costs	<u>21,211</u>	<u>37,056</u>
	<u>93,033</u>	<u>113,403</u>
<b>Governance costs</b>		
Honorary officer expenses	3,563	3,674
Trustee indemnity insurance	957	910
Staff costs and expenses	26,682	21,307
Independent Examination	2,250	2,000
Payroll, HR and accounting support services	3,944	5,288
Committee costs and expenses	4,308	7,859
Increase / (decrease) in accrued holiday pay	1,586	(3,592)
Recruitment, other governance costs & expenses	<u>10,415</u>	<u>5,258</u>
	<u>53,705</u>	<u>42,704</u>
<b>Total expenditure on charitable activities</b>	<u>469,206</u>	<u>477,007</u>

The Society makes three types of grants, each after due consideration by different committees. Grants for scientific work with potentially publishable results (Science and Research grants) are normally up to £1,000. Grants awarded for training and education are normally up to £250 and are given towards relevant and appropriate third party courses. Occasional grants of up to £1,000 per annum are given to support graduates studying for higher degrees in subjects particularly close to the Society's objects. Grants for botanical publications, normally county floras written by members, are made when appropriate proposals are made to the Society.

The total value of grants disbursed in the year was £11,997 (2016: £11,371), which were awarded on the basis of applications made by individuals, 40 (2016: 32) of whom received grants in the year.

Honorary officer costs include only the expenses of the President, Honorary General Secretary and Honorary Treasurer. Costs associated with other Board members are included in committee expenses. Expenses reimbursed to Board members are disclosed in note 7 on related parties.

The Restricted Income Fund (2016: Endowment fund) donation of £15,000 (2016: £15,000) as per note 2, was applied to project staff costs, direct overheads and direct project costs.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

### **7. RELATED PARTY TRANSACTIONS**

Neither the Society's President, nor Trustees received remuneration for their services or fees for professional work commissioned by the Society. The following transactions took place:

Amounts totalling £5,401 (2016: £5,994) were reimbursed to 8 (2016: 8) individuals who made expense claims for reimbursement of out-of-pocket travel, subsistence and other costs.

Many individuals elect not to claim all eligible amounts due to them under the Society's policies and the total annual amount, although unquantified, is considered to be similar to or less than the amount actually disbursed. Except in exceptional circumstances, they also absorb any amounts claimable for meetings and events attended at least partly in their capacity as members and in other situations where any element of personal benefit arises.

One Trustee generously and anonymously gave £8,000 to the Society in February 2017. No restrictions were placed on the use of this money.

The Society's President waived a £200 fee receivable from National Museums of Northern Ireland (NMNI) from the presentation of a Sedge identification course in July 2016, choosing instead to donate it to the Society.

In the previous year, one Trustee was awarded a research grant of £1,000 towards the travel and subsistence expenses of the Trustee and a co-worker. The research activities are expected to result in a new BSBI Plant Identification Handbook for Euphrasia (Eyebright).

As explained at note 14, one Trustee is the joint recipient in 2016 of the annual Presidents' Award of £250.

No transactions took place with parties connected to the Trustees.

### **8. STAFF COSTS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries	247,887	269,040
Social Security costs	19,973	23,390
Pension costs	11,483	12,718
Increase / (decrease) in accrued holiday pay	1,586	(3,592)
	<hr/>	<hr/>
Total staff costs	280,929	301,556
	<hr/>	<hr/>

No employee earned in excess of an annual equivalent of £60,000 during the year (2016: nil).

The average number of staff during the year was 11 (2016: 11). At the reporting date there were 11 (2016: 10) employees, in each case one resident outside UK.

No employees were made redundant during the year (2016: 2). Terminal dues are included in salaries and amounted to redundancy payments of £nil (2016: £9,707), pay in lieu of notice of £nil (2016: £1,717) and unused leave allowances of £nil (2016: £2,177). Additional Social security contributions amounting to £nil (2016: £497) arose on these redundancies, making an additional staff cost of £nil (2016: £14,098).

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

**STAFF COSTS (continued)**

The Trustees consider two members of staff to be key management personnel and accordingly uses the designation 'Head' in their job titles. Their combined gross salaries, social security costs and employer's pension contributions constituted 30% (2016: 28%) of the totals above.

The Society had no group pension scheme in place during the year ended 31 March 2017 and accordingly offered all permanent staff employer's contributions to their personal pension schemes (if any). Employer pension contributions are accrued whilst employees make the necessary arrangements (see note 12).

After 31 March 2017, however, the Society has fulfilled its obligations under the Pension Act 2008 by creating a workplace pension into which eligible employees will be automatically enrolled and contributions will be paid at the required rate with effect from 1 July 2017, the staging date set by the Pensions Regulator.

The Society reimburses expenditure incurred by staff in the furtherance of their duties but does not provide any employment benefits.

# BOTANICAL SOCIETY OF BRITAIN AND IRELAND

## NOTES TO THE ACCOUNTS (continued) For the year ended 31 March 2017

9. INVESTMENTS	2017 £	2016 £
<b>At Market Value</b>		
At the beginning of the year	948,522	1,180,698
Investment income retained	38,866	41,083
Investment management charges deducted	(9,250)	(10,144)
Transfers to bank current account	(187,500)	(190,000)
Realised (loss)/gain in the year	17,376	(8,853)
Unrealised (loss)/gain in the year	165,286	(64,262)
	<hr/>	<hr/>
Market value at the end of the year	973,300	948,522
	<hr/>	<hr/>
<b>At Original Cost</b>	727,747	968,176
	<hr/>	<hr/>

The original cost is the cost of the individual investments when first acquired by transfer from the unincorporated Society on 1 November 2013 or on subsequent purchase. The investments are managed on a discretionary basis by the Society's investment managers. The investment objective is to generate an income and growth total return of inflation plus 2% per annum over the long term, after expenses. The investments are diversified as follows:

Equities - UK	35.4%	41.4%
Equities - Overseas	30.5%	25.8%
Bonds	15.8%	13.9%
Global Investments	6.6%	7.6%
Property	3.0%	3.1%
Private Equity	3.9%	4.8%
Other	1.8%	1.7%
Cash	3.0%	1.7%
	<hr/>	<hr/>
Total	100.0%	100.0%
	<hr/>	<hr/>

## 10. STOCKS AND WORK IN PROGRESS

Botanical Publications	24,480	30,351
	<hr/>	<hr/>

Stocks of botanical publications are held by the Society's sales agent, Summerfield Books (2007) Ltd. Provision is made for slow-moving stocks; £6,753 (2016: £1,429).

The cost of publications sold (including the pre-publication offer for the Viola Handbook) in the financial year was £18,914 (2016: £31,226). Sales proceeds are shown in note 3 to the accounts.

## 11. DEBTORS

Debtors	5,171	14,675
VAT	2,747	-
Accrued income	44,663	18,898
Prepayments	8,953	13,615
	<hr/>	<hr/>
Total debtors	61,534	47,188
	<hr/>	<hr/>



# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

### **12. CREDITORS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Creditors	9,344	12,102
Taxation and social security	6,706	8,815
Pensions	2,082	13,807
Holiday pay accrual	7,738	6,152
Other accrued expenses	18,199	16,644
Deferred income	92,966	71,238
	<hr/>	<hr/>
Total creditors	137,035	128,758
	<hr/>	<hr/>

Employer pension contributions represent accrued amounts for one (2016: 4) employee pending the set up of a pension provider by the employee.

Deferred income of £56,453 (2016: £54,296) relates to subscriptions received for the calendar year. 75% of such annual subscriptions relating to the remaining nine months of the calendar year after the balance sheet date is deferred. Deferred income also arises in a similar way from grant, contract or publication income and from advance bookings for field meetings and conferences.

### **13. ENDOWMENT FUNDS**

	<b>Research Fund</b>	<b>Development Fund</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>2017</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At the beginning of the year	217,858	145,413	363,271	387,421
Transfer to Unrestricted Funds	(217,858)	(145,413)	(363,271)	-
Income from donations	-	-	-	15,000
Expenditure on charitable activities	-	-	-	(15,000)
Attributable investment (losses)/gains	-	-	-	(24,150)
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	-	-	-	363,271
	<hr/>	<hr/>	<hr/>	<hr/>

Following research into the origin of the Research and Development Endowment Funds and careful consideration, the Board of Trustees has taken the decision to de-designate both Funds and the resultant outgoing transfer of £363,271 from Endowments is reflected in the table above. The corresponding incoming transfer of £363,271 into Unrestricted Funds is shown in note 15.

Charity Commission has been consulted in reaching this decision, which the Board feels is in the best interests of the Society as it gives the Society greater financial sustainability and clarity.

# **BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

## **NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

### **14. RESTRICTED INCOME FUNDS**

	<b>Presidents' Award Fund 2017</b>	<b>Welsh Flora Fund 2017</b>	<b>Scottish Officer Fund 2017</b>	<b>Total 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At the beginning of the year	3,492	1,479	-	4,971
Attributable investment gains	660	279	-	939
Income from donations	-	-	15,000	15,000
Expenditure on charitable activities	-	-	(15,000)	(15,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	4,152	1,758	-	5,910
	<hr/>	<hr/>	<hr/>	<hr/>

The Presidents' Award Fund is an expendable fund to provide for an annual award of £250 made to an individual or individuals by the Presidents of BSBI and The Wild Flower Society for outstanding contributions to botany. The funds share in investment gains (but not losses). The Funds are held as shown in note 16. The 2016 award of £250 went to Professor Michael Crawley, a Trustee of BSBI and Professor Clive Stace, for their Alien Plants book.

The Welsh Flora Fund provides grants towards botanical publications relating to North Wales. No applications or disbursements were received during the year (2016: £nil disbursed).

The Scottish Officer Fund receives income which has been donated specifically towards the employment costs of the Scottish Officer. The remainder of the Scottish Officer's costs have been met by grant funding. Previously, this income and expenditure was disclosed under endowments (Note 13).

### **15. UNRESTRICTED FUNDS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>General Fund</b>		
At the beginning of the year	598,560	785,441
Short-term compensated absences	-	(9,744)
	<hr/>	<hr/>
At the beginning of the year as restated	598,560	775,697
Transfer from Endowment Funds (note 13)	363,271	-
Other incoming resources	344,587	383,156
Resources expended	(490,732)	(511,328)
Attributable investment (losses)/gains	181,723	(48,965)
	<hr/>	<hr/>
At the end of the year	997,409	598,560
	<hr/>	<hr/>

The purpose of the General Fund, the Society's only unrestricted fund, is to provide working capital for the Society's activities and to provide a buffer against fluctuations in income. The Funds are held as shown in note 16.

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**

**NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

**16. ALLOCATION OF FUNDS AS AT 31 MARCH 2017**

	<b>Investments</b>	<b>Other Net</b>	<b>Total</b>
	<b>£</b>	<b>Assets</b>	<b>£</b>
		<b>£</b>	
<b>Restricted Income Funds</b>			
Presidents' Award Fund	4,152	-	4,152
Welsh Flora Fund	1,758	-	1,758
Scottish Officer Fund	-	-	-
<b>Unrestricted Income Funds</b>			
General Fund	967,390	30,019	997,409
	<hr/>	<hr/>	<hr/>
	973,300	30,019	1,003,319
	<hr/>	<hr/>	<hr/>

Unrestricted funds comprising the General Fund include unrealised gains on investments amounting to £164,436 (2016: losses £12,020).

**17. COMMITMENTS**

As at 31 March 2017, the Society had approved 35 training or research grants for disbursement totalling £8,640 (2016: 42 grants, £11,127). Grants are normally paid after the completion of the training course or research.

The Society has a 5 year Publishing Agreement with Taylor & Francis Group for the New Journal of Botany which formally runs until December 2020 although the duration is under re-negotiation to end in December 2017. The annual costs payable and income receivable under this Agreement for 2016 were £23,413 and £4,732 respectively. The charges for 2017 are expected to be similar.

A 3 year office lease agreement for the Head of Science at £1,300pa expired on 5 April 2017 & the commitment as at 31 March 2017 under this lease was £nil (2016: £1,300).

In the normal course of business, other agreements exist with suppliers, none of which are onerous.

**BOTANICAL SOCIETY OF BRITAIN AND IRELAND**  
**NOTES TO THE ACCOUNTS (continued)**

**For the year ended 31 March 2017**

**18. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW USED IN OPERATING ACTIVITIES**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Net income / (expenditure) for the year	36,517	(201,537)
Adjustments for:		
Losses / (gains) on investments	(182,662)	73,115
Dividends and interest from investments and deposits	(38,896)	(41,130)
Investment management charges	9,250	10,144
(Increase) / decrease in stocks	5,871	(17,358)
(Increase) / decrease in debtors	(14,346)	6,381
Increase / (decrease) in creditors	8,277	(20,003)
	<hr/>	<hr/>
Net Cash (outflow) used in operating activities	(175,989)	(190,388)
	<hr/>	<hr/>

**19. Financial Instruments**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value	973,300	948,522
Financial assets measured at amortised cost	5,171	14,675
	<hr/>	<hr/>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	11,426	25,909
	<hr/>	<hr/>

Financial assets measured at fair value comprise listed investments. Financial assets measured at amortised cost comprise debtors (note 11). Financial liabilities include creditors and accrued employer pension contributions (note 12).