



The
Geological
Society

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2021

The Geological Society of London
Registered Charity Number 210161

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1. Report of the trustees

1.1 Objectives and activities

This report provides information intended to help the user understand:

- the Society's aims and how they fulfil its legal purposes;
- the activities that the Society undertakes; and
- the achievements of the Society.

This includes explanation of the Society's purpose, its strategies for achieving objectives, and how the activities undertaken contribute to fulfilling its aims.

1.1.1 Object and aims of the Society

The Object of the Society is set out in its Charter as being:

“To investigate the mineral structure of the Earth”.

This is interpreted to mean:

- (i) ***improving knowledge and understanding*** of the history, structure, constitution and dynamics of the Earth and its processes;
- (ii) ***promoting all forms of education***, awareness and understanding of the Earth and their practical applications for the benefit of the public globally; and
- (iii) ***promoting professional excellence*** and ethical standards in the Earth sciences for the public good.

In meeting this Object the Society provides public benefit through advancing Earth sciences education at all levels, promoting wider knowledge of the Earth, and promoting professional standards that advance environmental protection, further the improvement of human health, and guard against natural hazards. In setting the Society's aims for the year and preparing this review, the trustees have had regard to the Charity Commission guidance on public benefit.

These objectives are translated into long-term strategy and more immediate priorities and aims in a number of ways. Section 1.1.2 sets out the Society's current over-arching strategy and priorities; sections 1.2 and 1.4 explain how these are translated into the main ongoing activities of the Society and how these in turn support the charitable purpose and aims.

1.1.2 Strategies for achieving stated aims

Council agreed new strategic objectives in 2020, building on the 2017 strategy work. These objectives are to:

- Advance multidisciplinary Earth science to inform global issues
- Be the inclusive and collaborative home for UK Earth scientists and increase our international orientation
- Support professional development, careers, and education in Earth science
- Become a dynamic and responsive organisation with a strong digital identity

The Society's vision:

We aim to be an inclusive and thriving Earth science community advancing knowledge, addressing global challenges, and inspiring future generations.

The Society's purpose:

We exist to support Earth scientists, grow interest in the natural world, and connect science, the profession and society.

The Society's mission:

We do this to advance and share knowledge of planet Earth and beyond for the benefit of humanity.

1.1.3 The main activities of the Society

In seeking to fulfil its objectives and provide broad public benefit, the Society undertakes the following main charitable, trading and other activities:

Charitable activities

- (i) **Science and education** – development of scientific policy and advice to public and private bodies in respect of Earth science; funding of scientific research projects; provision of specialist and public conferences and events on aspects of Earth science; working with schools and universities to provide educational outreach support; provision of public information on geoscience matters via the website, blogs and tweets.
- (ii) **Professional and academic standards** – ensuring academic and technical rigour, and the highest standards of quality assurance through promotion of academic, professional and ethical standards, both throughout the Society's membership (individual and corporate) and, more widely, through accreditation of geoscience teaching and training.
- (iii) **Scholarly publishing** – the Society is a major international Earth sciences publisher dedicated to providing high-quality publications through a diverse range of geoscience articles, books and journals, electronically and in printed form; it promotes publishing via the Open Access route and produces over 10,000 pages of new, peer-reviewed geoscience literature every year.
- (iv) **Library and archives** – the Society maintains one of the finest Earth sciences libraries in the world, with more than 300,000 volumes of books and journals, and 40,000 maps; each year it further adds to this collection of national importance which is accessible to Fellows, Corporate Patrons and visitors at Burlington House and increasingly online.

Trading activities

- (v) **Room hire and catering** – limited hire of spare capacity in the facilities at Burlington House, including meeting rooms and lecture theatre, to associated bodies and third parties, as permitted under our lease; associated catering.

Other activities

- (vi) **Financial investment** – activities associated with management of the Society's invested funds.

Funds generated through trading and other activities are used to support the charitable aspects of the Society's work.

Social investments, grant-making activities and use of volunteers

The Society is required to explain the purposes of any grant-making activities of a material nature, as well as its use of volunteers. Its grants and award-making activities are currently limited to a level not exceeding £60,000 per year. It is planned to substantially expand the grant availability from 2022 onwards.

A number of Fellows give freely of their time to attend committee meetings and editorial boards, and to take forward the work of those committees, in support of their science and profession. Members of the trustee body (Council) and its standing committees also give their time freely to the discharge of their responsibilities under the Society's governance arrangements. We are most grateful to these Fellows.

1.2 Achievements and performance

1.2.1 Overall achievements and performance

The global pandemic continued to impact the Society's ability to fully undertake its planned activities but under the prevailing circumstances, the Society adapted well to the challenging environment. Membership numbers were encouragingly resilient during the year, with a small decline in the overall headcount compared to 2020. The streamlining of the membership categories and effective communications were well received by the membership. The Society's conference and events programme was successfully delivered virtually with attendance up on what would normally have been expected for in-person events. In the latter part of the year, the events programme successfully transitioned to a hybrid model. The delivery of continuing professional development courses and seminars was a standout success during 2021 with strong take up of the courses offered. Covid-19 uncertainty continued to impact the budgets of institutional subscribers to the Society's publications output and this is reflected in lower revenue. Overall, costs were managed well during 2021 and the overall outturn was in surplus.

The Society's significant achievements against its objectives in 2021 are set out as follows.

1.2.2 Science and education

The Society continued to hold events virtually in 2021, with a limited schedule of hybrid events starting from October. The Spacescapes exhibition in the Burlington House Courtyard hosted several thousand visitors over seven weeks, and was the site of a number of student and public workshops.

A new Continuing Professional Development series provided courses and workshops on UK Geohazards, remote sensing, and Earthworks to several hundred attendees, whilst hundreds of students attended the second virtual Careers Days in October.

The Society sent six delegates to COP26 in Glasgow after obtaining observer status, and hosted a fringe event in conjunction with the European Federation of Geologists and the University of Glasgow on the hydrogen economy. The policy team released a briefing on the hydrogen economy and a primer on the contributions of the geosciences to the COP26 presidency themes

1.2.3 Professional and academic standards

Total 2021 membership was 11,620 (2020 – 11,691) across all categories. This was a positive outturn considering the continued impact of the Covid pandemic. A revised Fellowship categories structure was approved at the 2021 AGM and is currently being rolled out. The Society's Fellow grade membership (as measured at mid-2021) was 11,034 with its Candidate and Junior grade membership at 586. The number of Chartered Geologists stood at 2,749.

As noted above, the Society concluded the review of its membership categories and received consent from the Fellowship to implement the changes from 2022. A new CPD series provided courses and workshops on UK Geohazards, remote sensing, and Earthworks to several hundred attendees, whilst hundreds of students attended the second virtual Careers Days in October.

1.2.4 Scholarly publishing

The Society's publishing programme continues to generate a significant proportion of the revenues required to fund Society activities, whilst simultaneously fulfilling our charitable objectives. Our work is underpinned by our focus on excellent customer service to all of our communities and strong collaboration with our partners.

Meaningful progress was made through 2021 to adapt to an increasingly Open Access publishing landscape with the launch of the Society's first fully Open Access journal *Earth Science, Systems and Society* (ES³) which complements the Society's strategic scientific themes. Similarly, transformative read and publish agreements – which transition subscription spend to unlimited Open Access publishing – were negotiated with 25 institutions across the UK, Australia and New Zealand providing an important route to compliance for researchers with Open Access mandates. Planning and preparation was undertaken through 2021 for several exciting projects to be delivered in 2022, including the publication of the first title in the new *Geoscience in Practice* book series and the negotiation of further transformative read and publish agreements globally.

1.2.5 Library and archives

Covid-19 and the intermittent closure of Burlington House continued to impact the provision of library and information services. Remote solutions such as 'click and collect' loans were available alongside usual remote services and in-person services resumed when government guidance allowed.

A new Head of Library and Information Services was appointed in August 2021 and will be working to develop an implementation plan for the 2020 Library Review, which will begin delivery in 2022.

1.3 Financial review

1.3.1 Financial position and performance

Funds

Society funds are split between three main categories, as defined by the Charity Commission:

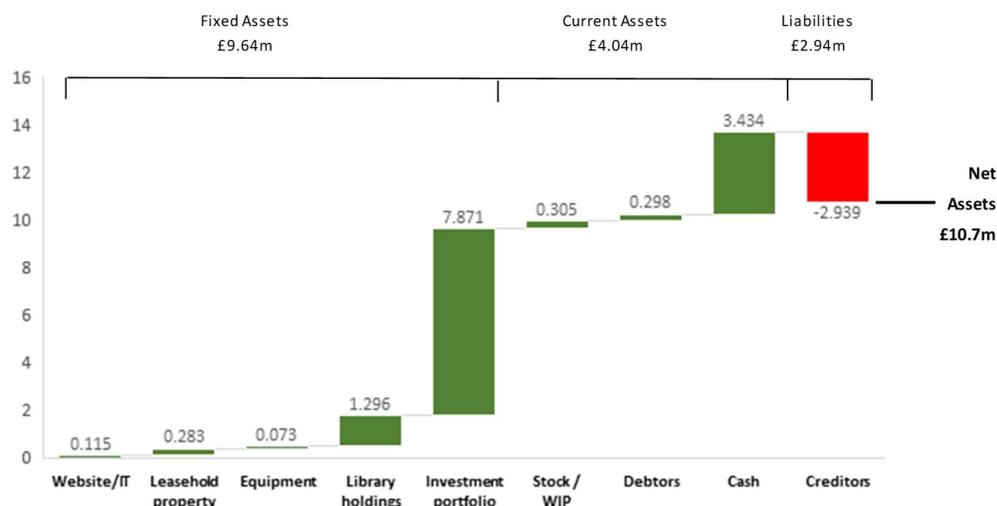
- (i) **Unrestricted funds** – (including both general and designated funds) that may be spent or applied at the discretion of the trustees in furtherance of the Society’s charitable objectives;
- (ii) **Restricted funds** – that are held under specific trusts in charity law that limit how those funds might be spent or applied; and
- (iii) **Endowment funds** – that comprise gifts made either where there is no power to convert capital into income (permanent endowments) or where trustees have the power to convert capital into income (expendable endowments).

Total Society funds and reserves at the end of 2021 were £10,736,610 (2020 - £10,410,001). Funds are split between the three categories defined above as follows:

Fund Type	2021 (£000)	2020 (£000)
Unrestricted	7,369	7,234
Restricted	930	882
Endowment	2,437	2,294
	10,736	10,410

Unrestricted funds are used to support the primary operation and activities of the Society and increase or decrease depending upon operating surpluses or deficits made each year. Restricted income funds and endowment funds support specific activities but are primarily dependent upon performance of the Society’s investments for growth or the provision of new legacies. Approximately £7.9m of the Society’s funds are placed in an investment portfolio and are subject to wider market variations. 2021 saw periods of volatility but the general valuation trend was upwards as global markets began to recover from the impact of the pandemic. The “total returns” objective of the portfolio protected the Society from much of the market volatility during 2021 and allowed the fund manager to successfully invest in recovery stocks when appropriate. In 2021 the Society’s income was £4.87m (2020 £5.30m), whilst expenditure including asset depreciation and impairments was £5.28mm (2020 £5.51m). Investment gains from the portfolio were £0.71m (2020 £0.65m) resulting in net funds movement for the year of £0.33m (2020 £0.44m). Note 19 to the Financial Statements provides further information on investments. Notes 26 to 29 set out material funds by category, showing significant movements in those funds during the reporting year and their position at year-end. Note 31 explains the proportion of total funds available as free reserves – see also section 1.3.2.

The following illustration identifies how the above noted funds are deployed;



Principal sources of funding

Total consolidated income, excluding gains and losses from investments and foreign exchange, was £4.87m in the year ending 31 December 2021 (2020 - £5.30m). The Society's principal sources of funding remain closely linked to its charitable activities and these are set out below.

	2021 £000	2020 £000
Donations and legacies	55	48
Events (Science & education)	248	161
Membership Fees (Professional & academic standards)	1,935	1,997
Publishing	2,454	2,749
Library	5	6
Trading	24	34
Investments	127	142
Other Income	19	166
	4,867	5,303

The Society had another challenging year in 2021 due to the ongoing impact of the Covid 19 pandemic and pressure on library budgets impacting publishing revenue, with overall income levels below 2020. The value of the Society's investment portfolio increased from £7.2m at 31 December 2020 to £7.9m at the end of 2021.

Expenditure of funds

Reduced activity, however, did lead to a reduction in expenditure to £5.28m (2020 - £5.51m) including depreciation (£0.28m) and asset impairments (£0.49m), with a deficit of income over expenditure of £0.41m (2020 - £0.21m). Included within the 2021 expenditure total was an exceptional item specifically the write down of the value of the Society's Customer Relationship Management (CRM) system. During 2021, a decision to replace the system was

made to facilitate better engagement with Fellows, Patrons, customers and stakeholders. Consequently, the undepreciated value of the existing system was written down to zero, and a charge of £490k has been taken in 2021. Unrealised gains in the year from movements in the value of investments and both realised and unrealised currency differences resulted in an increase in funds for 2020 of £0.33m (2020 - £0.44m). Note 8 to the accounts sets out expenditure for the year in further detail, including analysis of direct and support costs across each charitable activity. The following tables summarize expenditure by activity and type for the current and previous years:

Expenditure by Activity	2021	2020	Expenditure by Type	2021	2020
	£000	£000		£000	£000
Trading	58	72	Trading	6	72
Investments	61	55	Investments	55	55
Science	1,112	1,109	Charitable Activities	2,731	3,237
Professional	573	582	Support / Overhead	1,991	2,151
Publishing	2,456	2,583	Asset Write Down	493	-
Library	1,016	1,114			
	5,276	5,515		5,276	5,515

Support costs are detailed in note 9 to the Financial Statements and staff costs in notes 12 to 15.

Investments

The Society invests funds held in its Unrestricted, Designated, Restricted and Endowment Funds to obtain an income whilst seeking to maintain the long term value of the investments in excess of inflation. These investments are managed according to the powers defined in the Society's Bye Laws. Independent investment managers are appointed by the trustees, under the oversight of an Investment Committee of Fellows of the Society, reporting to trustees via the Finance and Planning Committee. The Society's working capital funds on deposit do not presently fall within the mandate of the Investment Committee.

As previously reported, the Society has adopted a Responsible Investment Policy to ensure that investments are consistent with the Society's values and ethos and do not conflict with the Society's aims. The policy considers environmental, social and governance criteria in prioritising investments and employs a number of exclusions in respect of tobacco, alcohol, arms, etc. Companies with material involvement in extraction/combustion of certain high emissions fossil fuels are also excluded, subject to possible mitigations. Details of this policy can be found on the Society's website.

The value of the investment portfolio was around £7.9m at the end of 2021 (2020 £7.2m), and it is managed by professional advisors who make regular, quarterly reports to the Treasurer's Investment Committee. The primary purpose of the portfolio is to provide income through returns and growth in capital to support the current and future charitable activities of the Society. To achieve this, professional advisors are set performance targets against which the Investment Committee (IC) measures performance. Investment income in 2021 was £127k (2020: £142k). The modest reduction in investment income is reflective of the capital growth focus of the portfolio strategy together with reduced dividend yields. Note 5 to the Financial Statements provides further detail.

Investment management charges comprise the advisor's annual fees (proportional to the value of the portfolio) plus a share of support staff and other overhead charges to reflect internal management of this activity. These charges are apportioned to individual funds within the investment pool on the basis of the value that each fund has invested within the pool. Year on year total investment management charges were £61k in 2021 and £52k in 2020.

Investment valuations are further explained in note 19 together with a list of the Society's top 20 investments by value as of the end of 2021.

Trading activities

The Society undertakes non-primary purpose trading (i.e. the hire of facilities and associated catering other than in relation to Society events) through a wholly-owned subsidiary company, Geological Trading Limited (GTL). The company's results are consolidated into the Society's annual statement of accounts and are set out at note 32 in further detail. Hire of facilities associated with Society events is accounted for within the Society.

During 2021, given the nature of the activity of GTL is predominantly in-person events and room-hire, it continued to be significantly impacted by the effects of the Covid pandemic and uncertainties arising from lockdown. The limited trading activity provided income of £7.4k (2020 - £2.9k). Net profit for the year is £6.6k (2020: £0.6k). The Board entered into a Deed of Covenant during 2019 whereby profits generated by GTL are donated to the Society. The 2021 profits have now been donated in accordance with this Deed.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement in respect of fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes.' Such amounts receivable are presented in our accounts as donations and include legacies and grants. We confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the Senior Leadership Team, who are accountable to the trustees.

The Society is not bound by any undertaking as part of any regulatory scheme relating to fundraising. It has received no complaints in relation to fundraising activities. Its terms of employment require staff to always behave reasonably. As we do not approach individuals for funds, we do not particularise this requirement to fundraising activities, nor do we consider it necessary to design specific procedures to monitor such activities.

1.3.2 Reserves

The Society's reserves policy is to maintain free reserves sufficient to cover unforeseen near-term reductions in income or increases in expenditure. The level of contingency is set annually by Council after detailed consideration by and a recommendation from the Financial & Planning Committee. In determining the level, future income and expenditure is assessed for reliability and commitment respectively. In addition, future capital expenditure, other commitments and contingency are considered. The minimum free reserve requirement, having considered the above noted elements, is assessed to be £2.57m as at 31 December 2021

Under the Charities SORP 2019 free reserves are calculated as the total of investments and net current assets classified as unrestricted funds, less any assigned to designated funds. At 31 December 2021 free reserves stood at £5.35m (2020: £4.39m) which is in excess of assessed requirements. Note the designated Burlington House Fund (£1.6m), provided for liabilities associated with a Burlington House relocation is in addition to the free reserves figure above.

Note 31 to the Financial Statements sets out the calculation of these figures.

1.3.3 Principal risks and uncertainties

The Society receives no funding from central government or public bodies. It is dependent, therefore, upon its own initiatives to generate the income required to carry out its charitable activities. With an annual turnover of c.£4m - £5m it is not a large organization and, whilst it enjoys reasonably healthy revenues at present from its various income streams, these streams are few and are not immune to change. For these reasons financial control and decision-making is given a high priority.

The Society cannot and does not assume that individuals and corporate bodies within the geoscience community will automatically wish to become and remain members: it must keep its membership offering relevant and communicate its activities in a coherent manner. At present individual Fellowship and Chartership income and numbers and corporate membership via the Corporate Patrons programme are in slight decline overall. The Society, however, is optimistic that the new CRM and website, due in 2022/23 will enhance stakeholder engagement and provide opportunities for growth.

Publishing is a competitive activity and in order to remain successful the Society must manage this activity with a view to market changes and uncertainties. The Society continues to face significant revenue challenges in the medium term from the rapid shift to Open Access publishing in some regions and is responding through the introduction of new Open Access models and products, whilst maintaining a careful control on cost. The challenges have been compounded by Covid-related institutional subscription budget cuts and volatility in the corporate market. Competition within the sector remains strong with increasing complexity and the Society is alert to the variability of customer demand and the need to maintain investment in technology; all without eroding the high standards of service and quality of content associated with the Society's publishing activities.

Conference and events activity continues to be volatile during Covid but is mitigated by providing a varied events programme and adapting, where possible, to take account of likely demand peaks and troughs. During 2021, online and hybrid events allowed a continuation of our programme, and the online CPD training events offered were well received. CPD will be a focus of development and growth during 2022 and onwards and with the introduction of the updated CRM system, better flexibility around pricing, reduced friction around the booking system and better marketing and communications is expected.

Discussions with the Landlord continued during 2021. A panel comprising staff, trustees and stakeholders undertook a comprehensive review of possible future options, should the Society need to relocate, and have now reported to Council. It is expected that discussions with the Landlord will continue throughout 2022. Council continues to closely monitor this sensitive matter and will fully inform the Fellowship of developments in 2022 and beyond.

The ongoing impact of the Covid-19 pandemic during 2021 affected the Society's ability to fully fulfil its charitable objectives, but the vaccine programme and gradual lifting of restrictions did allow many activities to resume. Investment in and better use of IT platforms and services allowed The Society to continue effectively serving the needs of the Fellowship and stakeholders. The online or hybrid model of delivering conferences, lectures and events allowed a continuation of much of the programme. Hybrid working and enhanced and improved use of cloud services allowed the Society to successfully adapt to the "new normal". Costs were reduced in 2020 and the benefit was felt in 2021 of the lower cost base. Rigorous cost control continues to be practiced and outturn forecasting is more accurate and frequent allowing close monitoring of financial position of The Society.

1.4 Plans for future periods

1.4.1 Summary of future plans

Business Plan 2022

In order to achieve the objectives of the Society's 2017-2027 Strategy (see section 1.1.2), Council approved a 2022 Business Plan in November 2021. This sets priorities for achieving strategic objectives on a three-year rolling basis and is divided into themes that are tied back directly to the Strategy. Operational objectives and deliverables are defined, together with timescales, resources and responsibilities.

Priorities identified in the 2022 Business Plan are as follows.

Advance multidisciplinary Earth science to inform global issues

- Deliver a high profile, high impact science programme across the Energy Transition & Materials and Geohazards science themes
- Develop a programme of activities under the Planetary Science theme
- Develop a high profile and varied science programme across the Climate Change theme
- Develop and implement a low-resource, high-impact policy activity strategy

Support professional development, careers and education in Earth science

- Support the professional development of Earth scientists including full support for career pathways towards CGeol
- Set up the Geofutures and Fermor funds disbursement mechanism
- Measurably improve the Society's relationships with academic institutions
- To communicate the importance and societal relevance of Earth science to STEM students to foster future generations of Earth scientists
- Review and revise the Chartership Development Plan with objective of increasing Chartership uptake in targeted sectors
- Expand upon and grow the continuing professional development (CPD) course offer

Be the inclusive and collaborative home for UK Earth scientists and increase our international orientation

- Provide a clear commitment and pathways to improved diversity, equality and inclusion within the organisation and across our science
- Undertake stakeholder mapping exercise as a basis for an outcome-centred prioritisation of engagement with external organisations and joint activities

Become a dynamic and responsive organisation with a strong digital identity

- Implement the 5 year digital strategy
- Replatform and update the CRM system, the Society website and conclude the rollout of the publishing platform
- Transform the culture of the Society to instil greater agility, accountability, responsiveness, productivity, improved customer care and commercial awareness

Publishing

- Migrate the Lyell Collection to a new future-focussed platform that provides a best in class user experience
- Expand global uptake of the Society's transformative read and publish agreements that combine read access to the Lyell Collection with uncapped open access publishing
- Publish the first Geoscience in Practice book title and commission two more for the series

Library and information services

- Continue to improve the Library user experience by increasing our capacity to support users remotely and developing further our e-resources offering
- Implement a plan for the long term preservation, enhancement and promotion of our special collections and archives

Other

- Conclude the Burlington House options review and implement findings

2022 Budget Summary

- Income £5.19m
- Expenditure £5.06m
- Non cash elements (depreciation, FX, portfolio gains / losses) -£0.15m
- Special projects (governance review, library digitisation, office options) -£0.1m
- Budgeted outturn taken to reserves -£0.1m
- Capital expenditure (CRM, website, publishing platform) - £0.62m

1.5 Structure, governance and management

1.5.1 Governing instrument

The Society was founded in 1807 and incorporated by Royal Charter in 1825 (amended by a Supplemental Charter in 2005). This remains its governing instrument, from which its Bye-Laws (revised in 2000 and amended in 2003) are derived.

1.5.2 Organizational structure of the Society

The Society is based on two sites: its headquarters at Burlington House, Piccadilly, London; and its Publishing House in Bath.

Its governing body of trustees is known as Council and its governance and decision-making structures are set out in section 1.5.3 below.

The Society's work is carried out on a day-to-day basis under the direction of the Executive Secretary. Staff of the Society are organized into the following areas of responsibility:



The majority of the Society’s activities are undertaken by the Society as a charitable body. Geological Trading Limited is the Society’s single wholly-owned subsidiary company. Its principal activity is to undertake the non-primary purpose trading of the Society, primarily hire of rooms and catering at Burlington House. The subsidiary company files separate accounts in accordance with the requirements of the Companies Act 2006; its results are also consolidated within the Society’s financial statements, which are annotated accordingly.

Details relating to the organizational structure of the Society’s subsidiary company are set out at section 1.5.4 below.

1.5.3 Governance and decision making

Governance structure

The Society is governed by a Council of 23 members (plus any additional co-opted members), including the President, and four secretaries; there are also up to three Vice Presidents. All official roles are honorary. Council is chaired by the President, and meets five times each year, including one strategy meeting in September.

Presidents are elected for two years, and the President-designate serves for one year on Council before assuming office. Council members are drawn from the Society’s Fellowship and may be proposed by any Fellow or by Council, as set out in the Society’s bye-laws. Council members are elected for three years and are collectively the Society’s trustees. The Fellowship elects Council members by ballot of all present at the Annual General Meeting. All elections are overseen by an Elections Committee. There is an annual Induction Day, open to both new and existing Council members, to ensure that they are made aware of the Society’s activities, objects and governance structures, as well as Charity Commission guidance on public benefit and their responsibilities as trustees.

New Fellows are elected by the Fellowship at Ordinary General Meetings (OGMs) of the Society, when names submitted to Council are formally proposed.

On President’s Day, the Society has its Annual General Meeting (AGM), when the Fellowship receives reports from Officers and the Annual Accounts and approves fellowship dues for the coming year. Occasionally, for such matters as altering its Bye-laws, the Society may call a Special General Meeting (SGM). More detail about AGMs, OGMs and SGMs can be found in the Society’s Bye-laws. All meetings are advertised in the Events section on the Society’s website.

Decision making

All significant decisions relating to the running of the Society are taken or approved by Council. In addition, the Society has formally constituted decision-making bodies in which detail will be considered before a recommendation is made to Council. The members of these bodies are set out online at www.geolsoc.org.uk/About/Governance/Committees and comprise the following;

- (i) **Council Officers Group** – the President, Vice-Presidents, Secretaries and Treasurer meet prior to each meeting of Council and are responsible for ensuring the efficient management of the Society. Chaired by the President. The Officers group met 5 times during 2021.
- (ii) **Finance and Planning Committee** – responsible for the financial health of the Society through effective control and transparency of the accounting processes, timely financial planning and investment management. Chaired by the Treasurer. The FPC met 5 times during 2021.
- (iii) **Professional & Chartership Committee** – responsible for promoting professional excellence and ethical standards in the Earth sciences for the public good. Chaired by the Secretary, Professional Matters. The PC met 5 times during 2021.
- (iv) **Science Committee** – responsible for maintaining and implementing a science strategy for the Society that reflects its charitable aims and objectives, including through the Society’s conference programme. Chaired by the Secretary, Science. The SC met 3 times during 2021.
- (v) **External Relations Committee** – responsible for setting the Society’s approach to policy, education and outreach, communications, media relations, international matters and links with other organizations. Chaired by the Secretary for Foreign and External Affairs. The ERC met 3 times during 2021.
- (vi) **Publications and Information Committee** – responsible for the publication and distribution of high-quality, peer-reviewed Earth science literature in accordance with the Society’s charitable aims, and maintaining a library of physical and electronic resources for the Earth science and wider community. Chaired by the Secretary, Publications. The PIC met 3 times during 2021.
- (vii) **Audit Committee** – responsible for reviewing accounting procedures, internal control and financial risk, as well as for conducting a detailed examination of the Society’s draft annual financial statements. Chaired by a Fellow of the Society. The Audit Committee met twice during 2021.
- (viii) **Awards Committee** – responsible for consideration of nominations received from the Fellowship for the Society’s awards and medals. Chaired by the President. The Awards Committee met twice during 2021.
- (ix) **Elections Committee** – responsible for ensuring the proper conduct of elections to Council, including the nomination and election of officers. Chaired by the President. The EC met twice during 2021.
- (x) **Development Committee** – responsible for matters related to fund-raising and sponsorship. The DC met 3 times during 2021.

The Society also operates various sub-committees and special groups which report to these standing committees.

Executive Secretary and Senior Leadership Team

The Executive Secretary is the senior executive of the Geological Society. He is responsible to Council through the President for operational management of the Society’s affairs and successful delivery of strategy and business plans.

The Executive Secretary assists Council in determining strategic objectives and ensures these are achieved through effective deployment of resources, strong relationships with key partners, and leadership of the Society's staff.

The Executive Secretary is assisted in the day-to-day running of the Society by three Directors, as set out in the diagram at section 1.5.2. The Executive Secretary and Directors together form the Society's Senior Leadership Team.

Risk management

The Trustees and Senior Leadership Team review the major risks to which the charity is exposed on a regular basis. Systems and procedures have been put in place to manage those risks. These include a formal Risk Register that is reviewed regularly by the Senior Leadership Team, standing committees and Council. In 2021, the Society licenced improved software to facilitate tracking of risks and mitigatory actions, and this product was successfully implemented in early 2022. The Finance and Planning and Audit Committees carry out periodic reviews of all risks.

1.5.4 Subsidiary company

Geological Trading Limited, registered in England as Company number 3522033, is a wholly-owned trading subsidiary of the Geological Society of London, offering room hire and associated catering services to the limited extent that is permitted under the lease. The company's results are consolidated into the Society's Financial Statements and further details are provided in notes 1 and 32 to the Financial Statements. The company also produces separate accounts in accordance with the Companies Act 2006.

The company is governed by a board of directors who are nominated by the Geological Society as shareholder. Directors may serve either until they decide to step down voluntarily, they leave the Society, or the Society determines that their services are no longer required. Board meetings are held at least once every year.

The company is managed on a day-to-day basis by the staff of the Geological Society, acting on behalf of the directors. For this service the Society charges the company an administration fee which is shown in the company's accounts at note 32.

1.5.5 Related parties and wider networks

Interests in other bodies

The Society had a $\frac{1}{3}$ interest in Petroleum Geology Conferences Ltd, a joint venture with the Energy Institute and the Petroleum Exploration Society of Great Britain, for the purpose of organizing, promoting and running a series of petroleum geology events which took place at intervals of four to six years. This company was wound up during 2021.

During 2021, The Society entered into a cooperation agreement with the PESGB to run a 2023 Energy Geoscience Conference. Costs and profits arising from this joint endeavour will be shared 50/50.

With the exception of listed investments, the Society holds no other interests, in whole or in part, in any other organization.

Collaborations

The Society is the oldest national geological society in the world and draws its memberships from all parts of society around the globe. It maintains a range of regional and specialist groups (details of which may be found on its website) and collaborates with a number of other organizations in fulfilling its charitable aims. These include specifically:

- (i) **University Geoscience UK** – we work together on a wide range of issues relating to higher education and research in the university sector, including through our Joint Higher Education Committee.
- (ii) **Earth Science Teachers Association** – ESTA is a key partner for delivery of our schools programme, including the annual Geoscience Education Academy.
- (iii) **Geologists' Association** – the GA plays a vital role as the national body for amateur geologists, and we work together on areas including geoconservation, public engagement and raising the visibility of geology.
- (iv) **Geology for Global Development** – we work together to identify and promote challenges in future sustainability that can be addressed and championed by the geology community.

The Society accredits undergraduate and MSc degree programmes provided by universities and other Higher Education Institutions. It also validates in-house professional training schemes provided by employers. As the UK's professional body for Earth science, it awards to suitably qualified Fellows the titles of Chartered Geologist, Chartered Scientist and European Geologist (under licence from the Science Council and European Federation of Geologists respectively); it also co-operates with other similar overseas bodies, including the American Association of Petroleum Geologists, the American Institute of Professional Geologists, the Institute of Geologists of Ireland and many others now recognised through its Associated Societies scheme. The Society is the UK adhering body to the International Union of Geological Sciences.

1.5.6 Pay policy for senior staff

The senior staff members of the charity are identified at section 1.6.3. The pay of the senior staff is reviewed annually at the same time and in line with the review of pay for all staff. Senior staff receive a recurring pay award that is the same as that awarded to all staff and which has been considered and approved by the Finance and Planning Committee. In addition, and as part of a new scheme in which all staff equally participate, senior staff may receive an annual bonus that is linked to achievement of agreed objectives. Details relating to senior staff pay are also set out in Notes 14 and 15 to the accounts.

1.6 Reference and administrative details

1.6.1 Legal and administrative information

Charity details

Name of charity:	The Geological Society of London
Charity registration number:	210161
Principal office:	Burlington House, Piccadilly, London W1J 0BG

Subsidiary company details

Name of company:	Geological Trading Limited
Company registration number:	03522033

Registered office:

**Burlington House,
Piccadilly, London W1J 0BG**

1.6.2 Trustees

Council is the trustee body of the Society. The following named persons were trustees of the charity on the date this report was approved:

Honorary Officers -

President:	Dr Michael Daly
Vice President:	Ms Jessica Smith
Secretaries:	Prof. James Griffiths Dr Joel Gill Prof. Robin Strachan Dr Alexander Whittaker
Treasurer:	Dr Keith Myers

Other members of Council

Ms Joanna Alexander, Prof Mark Allen, Ruth Allington (President Designate), Neil Frewin, Dr Jennie Gilbert, Dr Kathryn Goodenough, Mr Martin Griffin, Dr Michael Kehinde (EDI Officer), Mr Pete Loader, Mr Andrew Moore, Dr Amanda Owen, Dr John Perry, Mrs Sarah Scott, Ms Gemma Sherwood, Miss Lucy Thomas and Mrs Lucy Williams.

The following named persons also served on Council as trustees during the financial year to which this report relates but stepped down prior to the date this report was approved:

Mr Thomas Backhouse, Mr John Booth, Mr Andrew Bloodworth, Mr Graham Goffey, Prof Chris King, Prof Bryne Ngwenya, Dr Helen Smyth

There are no corporate trustees of the charity and no trustee holds title to property belonging to the charity.

1.6.3 Senior Leadership Team

The following named persons were senior staff members of the charity to whom day-to-day management of the charity was delegated by the trustees for the financial year to which this report relates:

Executive Secretary	Dr Richard Hughes
Director of Science & Communications:	Dr Alicia Newton
Director of Publishing:	Maggie Simmons
Director of Finance & Operations:	Alex McPherson

1.6.4 Professional advisors and other relevant organizations

The following named organizations and persons have been associated with the charity for the financial year to which this report relates:

Bankers: Coutts & Co, 440 Strand, London WC2R 0QS

Solicitors: Bristows, 100, Victoria Embankment, London EC4Y 0DH

Auditors: RSM UK Audit LLP,
25 Farringdon Street, London, EC4A 4AB

Investment advisors: Sarasin & Partners LLP,
Juxon House, 100 St Paul's Churchyard,
London EC4M 8BU

2. Reports of the President, Treasurer and Executive Secretary

2.1 President's report

From the President, Dr Mike Daly

A year ago, my letter focused on the Society's resilience and laying new foundations for its future. The 2020 strategic options project underpinned those foundations and drove the impactful 2021 Energy Transition seminar series and briefing on *Geoscience and the Hydrogen Economy*. It also gave context for the spectacular *Spacescapes* exhibition in the Burlington House Courtyard which is now exhibited at the Harwell Science and Innovation campus. The new *Geoscientist* magazine format is bold and supported by an interesting new website <https://geoscientist.online>. And the Society's membership count has remained stable for the past three years. In summary, 2021 has been a busy and successful year of delivery for the Society and the executive team. Which brings me to the Burlington House lease.

In August 2020, growing financial pressure and falling income led Council to renew its efforts to secure the Geological Society's future. Council decided to pursue two directions. Firstly, together with the Royal Astronomical Society, Linnean Society, and Society of Antiquaries, a lobbying effort was undertaken to persuade the UK Government to support our continued presence in Burlington House. Secondly, a working group was established to assess the needs of the Society in the twenty first century, and develop options for the Society's potential relocation from, or restructuring within Burlington House.

The lobbying achieved many successes. Fellows wrote to their MPs, and MP Tim Laughton raised a Westminster Hall debate on June 8 2021. Over 120 Conservative, Labour, and Plaid Cymru MPs supported us, and several spoke about the Courtyard Societies collective value and encouraged Government to seek a mutually beneficial arrangement for our continued occupation of Burlington House. In addition, a letter from Sir David Attenborough to the Prime Minister and an interview with Brian Cox on the BBC Today programme argued our case. Despite these and other efforts, no fundamental progress was made. This has left the Courtyard Societies with no sense that a solution with the present Government was possible.

Meanwhile the working group was in action, led by past-President David Shilston and comprising a diverse group of Fellows. After exploring thoroughly several options, the working group presented the results of its work to Council in February 2022. Their recommended option to Council in the event of relocation, is to move to premises within central London. They also recommended reducing the amount of occupied space and creating a community home for the Society with modern IT capability able to embrace the world. Council unanimously supported these recommendations. The effort and time required to complete such a move should not be underestimated. However, such a move would provide an opportunity to equip the Society technologically and financially for a sustained and aspirational future.

Finally, I would like to acknowledge the success of the Society's engagement on the world stage of the 26th UN Climate Change Conference of the Parties, held in Glasgow. The Society attended with observer status, led by the Energy Transition Theme Leader. COP itself was a mixed success with business taking the event seriously for the first time, but serious divisions emerged as India, China and other coal-dependent nations, rejected the "phase out" of coal-fired power, demanding a more open ended "phasing down" of coal usage. This schism heralded a much bigger uncertainty that is now upon us as I write this note. The tragic and saddening invasion of the sovereign state of Ukraine is a humanitarian disaster on an unfathomable scale. The world's energy security is a casualty of this event, bringing even greater uncertainty to the velocity and outcome of an energy transition.

Within this context the Geological Society is in good health and I wish my successor, Ruth Allington, much success as she takes on what will be another interesting two years. Finally, I would like to thank the Society's Council, Executive Secretary, staff, and membership for all the support, correspondence, and calls I have received whilst in this role, and for the privilege of serving the Society.

2.2 Treasurer's report

From the Treasurer, Dr Keith Myers

2021 was another challenging year for the Society, with the COVID pandemic continuing to impact activity. Income for the year was £4.87m (2020: £5.30m) and expenditure was £4.78m (2020: £5.51m), excluding exceptional asset impairment charges. The impact of the cost savings made in 2020 meant that the Society was able to deliver a small operating surplus in 2021 of £0.09m (2020: -£0.21m) despite lower revenues. The Society's investment portfolio and foreign exchange gains of £0.71m meant that overall net income for the year taken to reserves was £0.33m after the IT impairment charge (see discussion below).

Fellowship and associated income declined only slightly to £1.9m (2020: £2.0m) and was significantly ahead of budget with proactive chasing of fellowship renewals delivering positive results. Fellowship revenues have proved more resilient than expected having peaked at £2.1m in 2018/19. The number of fellows at end 2021 was 11,620 (2020: 11,691). With the revised Fellowship categories implemented in 2021, along with the compelling new strategy for the Society, there is every hope that Fellowship income will continue to be stable with the potential for modest growth into the future.

The Publishing House income was £2.45m (2020: £2.75m) with 2021 the first year that COVID pandemic-related library budget cuts in academic institutions were felt. This led to some churn in Lyell Collection subscription renewals and quickened the decline in individual journal subscriptions. Costs at the Publishing House fell broadly in line with income resulting in a better than anticipated outcome. Significant progress was made in the negotiation of transformative read and publish agreements in key markets through 2021 which migrate subscription revenue to publishing revenue. The transition to open access has quickened in Europe and these are important steps to ensure future sustainability in an increasingly open landscape.

Income from the events programme increased to £0.30m (2020: £0.16) as a limited programme of online and hybrid events recommenced. The delivery of four new CPD courses resulted demonstrating the potential of CPD training as an income growth area for the Society. A business plan is being developed to grow this income stream. Expenditure of the Science and Education programme was £0.99m, excluding an exceptional IT impairment charge of £0.5m (2020: £1.08m). Science and education spending was supplemented by sponsorship income as well as pro bono support. Securing further sponsorship income will be a priority for 2022 and onwards.

In 2021, the Society commenced three major IT projects as part of its new digital strategy – a new CRM system to improve efficiency and deliver better fellowship services, a new lower cost and more flexible online publishing platform for the Publishing House and a new website for the Society. Capital investment, driven by the IT projects, is planned to increase from £0.25m in 2021 to £0.6m in 2022. After accepting that the current CRM system was not suitable to meet future requirements, Council sanctioned a replacement system. Consequently, a non cash impairment charge of £0.5m will be taken to write off the booked cost of the current CRM system on the balance sheet. Lessons have been learnt and steps have been taken to strengthen IT governance.

Looking at longer term trends, the Society's annual income in 2021 was £1.1 million (17%) lower than its peak in 2018. Forty-three per cent of this fall has been due to lower publishing income and 19% due to reduced fellowship income. The Society has responded by cutting annual operating expenditure which has fallen by £1.2 million (21%) since 2018. Whilst the Society has in most years been able to deliver a small operating surplus, £670k of capital spending means an overall draw on cash of ~£0.6 million in last 3 years. Meanwhile, investment portfolio value growth means financial assets increased by £1.3 million since end 2018 to £11.2 million at end 2021. So, the Society has been shrinking in terms of charitable income and expenditure whilst at the same time growing in terms of its financial assets. Looking forward, the Society continues to face a challenge of declining income and it will have no choice but to keep expenditure in check if it is to maintain a cash neutral budget policy. It does, however, have the cushion of considerable financial reserves and is financially robust. The Finance and Planning Committee and Council have reviewed the Society's free reserves policy in the light of the potential need to fund a Burlington House move and also to invest in the Society's charitable activities to sustain future charitable income flows.

The standard measure used by Charities to measure financial flexibility is 'Free Reserves', defined as the proportion of its unrestricted funds that a Charity is free to spend on its charitable activities. At the end of 2021 the Society's free reserves stood at £5.35m (2020: £4.39m) with an additional £1.62m held in a designated Burlington House Fund. So the Society had £6.97m of its reserves that it could freely spend on any of its charitable activities including a potential move from Burlington House. All charities are, however, expected to hold sufficient reserves to provide for unforeseen loss of income or unforeseen expenditure. A risk-based method has been used to calculate an appropriate free reserves target to cover both an unforeseen operational deficit and capital commitments to the end of 2024. For 2022 this is calculated at £2.57m, which leaves £4.40m of reserves at end 2021 free to fund both future potential Burlington House moving costs and discretionary investment. The free reserves target will now be set annually using a risk-based approach.

The Society has decided to release funds from reserves (initially £0.25m per year) into a Futures Fund primarily focused on investing in membership services and activity that will deliver future income. In addition, Council has decided that £0.5m will be released annually over a three year period from the £2.2m Fermor Endowment Fund to fund minerals research critical to the energy transition. The Fermor Fund does not count towards free reserves as it is an endowment. These are both highly positive decisions that will allow the Society to both invest in its future and increase its impact in academic research.

Despite current global uncertainty, the Society is financially robust and the 2022 budget is targeting a modest increase in income to around £5m and a small operational surplus. I would like to thank my predecessor Graham Goffey and all the FPC, Audit and Investment committee members for their sterling efforts.

2.3 Report of the Executive Secretary

From Dr Richard Hughes

Continued disruption caused by the Covid-19 pandemic delayed a return to normal, in-person operations in early 2021. The Society continued to embrace the new opportunities offered by virtual and hybrid operations, and with great success. Public lectures continued online, with an added series on the geology of the solar system as part of our 2021 Year of Space programme. The online format enabled record attendances, with over 2,500 live viewers and 29,000 more watching on demand via our YouTube channel, a fifteen-fold increase on viewership in previous years. The Society also hosted its first hybrid meetings in October, and plans to provide a hybrid approach for all meetings going forward.

Virtual connectivity also enabled the launch of a new series of Continuing Professional Development (CPD) courses, marking a step change in the services we provide to support the Fellowship. We will continue to expand the range of courses on offer in the coming years to help support not only professional development but also career changes.

The Society's new Fellowship categories structure, rolled out in late 2021, is designed to be more inclusive and equitable. The previous, age-based fee structure has been replaced by a simpler career stage structure and has been welcomed across the Fellowship. I am very pleased to report that total Fellowship numbers stabilised, with the declines of recent years arrested.

2021 was another very successful year for publishing, with the new journal *Earth Science, Systems, and Society* launched in January. The superb, new format, quarterly *Geoscientist* magazine with strengthened science content has been extremely well-received by the readership.

The first major Geological Society exhibition staged in the Burlington House Courtyard was greeted with much acclaim. Thanks to generous sponsorship, the *Spacescapes* exhibition enabled several thousand visitors to explore the geology of our solar system through a series of stunning images. The eight plinths towered over visitors from August to October, and played host to several school groups.

The year saw significant progress with the implementation of the recommendations of the 2020 Strategic Options review. Leaders were appointed for new science themes including the Energy Transition, Geohazards, Geoengineering & Georesilience, and Climate & Ecology. A successful series of energy transition workshops was held in the spring and summer, and a conference on Climate Change in the Geological Record in May. The Society's purpose, mission, vision and values statements were overhauled and will be rolled out to the Fellowship in 2022.

This is my last annual report contribution as I will retire towards the end of 2022. It has been a great privilege to serve the Society as Executive Secretary, and I pay tribute to all those who give their own time so generously to make the Society a better place. Above all I offer my sincere thanks to the Society's staff, who work tirelessly and with great dedication in pursuit of our vision of being '*An inclusive and thriving Earth science community advancing knowledge, addressing global challenges, and inspiring future generations*'.

3. Responsibilities of the trustees

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law that is applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the charity and of the incoming resources and application of resources of the group for that 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 ('SORP') 2019;
- make judgements and estimates that are reasonable and prudent;

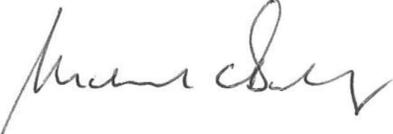
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. This is published in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements and may differ from legislation in other jurisdictions.

The Trustees who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

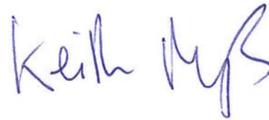
Signed on behalf of the Trustees:



Dr Michael Daly

President

Date: 6th April 2022



Dr Keith Myers

Treasurer

Date: 6th April 2022

4. Independent auditor's report to the Council of the Geological Society of London

Opinion

We have audited the financial statements of the Geological Society of London (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Charity only Statement of Financial Activities, the Consolidated and Charity only (Parent Charity) Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2021 and of their 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 Charities Act 2011.

Basis for opinion

We have been appointed as auditors under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charity'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 other information comprises the information included in the Trustees' Report and Consolidated Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Consolidated Financial Statements. Our opinion on the financial statements does not cover the other information and, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; 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 Trustees' responsibilities set out on pages 24 and 25, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charity'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 parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks, that the group and parent charity operate in and how the group and parent charity are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Charities Act 2011 and the parent charity's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulation. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these regulations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://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 charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP
Statutory Auditor
25 Farringdon Street
London
EC4A 4AB

Date: 29 June 2022

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

5. Statements of Financial Activities

5.1 Consolidated Statement of Financial Activities for the year ended 31 December 2021

	Note	2021				2020			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
		£	£	£	£	(Restated) £	(Restated) £	(Restated) £	(Restated) £
Income and endowments from:									
Donations and legacies	2	53,262	2,000	-	55,262	27,643	20,000	-	47,643
Charitable activities									
- Science & education	3.a	247,889	-	-	247,889	161,220	-	-	161,220
- Professional & academic standards	3.b	1,882,232	52,736	-	1,934,968	1,997,177	-	-	1,997,177
- Scholarly publishing	3.c	2,453,964	-	-	2,453,964	2,748,931	-	-	2,748,931
- Library & archives	3.d	4,634	-	-	4,634	6,454	-	-	6,454
Other trading activities									
- Room hire & catering	4	23,931	-	-	23,931	34,227	-	-	34,227
Investments	5	118,096	9,047	-	127,143	131,770	9,852	-	141,622
Other Income	6	17,957	1,000	-	18,957	165,996	-	-	165,996
Total income		4,801,965	64,783	-	4,866,748	5,273,418	29,852	-	5,303,270
Expenditure on:									
Raising funds									
- Room hire & catering	7.a	58,673	-	-	58,673	71,750	-	-	71,750
- Investment management costs	7.b	42,228	3,929	14,784	60,941	37,847	3,512	13,335	54,694
Charitable activities									
- Science & education	8.a	1,046,707	63,113	2,200	1,112,020	1,081,375	26,504	1,511	1,109,390
- Professional & academic standards	8.b	573,439	-	-	573,439	582,053	-	-	582,053
- Scholarly publishing	8.c	2,455,670	-	-	2,455,670	2,582,503	-	-	2,582,503
- Library & archives	8.d	1,015,604	-	-	1,015,604	1,113,986	-	-	1,113,986
Total expenditure		5,192,321	67,042	16,984	5,276,347	5,469,514	30,016	14,846	5,514,376
(Deficit) of income over expenditure		(390,356)	(2,259)	(16,984)	(409,599)	(196,096)	(164)	(14,846)	(211,106)
Net gains / (losses) on investments	19	471,618	50,880	191,437	713,935	427,219	46,410	176,238	649,867
Net income/(expenditure)		81,262	48,621	174,453	304,336	231,123	46,246	161,392	438,761
Transfers between Funds		30,972	-	(30,972)	-	-	-	-	-
Other gains / (losses) in year	20	22,193	82	9	22,284	7,454	(1,734)	(6,586)	(866)
Tax Payable	36	-	-	-	-	-	-	-	-
Net movement in funds		134,427	48,703	143,490	326,620	238,577	44,512	154,806	437,895
Reconciliation of funds:									
Total funds brought forward		7,234,603	881,528	2,293,870	10,410,001	6,996,026	837,016	2,139,064	9,972,106
Total funds carried forward		7,369,030	930,231	2,437,360	10,736,621	7,234,603	881,528	2,293,870	10,410,001

The notes on pages 33-59 form an integral part of these Financial Statements.

5.2 Charity only Statement of Financial Activities for the year ended 31 December 2021

	Note	2021				2020			
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds (Restated)	Restricted Funds (Restated)	Endowment Funds (Restated)	Total Funds (Restated)
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	2	59,904	2,000	-	61,904	59,940	20,000	-	79,940
Charitable activities									
- Science & education	3.a	247,889	-	-	247,889	161,220	-	-	161,220
- Professional & academic standards	3.b	1,882,232	52,736	-	1,934,968	1,997,177	-	-	1,997,177
- Scholarly publishing	3.c	2,453,964	-	-	2,453,964	2,748,931	-	-	2,748,931
- Library & archives	3.d	4,634	-	-	4,634	6,454	-	-	6,454
Other trading activities									
- Room hire & catering	4	16,449	-	-	16,449	31,353	-	-	31,353
Investments	5	118,096	9,047	-	127,143	131,770	9,852	-	141,622
Other Income	6	17,957	1,000	-	18,957	165,996	-	-	165,996
Total income		4,801,125	64,783	-	4,865,908	5,302,841	29,852	-	5,332,693
Expenditure on:									
Raising funds									
- Room hire & catering	7.a	58,673	-	-	58,673	70,194	-	-	70,194
- Investment management costs	7.b	42,228	3,929	14,784	60,941	37,847	3,512	13,335	54,694
Charitable activities									
- Science & education	8.a	1,046,707	63,113	2,200	1,112,020	1,080,717	26,504	1,511	1,108,732
- Professional & academic standards	8.b	573,439	-	-	573,439	582,053	-	-	582,053
- Scholarly publishing	8.c	2,454,830	-	-	2,454,830	2,582,503	-	-	2,582,503
- Library & archives	8.d	1,015,604	-	-	1,015,604	1,113,986	-	-	1,113,986
Total expenditure		5,191,481	67,042	16,984	5,275,507	5,467,300	30,016	14,846	5,512,162
(Deficit) / Surplus of income over expenditure		(390,356)	(2,259)	(16,984)	(409,599)	(164,459)	(164)	(14,846)	(179,469)
Net gains / (losses) on investments	19	471,618	50,880	191,437	713,935	427,219	46,410	176,238	649,867
Net income/(expenditure)		81,262	48,621	174,453	304,336	262,760	46,246	161,392	470,398
Transfers between Funds		30,972	-	(30,972)	-	-	-	-	-
Other gains / (losses) in year	20	22,193	82	9	22,284	7,454	(1,734)	(6,586)	(866)
Tax Payable	36	-	-	-	-	-	-	-	-
Net movement in funds		134,427	48,703	143,490	326,620	270,214	44,512	154,806	469,532
Reconciliation of funds:									
Total funds brought forward		7,229,850	881,528	2,293,870	10,405,248	6,959,636	837,016	2,139,064	9,935,716
Total funds carried forward		7,364,277	930,231	2,437,360	10,731,868	7,229,850	881,528	2,293,870	10,405,248

The notes on pages 33-59 form an integral part of these Financial Statements.

6. Balance Sheet as at 31 December 2021

	Note	Consolidated Balance Sheet				Charity Only Balance Sheet			
		2021		2020		2021		2020	
		£	£	£	£	£	£	£	£
Fixed assets:									
Intangible assets									
- website development	16	11,023		3,777		11,023		3,777	
- IT systems development	16	103,886	114,909	561,075	564,852	103,886	114,909	561,075	564,852
Tangible assets									
- leasehold property	17	283,294		316,282		283,294		316,282	
- equipment, fixtures & fittings	17	32,476		52,895		32,476		52,895	
- computer equipment	17	41,005	356,775	52,749	421,926	41,005	356,775	52,749	421,926
Heritage assets									
- library holdings	18		1,296,301		1,306,790		1,296,301		1,306,790
Investments									
- listed and traded investments	19	7,752,463		7,029,972		7,752,463		7,029,972	
- portfolio cash	19	118,118	7,870,581	180,686	7,210,658	118,118	7,870,581	180,686	7,210,658
Total fixed assets:			9,638,566		9,504,226		9,638,566		9,504,226
Current assets									
Stocks	21								
- finished stock		248,139		243,775		248,139		243,775	
- work in progress		56,708		49,860		56,708		49,860	
Debtors	22	298,353		333,383		323,815		356,576	
Investments	23	1,373,414		498,826		1,373,414		498,826	
Cash at bank and in hand		2,060,703		2,314,486		2,030,488		2,286,540	
Total current assets		4,037,317		3,440,330		4,032,564		3,435,577	
Liabilities									
Creditors									
- amounts falling due within 1 year	24	(2,939,262)		(2,534,555)		(2,939,262)		(2,534,555)	
Net current assets			1,098,055		905,775		1,093,302		901,022
Total net assets or liabilities			10,736,621		10,410,001		10,731,868		10,405,248
The funds of the charity:	26								
Unrestricted funds	27	7,369,030		7,234,603		7,364,277		7,229,850	
Restricted income funds	28	930,231		881,528		930,231		881,528	
Endowment funds	29	2,437,360		2,293,870		2,437,360		2,293,870	
Total funds		10,736,621		10,410,001		10,731,868		10,405,248	

The notes on pages 33-59 form an integral part of these Financial Statements.

Approved by the trustees on 6th April 2022 and signed on their behalf by:



 Dr Michael Daly
President
 Dr. Keith Myers
Treasurer

7. Consolidated Cash Flow Statement for the year ended 31 December 2021

	Note	2021		2020	
		£	£	£	£
Cash flows from operating activities:					
<i>Net cash provided by operating activities:</i>	33		669,702		(269,766)
<i>Tax paid</i>	36		-		-
Cash flows from investing activities:					
Dividends and interest from investments:	5	127,143		141,622	
Purchase of property, plant and equipment	16,17,18	(252,338)		(187,630)	
Proceeds from sale of investments:	19	2,778,504		2,210,638	
Purchase of investments:	19	(2,724,490)		(2,122,722)	
<i>Net cash provided by investing activities:</i>			(71,181)		41,908
Cash flows from financing activities:					
<i>Net cash provided by financing activities:</i>			-		-
Change in cash and cash equivalents in the reporting period:					
			598,521		(227,858)
Cash and cash equivalents at the beginning of the reporting period:	34		2,813,312		3,042,036
Change in cash and cash equivalents due to exchange rate movements:	20		22,284		(866)
Cash and cash equivalents at the end of the reporting period:	34		3,434,117		2,813,312

The notes on pages 33-59 form an integral part of these Financial Statements.

8. Notes forming part of the Financial Statements

1 Accounting policies

The accounting policies set out below have been applied consistently in the preparation of the financial statements.

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, the Charities Act 2011, and the Statement of Recommended Practice, Accounting and Reporting by Charities ('SORP'), effective 1 January 2019 and Financial Reporting Standard ('FRS') 102, which the Society has adopted. The 2005 Charities SORP, which has been withdrawn but is still referred to in the extant Charities (Accounts and Reports) Regulations 2008, is not used in order for the financial statements to show a true and fair view in accordance with United Kingdom Generally Accepted Accountancy Practice effective for accounting periods beginning on or after 1 January 2019.

Figures are prepared using the historical cost convention, with the exception of investments which are included at market value.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are presented in sterling, which is also the functional currency of the charity. The amounts are presented to the nearest £1.

The Society's accounts are prepared on the basis that it is a going concern. It continues to produce an annual surplus of income over expenditure and has set its 2021 budget on the reasonable assumption that this will continue. In the light of the ongoing impact of Covid 19 pandemic, the Trustees and management have re-assessed and updated the forecast and are confident there are sufficient reserves to continue operating for the foreseeable future. The Society continues to monitor events as they unfold, and the forward projections are updated accordingly.

The Trustees confirm that at the time of approving the financial statements, and based on their forecasts until 30 June 2023, there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Society's reserves position. At 31 December 2021, the Society held unrestricted cash balances of £3.4m and unrestricted investments of £5.2m.

(b) Changes in accounting policy

There were no changes to accounting policies in the 2021 financial year.

(c) Consolidated accounts

These financial statements are consolidated, bringing together on a line by line basis the accounts of the Geological Society of London and its wholly owned subsidiary trading company: Geological Trading Limited. The reporting dates for both entities is 31 December of each year.

Separate Statements of Financial Activities and Balance Sheets are also provided that show the charity-only position at the reporting date. The results, assets and liabilities of Geological Trading Limited are shown in Note 32.

(d) Income

Income is recognised and accounted for on an accruals basis. This means that it is attributed to the reporting year to which it relates rather than the year in which it may be received. For example, income received which relates to activities and benefits that occur in the following year is excluded from the Statement of Financial Activities and is included as deferred income in the Balance Sheet. All income of this nature will be released to the Statement of Financial Activities in the financial year that the activities and benefits occur.

Fellowship fees, Corporate Affiliate fees and subscriptions for publications are usually collected in the months leading up to the membership year (and financial year) to which they relate. Generally, those fees collected from September of each year when the fee renewal process is commenced are attributable to the following year and treated as set out above. Income relating to conferences, events and room-hire may also be received in advance and so is treated in accordance with the accruals concept.

Recognised income collected through Fellowship fees and a proportion of income collected as Corporate Affiliate fees is re-allocated to those activities from which the fee payers derive benefit. Note 3 provides further detail.

Income from legacies is recognised when receipt becomes probable, i.e., probate is granted, the executors have established that sufficient funds exist for distribution, and any conditions attached are either discharged or fall within the Society's control.

Any tax credit arising on income received net of tax is accrued as part of the income arising. Legacies are recognised when there is a legal entitlement, it is probable that they will be received and when they are measurable with sufficient reliability.

(e) Expenditure

Expenditure is recognized and accounted for on an accruals basis. This means that it is attributed to the reporting year to which it relates rather than the year in which it may be made. For example, creditor invoices received after year-end but relating to goods or services received by the Society prior to year-end are included as costs in the Statement of Financial Activities and shown as accruals in the Balance Sheet.

Expenditure relating to purchase of fixed assets is capitalized and not included in the Statement of Financial Activities at point of purchase. Depreciation is charged back to the Statement of Financial Activities, however, over the useful life of the asset. Notes 16-18 set out further details of capital costs, depreciation and net book value held.

Expenditure relating to support activities, facilities costs and governance is allocated to front-line activities in the form of overheads. Note 9 describes how this is done.

Grants payable are charged in the year when an obligation arises in accordance with the requirements of the Charities SORP 2019 and are allocated to appropriate charitable expenditure headings.

The Society makes contributions to a group personal pension scheme. The pension cost charge shown represents contributions payable by the Society to the scheme. Any difference between amounts charged in the Statement of Financial Activities and paid to the pension scheme is included in the balance sheet as a liability or asset.

Value Added Tax on purchases and expenses, the reclamation of which is disallowed under partial exemption regulations, is charged as a cost against activities during the year.

(f) Accounting estimates and judgements

Accounting estimates and judgements are continually evaluated based upon experience and reasonable expectations of future events. These include:

- (i) *Income recognition of legacies* – income may be recognized prior to receipt of all funds from a legacy. Where this is the case an estimate of the likely benefit will be made based upon information available from the donor's estate.
- (ii) *Provisions for bad debt* – the Society provides in full for all debt that is over 12 months old. This is based upon experience and ongoing review of debt recovery. Any debt adjudged unrecoverable is fully written off.
- (iii) *Provisions for lease payments due* – provisions are included in creditors for the sums calculated as due under the lease but not yet billed by the landlord's agent.
- (iv) *Reserves* – the Society's reserves policy is set out at Section 1.3.2 and is based upon covering expenditure for up to nine months.

(g) Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities as foreign exchange gains or losses.

(h) Fixed assets

Redevelopment of the Society's website, which is seen as an important mechanism for delivering its charitable activities, is classified as an intangible fixed asset. Upgrade of core business systems, and those used for Fellowship and Publishing is treated in the same way. Note 16 sets out further details of capital costs, amortization and net book value held.

Tangible fixed assets include improvements to the leasehold property occupied by the Society at Burlington House, capitalized equipment, fixtures and fittings at both London and Bath sites, and computer equipment. Note 17 details costs, depreciation and net book value held, as well as the basis for charging depreciation to Income and Expenditure accounts. No land is owned by the Society.

The Society classifies its library collection and collection of portraits, busts, historical furniture and the Society's Charter as heritage assets. Note 18 sets out how such assets are treated.

Equities and bonds held by the Society to generate income over a period longer than a single year are classified as fixed asset investments. Note 19 sets out further details.

(i) Current assets

The Society holds stock of scientific publications produced by its Publishing House, as well as a small stock of works produced by third parties for re-sale. These are recognized as current assets in the balance sheet and Note 21 provides further detail, including policy on the treatment of Work in Progress.

Debtors include amounts owed to the Society and incorporate a provision for bad debt. This is based on providing for non-payment of all debt that is more than 12 months old. Note 22 sets out further details.

In addition to its fixed asset investments, the Society separately operates a money market account, which is classified as current asset investments. These are further described in Note 23.

Cash is held by the Society and its Regional Groups primarily in Sterling but also in US Dollars and Euros. Foreign currency is accounted for as set out above.

(j) Current liabilities

Creditors include amounts owed by the Society. Deferred income collected during the year but relating to following years (see above) is also classified as a creditor. Note 24 sets out further details.

(k) Funds and reserves

The Society recognizes the following classifications of funds and reserves:

- (i) **Unrestricted general funds** – balances arising from income that is not otherwise restricted or designated in any manner;
- (ii) **Unrestricted designated funds** – unrestricted balances that the trustees have earmarked for specific purposes (and which may be re-assigned at trustees' discretion);
- (iii) **Restricted income funds** – balances that are restricted by a deed of trust to use only for specific purposes;
- (iv) **Endowment funds** – expendable endowments where the trustees have the power to convert funds into income as established by the terms of the trust under which the endowment was provided;

Notes 26 to 29 analyse the make-up of these funds and include summaries of each separate, material fund. Note 30 analyses how assets are allocated across funds.

The reserves policy set by the trustees is to build and maintain a contingency sufficient to cover nine months of core operational expenditure (within a range of 20% above or below this value). Note 31 sets out how this is calculated.

As a result of its review of funds in 2016, Council also adopted a Policy for Effective Use of Funds, which will govern how income held in different funds types is applied, taking into account any restrictions imposed by donors or by the nature of the fund.

(l) Cash flow statement

A consolidated cash flow statement is provided that is compliant with FRS 102 and the Charity SORP 2019. Notes 33 and 34 detail reconciliation of the financial statements to the cash flow statement and total cash and cash equivalents.

No charity only cash flow statement has been prepared as advantage has been taken of the reduced disclosure framework at paragraph 1.12 of FRS 102.

2 Donations and legacies

During the year the Society received a number of donations totalling £55.3k (2020: £47.6k).

The Directors of Geological Trading Ltd (GTL) have entered into a Deed of Covenant whereby profits are automatically donated to the Society. These profits will be included in the financial statements. In 2021, GTL donated £6.6k to its parent.

3 Income from charitable activities

Income from the Society's charitable activities is segmented into the following areas of activity: Science and Education; Professional and Academic Standards; Scholarly Publishing; Library and Archives. In previous years, Fellowship and Corporate Patrons' fees were allocated across these four different areas of activity. After a review, it was decided to discontinue this approach so as to give a more transparent view of the sources of income for each

activity segment. Consequently, no fee reallocation was made in 2021 and 2020 numbers were adjusted to allow comparison.

Analysis of charitable income:

Analysis of	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds (Restated)	Restricted Funds (Restated)	Endowment Funds (Restated)	Total Funds (Restated)
	£	£	£	£	£	£	£	£
Charitable activity								
3.a Science & Education								
Flagship meetings & events	61,572	-	-	61,572	30,442	-	-	30,442
Energy Group meetings	110,536	-	-	110,536	123,626	-	-	123,626
Other meetings & events	70,944	-	-	70,944	500	-	-	500
Grants & other direct funding	-	-	-	-	-	-	-	-
Friends of the GSL	-	-	-	-	(263)	-	-	(263)
Other Income	4,837	-	-	4,837	6,915	-	-	6,915
Sub-total:	247,889	-	-	247,889	161,220	-	-	161,220
3.b Professional & academic standards								
Fellowship & Chartership fees	1,841,991	-	-	1,841,991	1,808,408	-	-	1,808,408
Corporate Patrons fees	20,611	52,736	-	73,347	148,662	-	-	148,662
Accreditation	19,600	-	-	19,600	20,350	-	-	20,350
Specialist & Regional Groups	30	-	-	30	19,469	-	-	19,469
Other Fellowship Income	-	-	-	-	288	-	-	288
Sub-total:	1,882,232	52,736	-	1,934,968	1,997,177	-	-	1,997,177
3.c Scholarly publishing								
Book sales & distribution	257,929	-	-	257,929	212,630	-	-	212,630
Lyell Collection	1,546,831	-	-	1,546,831	1,646,365	-	-	1,646,365
GSL journals	363,305	-	-	363,305	525,086	-	-	525,086
Non-GSL Journals	30,066	-	-	30,066	35,583	-	-	35,583
Geology Today	12,086	-	-	12,086	13,472	-	-	13,472
Geofacets	46,755	-	-	46,755	30,109	-	-	30,109
Geoscientist	3,011	-	-	3,011	4,537	-	-	4,537
GSL Ebooks	92,761	-	-	92,761	67,389	-	-	67,389
Royalties & copying income	100,840	-	-	100,840	213,090	-	-	213,090
Other Publishing Income	380	-	-	380	670	-	-	670
Sub-total:	2,453,964	-	-	2,453,964	2,748,931	-	-	2,748,931
3.d Library & Archives								
Library Income	4,634	-	-	4,634	6,454	-	-	6,454
Sub-total:	4,634	-	-	4,634	6,454	-	-	6,454
Grand total:	4,588,719	52,736	-	4,641,455	4,913,782	-	-	4,913,782

4 Other trading activities

Consolidated Income Analysis of	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds (Restated)	Restricted Funds (Restated)	Endowment Funds (Restated)	Total Funds (Restated)
Other trading activities	£	£	£	£	£	£	£	£
Room hire: Fellows & associates	1,350	-	-	1,350	14,937	-	-	14,937
Room hire: subsidiary company	2,099	-	-	2,099	-	-	-	-
Catering: Fellows & associates	-	-	-	-	28,132	-	-	28,132
Catering: subsidiary company	5,682	-	-	5,682	-	-	-	-
Other activities	14,800	-	-	14,800	(8,842)	-	-	(8,842)
Grand total:	23,931	-	-	23,931	34,227	-	-	34,227

Charity-only Income Analysis of	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds (Restated)	Restricted Funds (Restated)	Endowment Funds (Restated)	Total Funds (Restated)
Other trading activities	£	£	£	£	£	£	£	£
Room hire: Fellows & associates	16,449	-	-	16,449	24,808	-	-	24,808
Catering: Fellows & associates	-	-	-	-	26,772	-	-	26,772
Other activities	-	-	-	-	(20,227)	-	-	(20,227)
Grand total:	16,449	-	-	16,449	31,353	-	-	31,353

5 Investment income

Analysis of Investment income	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
Investment income received	117,915	9,047	-	126,962	126,673	9,852	-	136,525
Bank interest on funds held	181	-	-	181	5,097	-	-	5,097
Grand total:	118,096	9,047	-	127,143	131,770	9,852	-	141,622

Note: Investment income received on the proportion of the portfolio allocated to endowment funds is treated as unrestricted.

6 Other income

Analysis of Other income	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
Grant Income (2020 Furlough grants)	-	1,000	-	1,000	163,779	-	-	163,779
Other Income	17,957	-	-	17,957	2,217	-	-	2,217
Grand total:	17,957	1,000	-	18,957	165,996	-	-	165,996

7 Expenditure on raising funds

Expenditure relating to trading and investment activities is shown below. This includes a fair share of support and governance costs, apportioned to the Society's activities as explained in Note 9.

Non-staff costs include payments to outside bodies for the provision of catering services. Direct staff costs represent the time of a member of the Conference Office who is involved in administering room hire bookings.

7.a Room hire and catering

Analysis of Consolidated	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
Room hire & catering costs	£	£	£	£	£	£	£	£
Room hire costs	4,281	-	-	4,281	9,748	-	-	9,748
Catering costs	1,249	-	-	1,249	22,779	-	-	22,779
Overheads recharged	53,143	-	-	53,143	39,223	-	-	39,223
Grand total:	58,673	-	-	58,673	71,750	-	-	71,750

Analysis of Charity Only	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
Room hire & catering costs	£	£	£	£	£	£	£	£
Room hire costs	4,281	-	-	4,281	9,748	-	-	9,748
Catering costs	1,249	-	-	1,249	21,223	-	-	21,223
Overheads recharged	53,143	-	-	53,143	39,223	-	-	39,223
Grand total:	58,673	-	-	58,673	70,194	-	-	70,194

7.b Investment management

Investment management costs are allocated across fund classes on the basis of share of the total investment fund attributable to each class.

Management costs for the year amounted to :

Analysis of Investment Management Costs	2021 Total Costs	2020 Total Costs
Management Fee	55,128	49,172
Overheads recharged	5,813	5,522
	-	-
Grand total:	60,941	54,694

8 Expenditure on charitable activities**Analysis of charitable expenditure:**

Analysis of Charitable activity	2021				2020			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
8.a Science & education								
Flagship meetings & events	16,092	-	-	16,092	27,797	-	-	27,797
Energy Group meetings	(7,763)	-	-	(7,763)	7,728	-	-	7,728
Other scientific & educational events	771	-	-	771	7,581	-	-	7,581
Science & Education Committee	19,633	51,958	2,200	73,791	18,911	26,504	1,511	46,926
Direct staff costs	393,185	11,155	-	404,340	454,640	-	-	454,640
Overheads recharged	624,789	-	-	624,789	564,718	-	-	564,718
Sub-total:	1,046,707	63,113	2,200	1,112,020	1,081,375	26,504	1,511	1,109,390
8.b Professional & academic standards								
Fellowship support	90,124	-	-	90,124	77,067	-	-	77,067
Corporate Patrons	-	-	-	-	-	-	-	-
Accreditation	-	-	-	-	-	-	-	-
Professional Committee	4,283	-	-	4,283	1,315	-	-	1,315
Specialist & Regional Groups	15,995	-	-	15,995	51,808	-	-	51,808
Direct staff costs	191,566	-	-	191,566	221,567	-	-	221,567
Overheads recharged	271,471	-	-	271,471	230,296	-	-	230,296
Sub-total:	573,439	-	-	573,439	582,053	-	-	582,053
8.c Scholarly publishing								
Book sales & distribution	218,104	-	-	218,104	217,336	-	-	217,336
Lyell Collection	148,359	-	-	148,359	162,588	-	-	162,588
GSL journals	72,294	-	-	72,294	231,122	-	-	231,122
Non-GSL Journals	21,251	-	-	21,251	23,650	-	-	23,650
Geoscientist	105,369	-	-	105,369	167,469	-	-	167,469
GSW E-books	-	-	-	-	359	-	-	359
Publishing House running costs	177,359	-	-	177,359	223,123	-	-	223,123
Direct staff costs	888,696	-	-	888,696	874,204	-	-	874,204
Overheads recharged	824,238	-	-	824,238	682,652	-	-	682,652
Sub-total:	2,455,670	-	-	2,455,670	2,582,503	-	-	2,582,503
8.d Library & Archives								
Library running costs	146,528	-	-	146,528	147,865	-	-	147,865
Direct staff costs	163,954	-	-	163,954	293,001	-	-	293,001
Overheads recharged	705,122	-	-	705,122	673,120	-	-	673,120
Sub-total:	1,015,604	-	-	1,015,604	1,113,986	-	-	1,113,986
Grand total:	5,091,420	63,113	2,200	5,156,733	5,359,917	26,504	1,511	5,387,932

9 Support, facilities and governance costs

The Society identifies three types of support cost relating to: facilities; support staff; and governance. Each is allocated to charitable activities on the bases set out below in methods of calculation adopted by the Society in 2015.

(i) Facilities costs

Facilities costs are those relating to the running of the buildings occupied by the Society. Those used at Bath by the Publishing House are 100% attributable to Publishing activities and included in Publishing House running costs. The costs of Burlington House, however, are allocated across support and frontline services on the basis of space usage.

Analysis of Facilities costs	2021 Total Costs £	2020 Total Costs £
Burlington House running & maintenance costs	577,259	622,986
Facilities manager staff cost	32,803	68,078
Grand total:	610,062	691,064

Note: £116,202 of the above total in 2021 (2020: £131,632) is allocated to support staff and governance costs before being re-allocated as part of those costs. Lower staff, energy and consummables costs arising from the pandemic contributed to the reduction in BH running costs in 2021 compared to 2020

(ii) Support costs

These costs relate to the Society's general management and administration functions that provide a support service across the whole organization. This includes both staff, non-staff expenditure and depreciation for the following:

Analysis of Support costs	2021 Total Costs £	2020 Total Costs £
Executive	391,987	325,942
Finance	306,598	412,402
HR Support	98,442	124,933
IT Support	508,503	436,545
Marketing	-	-
Other Projects	30,583	31,787
Restructuring Costs	-	141,454
Business Development	90,543	89,120
Sub Total Support Costs:	1,426,656	1,562,183
Fixed Asset Impairment	493,083	-
Grand Total Support Costs:	1,919,739	1,562,183

(iii) Governance costs

These relate to the overview provided by the Trustees through Council and by independent audit scrutiny of the Society's accounts. Governance costs are shared on the basis of total income for each activity, this being deemed to reflect the levels of scrutiny each is likely to require from both audit and Trustees.

Analysis of Governance costs	2021 Total Costs £	2020 Total Costs £
Audit fees	27,098	22,261
Annual report	1,367	849
Council elections	5,303	5,508
Trustees' expenses	-	1,651
Share of Facilities costs recharged	37,209	43,646
Grand total:	70,977	73,915

(iv) Allocation of support costs

Support costs are shown individually against activities in notes 7 and 8. The following table shows the reconciliation of total costs with the analysis above.

Support Cost Allocation	2021				2020			
	Facilities £	Support Costs £	Governance £	Total Costs £	Facilities £	Support Costs £	Governance £	Total Costs £
Charitable activities								
Science & education	127,195	490,285	7,309	624,789	153,116	403,778	7,824	564,718
Professional & academic standards	23,442	239,695	8,334	271,471	26,554	195,051	8,691	230,296
Scholarly publishing	7,652	773,562	43,024	824,238	8,667	629,484	44,501	682,652
Library & archives	305,773	392,228	7,121	705,122	346,373	319,175	7,572	673,120
Other activities								
Trading	29,454	21,790	1,899	53,143	24,332	12,922	1,969	39,223
Investments	344	2,179	3,290	5,813	390	1,773	3,358	5,521
	493,860	1,919,739	70,977	2,484,576	559,432	1,562,183	73,915	2,195,530

The allocation to trading includes charges that are levied on the trading subsidiary (see Note 7.a) as well as charges on the Society's charitable room-hire activities.

10 Trustees' remuneration and expenses

None of the trustees have been paid any remuneration or received other benefits from an employment with the Society or related entity. Expenses claimed by trustees or met directly by the Society are to cover costs incurred whilst fulfilling their duties. These relate primarily to travel and accommodation.

Analysis of Trustees' expenses	2021 Totals	2020 Totals
	£	£
Total value of expenses paid	759	1,651
Total number of trustees paid	3	11

11 Transactions with related parties

Given the impact of the pandemic, The Society elected not to recharge costs to its trading company, Geological Trading Limited. The charge was therefore £0 (2020: £0).

12 Staff costs and employee benefits

Total staff costs for the Society are set out below:

Analysis of Staff costs	2021 Total Costs £	2020 Total Costs £
Wages and salaries	1,881,929	2,080,447
Social security costs	199,948	226,532
Pension contributions	176,264	190,819
Redundancy Costs	-	141,454
	Sub-total: 2,258,141	2,639,252
Temps & agency staff	169,999	258,984
Staff insurance	15,686	24,519
Recruitment costs	4,122	15,397
	Sub-total: 189,807	298,900
	Grand total: 2,447,948	2,938,152

Pension contributions represent employer payments made by the Society during the year into its group personal pension scheme. Contributions are paid at a rate of 10% of salary cost by the Society and 5% by employees.

13 Staff numbers

Total staff numbers (full time equivalent) by activity for the reporting period were as follows:

Analysis of Staff numbers (average FTE equivalent headcount)	2021 Totals	2020 Totals
Charitable activities		
Science & education	7.8	10.5
Professional & academic standards	3.1	3.9
Scholarly publishing	19.2	19.4
Library & archives	3.4	6.1
Other activities		
Trading	0.2	0.2
Investments	0.1	0.1
Support		
Support staff	8.9	9.2
Grand total:	42.7	49.4

14 Remuneration of higher paid staff

Employees who received total payments in excess of £60,000 (excluding employer pension costs) for the reporting period fell into the following ranges:

	2021 Number	2020 Number
£130,000 - £139,999	1	1
£100,000 - £109,999	1	
£90,000 - £99,999	-	1
£70,000 - £79,999	2	1
£60,000 - £69,999	2	1
	6	4

15 Remuneration of key management personnel

The total employee benefits of the 4 (2020:4) key management personnel during the year, which comprised salary and pension benefits, were £388,585 (2020: £409,729) and Employer's National Insurance of £48,769 (2020: £46,664).

16 Intangible assets: website and systems development

Major redevelopment of the Society's website and business systems is capitalized at cost and amortized at a rate of 25% per annum with the expectation of a four-year life-cycle. This policy is reviewed and amended from time to time as is appropriate. Costs of running and maintaining the website are charged directly to income and expenditure accounts, together with amortization charges on the capitalized sum. IT Systems includes membership, finance and publishing systems. Implementation of the membership system, based on the Microsoft Dynamics 365 platform, was being amortised over a 10-year period. During 2021, the Society decided to replatform its CRM system, with an alternative product expected to operate from early 2023. A consequence of this decision was to impair the unamortized portion of the original development cost and recognise the charge in 2021.

Analysis of Intangible assets	Website		IT Systems		Total Intangible Assets	
	2021 Totals £	2020 Totals £	2021 Totals £	2020 Totals £	2021 Totals £	2020 Totals £
Cost or valuation brought forward:	211,405	211,405	894,412	894,412	1,105,817	1,105,817
- Acquisitions in year:	11,023	-	104,434	-	115,457	-
- Disposals in year:	-	-	-	-	-	-
- Revaluations in year:	-	-	-	-	-	-
- Impairment provisions	(211,405)	-	(735,082)	-	(946,487)	-
- Transfers in year:	-	-	-	-	-	-
Cost or valuation carried forward:	11,023	211,405	263,764	894,412	274,787	1,105,817
Cumulative amortization b/fwd:	(207,628)	(204,017)	(333,337)	(227,717)	(540,965)	(431,734)
- Adjustments on disposal:	-	-	-	-	-	-
- Amortization charged:	(2,511)	(3,611)	(76,748)	(105,620)	(79,259)	(109,231)
- Impairment provisions	210,139	-	250,207	-	460,346	-
Cumulative amortization c/fwd:	-	(207,628)	(159,878)	(333,337)	(159,878)	(540,965)
Net book value brought forward:	3,777	7,388	561,075	666,695	564,852	674,083
Total movements in year:	7,246	(3,611)	(457,189)	(105,620)	(449,943)	(109,231)
Net book value carried forward:	11,023	3,777	103,886	561,075	114,909	564,852

17 Tangible assets

Tangible fixed assets are capitalized at cost and depreciated at the following rates calculated to write-off the value of each asset evenly over its expected useful life:

Leasehold property:	10% per annum
Equipment, fixtures and fittings:	15% per annum
Computer equipment:	25% per annum

Analysis of Tangible assets	Property		Equipment		Computers		Total Tangible Assets	
	2021	2020	2021	2020	2021	2020	2021	2020
	Totals	Totals	Totals	Totals	Totals	Totals	Totals	Totals
	£	£	£	£	£	£	£	£
Cost or valuation brought forward:	1,503,491	1,551,051	853,015	853,015	1,961,118	1,944,845	4,317,624	4,348,911
- Acquisitions in year:	-	-	-	-	23,325	16,273	23,325	16,273
- Disposals in year:	-	-	-	-	-	-	-	-
- Revaluations in year:	-	-	-	-	-	-	-	-
- Impairment provisions	-	(47,560)	(20,125)	-	(24,669)	-	(44,794)	(47,560)
- Transfers in year:	-	-	-	-	-	-	-	-
Cost or valuation carried forward:	1,503,491	1,503,491	832,890	853,015	1,959,774	1,961,118	4,296,155	4,317,624
Cumulative depreciation b/fwd:	(1,187,209)	(1,153,713)	(800,120)	(775,490)	(1,908,369)	(1,876,720)	(3,895,698)	(3,805,923)
- Adjustments on disposal/write-off:	-	-	-	-	-	-	-	-
- Depreciation charged:	(32,988)	(33,496)	(19,200)	(24,630)	(29,344)	(31,649)	(81,532)	(89,775)
- Impairment provisions	-	-	18,906	-	18,944	-	37,850	-
- Transfers:	-	-	-	-	-	-	-	-
Cumulative depreciation c/fwd:	(1,220,197)	(1,187,209)	(800,414)	(800,120)	(1,918,769)	(1,908,369)	(3,939,380)	(3,895,698)
Net book value brought forward:	316,282	397,338	52,895	77,525	52,749	68,125	421,926	542,988
Total movements in year:	(32,988)	(81,056)	(20,419)	(24,630)	(11,744)	(15,376)	(65,151)	(121,062)
Net book value carried forward:	283,294	316,282	32,476	52,895	41,005	52,749	356,775	421,926

18 Heritage assets

The Society classifies the following assets as Heritage Assets within the terms defined by the Charities SORP 2019:

- (i) the Library (collection of books, maps and journals); and
- (ii) portraits, busts, historical furniture and the Society's Royal Charter.

The Society's Heritage Assets are held in order to provide a single archive of geological knowledge for the benefit of future generations. Economic benefit is not derived through trade or investment for future trade but through the membership fees individuals and corporate bodies are prepared to pay in order to access this material for research and reference purposes. The duration of scientific currency, which drives this model, varies from item to item but diminishes over time. Even allowing for geological texts having a longer shelf-life than those of other sciences, it is estimated that this period does not exceed 20 years.

The Society's policy on the valuation of Heritage Assets, therefore, is to report capital value on the Balance Sheet at cost value, where known, and to depreciate assets over 20 years through a charge to income and expenditure.

The Society only disposes of heritage assets in the event that there is a duplicate surplus to requirements or if an asset has reached the end of its useful life and does not warrant preservation. Library holdings, portraits and busts acquired prior to 2001 are not shown in the balance sheet as their cost value is unknown and alternative forms of valuation would not reliably reflect the economic value at a reasonable cost.

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Analysis of Heritage assets	Heritage Assets	
	2021 Totals £	2020 Totals £
Cost or valuation brought forward:	2,447,352	2,275,995
- Acquisitions in year:	113,556	171,357
- Disposals in year:	-	-
- Revaluations in year:	-	-
- Transfers in year:	-	-
Cost or valuation carried forward:	2,560,908	2,447,352
Cumulative depreciation brought forward:	(1,140,562)	(1,017,999)
- Adjustments on disposal:	-	-
- Depreciation charged:	(124,045)	(122,563)
- Impairment provisions	-	-
- Transfers:	-	-
Cumulative depreciation carried forward:	(1,264,607)	(1,140,562)
Net book value brought forward:	1,306,790	1,257,996
Total movements in year:	(10,489)	48,794
Net book value carried forward:	1,296,301	1,306,790

Analysis of Net Book Value by class of assets	2021 Totals £	2020 Totals £
(i) General holdings	-	-
(ii) Books	27,829	31,952
(iii) Bindings	49,350	55,294
(iv) Maps	22,765	25,856
(v) Periodicals	1,196,357	1,193,688
Grand total:	1,296,301	1,306,790

The Charities SORP 2019 requires that the Society provide a 5-year summary of Heritage Asset transactions. This is set out below:

Five-year summary of Heritage asset transactions	2017 £	2018 £	2019 £	2020 £	2021 £
Cost of acquisition:					
(i) General holdings	-	-	-	-	-
(ii) Books	3,119	3,934	615	809	-
(iii) Bindings	6,585	6,713	6,609	-	-
(iv) Maps	699	2,002	1,320	-	-
(v) Periodicals	135,570	151,998	163,150	170,548	113,556
	145,973	164,647	171,694	171,357	113,556

In none of the years shown were there any donated assets, disposals or impairments, the value of which is required to be disclosed. Assets are reviewed on an annual basis for any impairments in value other than depreciation already accounted for.

19 Fixed asset investments

Fixed asset investments include equities and bonds held by the Society to generate income, together with any associated portfolio cash. Investments are stated at cost value when purchased and at market value (being the bid price value of the asset), as advised by the Society's Investment Managers, on the last trading day before the year end. Only those investments that are held to generate long-term income and capital growth are shown within fixed assets; those purchased as part of treasury management, which are intended to be held for less than one year, are shown as current assets. Any unrealized and realized gains arising from fixed asset investments are taken to the fund for which the investments are held and shown at the appropriate point on the Statement of Financial Activities.

Income earned by invested funds and charges levied are apportioned across funds on the basis of share of total capital. As at the end of the current and previous reporting years, funds are invested as set out in the following tables. Investment income, management and other charges are further analysed in notes 5 and 7b to the Financial Statements.

	2021	2020
Summary of	Total	Total
Fixed asset investment totals	£	£
Listed and traded investments	7,752,463	7,029,972
Portfolio cash	118,118	180,686
Grand total:	7,870,581	7,210,658

Movements in invested funds are set out in the following notes.

Analysis of	Listed & Traded		Portfolio Cash	
	2021	2020	2021	2020
Fixed asset investments	Totals	Totals	Totals	Totals
	£	£	£	£
Market valuation brought forward:	7,029,972	6,530,135	180,686	118,572
- Purchases in year at cost	2,724,490	2,122,722	(2,724,490)	(2,122,722)
- Sales in year at cost	(2,609,179)	(2,225,905)	2,609,179	2,225,905
- Changes in market value of assets:	607,180	620,059	106,755	29,808
- Foreign Exchange movements	-	(2,704)	1,149	(21,581)
- Other charges and adjustments:	-	(14,335)	(55,161)	(49,296)
Market valuation carried forward:	7,752,463	7,029,972	118,118	180,686

FRS 102 requires that material amounts held within investment classes must be individually identified. The table below sets out the top 20 individual holdings by market value as at 31 December 2021:

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Analysis of Significant investments held	Market value at 31 Dec 2021 £
Bonds:-	
SARASIN RESPONSIBLE CORPORATE BOND - I INC	503,726
	503,726
Property & Other funds:-	
THE CHARITIES PROPERTY FUND	460,286
MICROSOFT CORP	224,148
ALPHABET INC-CL C	190,134
MAYFAIR CAPITAL PROPERTY INCOME TRUST CHARITIES GBP	187,777
MASTERCARD INC - A	166,606
CME GROUP INC	163,276
INVESCO PHYSICAL GOLD ETC	155,989
ESSILORLUXOTTICA	155,634
LONDON STOCK EXCHANGE GROUP	152,668
MIDDLEBY CORP	146,860
MARRIOTT INTERNATIONAL -CL A	144,567
JACK HENRY & ASSOCIATES INC	142,790
HDFC BANK LTD-ADR	142,352
MERCK & CO. INC.	139,875
ASML HOLDING NV	139,435
ARAMARK	138,237
AMAZON.COM INC	132,929
MEDTRONIC PLC	132,286
SIEMENS AG-REG	131,168
NEXTERA ENERGY INC	129,172
	3,376,189

20 Other gains/(losses) in year

The Society maintains US Dollar bank accounts which are accounted for in these statements at equivalent Sterling value. A strengthening of the Pound against the US Dollar resulted in unrealised losses during the year that were somewhat mitigated by the sale of some dollars during the year as exchange rate conditions allowed.

	2021 £	2020 £
Total value of US Dollar cash at bank included in balance sheet:	1,447,249	549,726
Foreign currency exchange rate gains/(losses) in year:	22,284	(866)

21 Stocks

The Society holds stocks of scientific publications produced by its Publishing House. These are shown in the balance sheet at the lower of cost and net realizable value, less an impairment provision of 4% per month which is charged from the thirteenth month after publication to reflect a decline in value due to age. When stock is sold the costs of sale are transferred to income and expenditure accounts, together with any reversal of impairment charged, to offset sale income.

Income and expenditure relating to unpublished works is recorded as Work in Progress and transferred to stock at cost value on the date of publication. Production schedules vary year on year and this is reflected in variations in value between total finished stock and total Work in Progress.

In addition to its own publications, the Society also buys in and sells on a small stock of third-party published books, also of a geological nature.

Analysis of Stock	2021	2020
	Total £	Total £
Geological Society finished stock:	245,150	240,196
Geological Society Work In Progress:	56,708	49,860
Third-party sale stock:	2,989	3,579
Total:	304,847	293,635
Total finished stock:	248,139	243,775
Total work in progress:	56,708	49,860
Total:	304,847	293,635

22 Debtors

Debtors include amounts owed to the Society for the provision of goods and services and amounts paid in advance by the Society for goods and services it will receive. Debt is measured at its anticipated recoverable amount, in accordance with the Charities SORP 2019. Debt over 12 months old is provided for in full and written off when adjudged unrecoverable. Where this provision is adjusted year on year, the charge or credit is taken to the Statement of Financial Activities.

Analysis of Debtors	Group		Charity	
	2021 Total £	2020 Total £	2021 Total £	2020 Total £
Amounts falling due within one year				
Trade debtors:	73,671	50,751	60,940	42,969
Group and associated undertakings:	-	-	38,193	30,975
Prepayments and accrued income:	198,335	262,631	198,335	262,631
Other debtors:	26,347	20,001	26,347	20,001
Grand total:	298,353	333,383	323,815	356,576

23 Current asset investments

Current asset investments are those balances held by the Society for investment purposes, but which have a maturity date of less than a year. This is a separate portfolio from the Society's long-term investments (set out in note 19), and consists primarily of balances from its current accounts invested on a short-term basis in order to maximize returns on balances held. Current asset investments are shown at Sterling cash value as advised by the Society's bankers on the last day of the financial year.

Analysis of Current asset investments	2021 Total £	2020 Total £
Money market account:	1,373,414	498,826
Grand total:	1,373,414	498,826

24 Creditors

Creditors includes those amounts that the Society owes in payment for goods and services received, as well as advance payments received by the Society for goods or services that it is yet to provide. In both cases the settlement date falls within one year and value is measured at anticipated settlement amount, in accordance with the Charities SORP 2019. There are no amounts falling due to creditors after one year. Deferred income represents subscription income paid in 2021 relating to 2022.

Analysis of Creditors	Group		Charity	
	2021 Total £	2020 Total £	2021 Total £	2020 Total £
Amounts falling due within one year				
Trade creditors:	(166,403)	(215,206)	(166,403)	(215,206)
Group and associated undertakings:	-	-	-	-
Accruals:	(427,665)	(362,379)	(427,665)	(362,379)
Deferred income:	(2,219,158)	(1,833,795)	(2,219,158)	(1,833,795)
Taxation and social security:	(51,112)	(47,295)	(51,112)	(47,295)
Other creditors:	(74,924)	(75,880)	(74,924)	(75,880)
Grand total:	(2,939,262)	(2,534,555)	(2,939,262)	(2,534,555)

Further analysis of Deferred income	Group		Charity	
	2021 Total £	2020 Total £	2021 Total £	2020 Total £
Accruals for payments due in year:				
Income received in advance - Fellowship fees:	(1,391,133)	(1,079,729)	(1,391,133)	(1,079,729)
Income received in advance - Publishing fees and subscriptions:	(828,025)	(754,066)	(828,025)	(754,066)
Grand total:	(2,219,158)	(1,833,795)	(2,219,158)	(1,833,795)

Movement in Deferred income	Group	Charity	Group	Charity
	2021 Total £	2021 Total £	2020 Total £	2020 Total £
Balance B/F	(1,833,795)	(1,833,795)	(2,250,350)	(2,250,350)
Amount Released to Income during the year	1,833,795	1,833,795	2,250,350	2,250,350
Amount deferred in the year	(2,219,158)	(2,219,158)	(1,833,795)	(1,833,795)
Balance C/F	(2,219,158)	(2,219,158)	(1,833,795)	(1,833,795)

25 Financial instruments

Analysis of Financial Instruments	Group		Charity	
	2021 Total £	2020 Total £	2021 Total £	2020 Total £
Carrying amount of financial assets				
Equity instruments measured at cost less impairment	7,752,463	7,029,972	7,752,463	7,029,972
Debt instruments measured at amortized cost	100,018	70,752	125,480	62,970
<i>being: -</i>				
Trade debtors	73,671	50,751	60,940	42,969
Group undertakings	-	-	38,193	-
Prepayments and accrued income	198,335	262,631	198,335	262,631
Less prepayments and accrued income	(198,335)	(262,631)	(198,335)	(262,631)
Other debtors	26,347	20,001	26,347	20,001
Total carrying amount of financial assets	7,852,481	7,100,724	7,877,943	7,092,942
Carrying amount of financial liabilities				
Liability instruments measured at amortized cost	292,439	338,381	292,439	339,703
<i>being: -</i>				
Trade creditors	166,403	215,206	166,403	215,206
Group undertakings	-	-	-	1,322
Accruals and deferred income	2,646,823	2,196,174	2,646,823	2,196,174
Less accruals and deferred income	(2,646,823)	(2,196,174)	(2,646,823)	(2,196,174)
Taxation and social security	51,112	47,295	51,112	47,295
Other creditors	74,924	75,880	74,924	75,880

In the above table, the debtors and creditors are fully set out for completeness. To the extent prepayments, accrued income, accrued expenditure and deferred income are not required to be disclosed as a financial instrument, they are reversed.

26 Funds summary

The Society's funds are set out in notes 27 to 29 and summarized by type in the following tables:

Summary of Funds	Unrestricted		Restricted		Endowment		Total Funds	
	2021 Total £	2020 Total £	2021 Total £	2020 Total £	2021 Total £	2020 Total £	2021 Total £	2020 Total £
Balance brought forward:	7,234,603	6,996,026	881,528	837,016	2,293,870	2,139,064	10,410,001	9,972,106
Income in year:	4,801,965	5,273,418	64,783	29,852	-	-	4,866,748	5,303,270
Expenditure in year:	(5,192,321)	(5,469,514)	(67,042)	(30,016)	(16,984)	(14,846)	(5,276,347)	(5,514,376)
Transfers in year:	30,972	-	-	-	(30,972)	-	-	-
Corporation Tax	-	-	-	-	-	-	-	-
Gains and losses:	493,811	434,673	50,962	44,676	191,446	169,652	736,219	649,001
Balance carried forward:	7,369,030	7,234,603	930,231	881,528	2,437,360	2,293,870	10,736,621	10,410,001

27 Unrestricted funds

The Society holds the following unrestricted funds:

General funds: -

a. General Fund

The Society's General Fund consists of balances of unrestricted income not otherwise allocated to specific or designated funds.

b. Albert & Dennis Curry Funds

Funds arising from donations made by Dennis Curry. In keeping with the origin of the income, these funds are applied from time to time in support of technology and IT development activity.

c. Stephen John Mills Fund

Money was left to the Society without any restriction on use by the estate of Mr Stephen John Mills.

d. Coke Fund

A fund established under the will of Lt Col Basil Elmsley Coke in memory of his cousin's sons, Maj John Sacheverell A'Deane Coke and Maj Edward D'Ewes Fitzgerald Coke, both of whom were killed in action in 1944.

Designated funds: -

e. Constituted Specialist and Regional Groups

The Society allocates a proportion of its income to its Constituted Specialist and Regional Groups. These groups also raise their own funds through course fees, publications and other sundry income. The Trustees have agreed that any accumulated reserves in respect of Groups should be designated as Group Funds. These are held as cash and short-term investments.

f. Burlington House Buildings Fund

This fund was created to provide against future costs chargeable to the Society under the terms of its lease for the occupancy of Burlington House, a Grade II* listed building. From time to time the landlord will carry out major repairs to the fabric of the building and notify the tenants of charges due. The fund is also used for the ongoing upkeep and refurbishment of the internal apartments, which must likewise be maintained to a standard befitting that of a heritage building. In February 2015 Council agreed to set aside additional funds, drawn initially from part of any surplus in the 2014 accounts, to offset likely costs arising from lease renewal in 2015, including legal expenses and associated costs. This has continued in subsequent years and it is anticipated that this fund will be utilised in the event of any move from Burlington House.

g. Other Designated Funds

Consolidated Analysis of Unrestricted income funds	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains £	Balance C/fwd £
General funds -						
a. General Fund	(207,166)	4,801,770	(4,699,153)	-	473,373	368,824
b. Curry Funds	3,361,028	-	(493,083)	-	-	2,867,945
c. Mills Fund	307,094	-	-	-	19,341	326,435
d. Coke Fund	1,969,214	-	-	30,972	-	2,000,186
e. Other General Funds	48,323	-	-	-	-	48,323
Sub-total:	5,478,493	4,801,770	(5,192,236)	30,972	492,714	5,611,713
Designated funds -						
f. Constituted groups	138,902	195	(85)	-	1,097	140,109
g. Buildings Fund	1,617,208	-	-	-	-	1,617,208
Sub-total:	1,756,110	195	(85)	-	1,097	1,757,317
Grand Total:	7,234,603	4,801,965	(5,192,321)	30,972	493,811	7,369,030

28 Restricted income funds

The Society holds the following restricted income funds:

a. Henry Woods Fund

Established in 1955 to fund those memoirs deemed too long to be included as part of the Quarterly Journal of the Geological Society. In 1960 the Society began its Special Publications series with the purpose of providing this facility. For at least 10 years prior to 2016, however, this fund had not been used to support those publications. As a result of the 2016 Review of Funds, therefore, Council have agreed that this fund will continue to contribute towards the costs of Special Publications.

b. Alan and Charlotte Welch Fund

This fund was created as the result of a legacy from Mr Alan and Mrs Charlotte Welch. The purpose of this legacy is to fund geological research. Although the fund remained untouched for a number of years, following the 2016 Review of Funds it is planned to use it to contribute towards the Society's increased Research Grants scheme, as well as in supporting those conferences and publications that encourage geological research.

c. Other Restricted Income Funds

In addition to the two larger funds described above, the Society has 26 other Restricted Income Funds, each with individual balances of less than £100,000 as at the end of the financial year. The main purpose of these funds is the financing of awards and medals.

Analysis of Restricted income funds	Balance	Income	Expenditure	Transfers	Gains	Balance
	B/fwd					C/fwd
	£	£	£	£	£	£
a. Henry Woods Fund	231,705	3,439	(1,493)	-	19,341	252,992
b. Alan & Charlotte Welch Fund	275,506	4,089	(7,426)	-	22,996	295,165
c. Other Restricted Income Funds	374,317	57,255	(58,123)	-	8,625	382,074
Grand Total:	881,528	64,783	(67,042)	-	50,962	930,231

29 Endowment funds

The Society holds two expendable endowment funds, summarized as follows:

a. Fermor fund

The Fermor Fund is an expendable endowment to further research into the principles governing ore deposition, the occurrence of minerals and of mineral-bearing rocks, and fundamental research into the origins of Pre-Cambrian rocks, including extra-terrestrial occurrence. At present, the majority of this fund is invested, although amounts are also drawn down each year against the publication costs of books and journals that satisfy the terms of this fund. During 2021, a decision was made to draw down significantly more funds from the Fermor endowment to support research compliant with the stipulated conditions of the fund.

b. Robert Scott

In 2013 the Society received an expendable endowment from the Cambridge Arctic Shelf Programme (CASP) in memory of Mr Robert Scott to be used to fund field work within the Arctic Circle.

Analysis of Endowment funds	Balance	Income	Expenditure	Transfers	Gains	Balance
	B/fwd					C/fwd
	£	£	£	£	£	£
a. Fermor	2,228,727	-	(14,364)	(30,972)	186,000	2,369,391
b. Robert Scott	65,143	-	(2,620)	-	5,446	67,969
Grand Total	2,293,870	-	(16,984)	(30,972)	191,446	2,437,360

30 Summary of net assets by funds category

Summary of Net assets by funds category		2021 Total £	2020 Total £
Unrestricted funds	Fixed assets	1,656,081	2,168,669
	Investments	5,199,306	4,740,256
	Net current assets	513,643	325,678
	Sub-total:	7,369,030	7,234,603
Restricted funds	Fixed assets	111,904	124,899
	Investments	561,172	514,945
	Net current assets	257,155	241,684
	Sub-total:	930,231	881,528
Endowment funds	Fixed assets	-	-
	Investments	2,110,102	1,955,457
	Net current assets	327,258	338,413
	Sub-total:	2,437,360	2,293,870
Grand Total:		10,736,621	10,410,001

31 Reserves

Free reserves are calculated according to the Charities SORP 2019 as the total of unrestricted funds, excluding any investments and net current assets in designated funds or other commitments of funds not provided in the accounts or held as fixed assets.

Calculation of Free reserves	2021 Total £	2020 Total £
Investments held in unrestricted funds	5,199,306	4,740,256
Net current assets held in unrestricted funds*	1,904,776	1,405,407
	7,104,082	6,145,663
Less: investments and assets held in designated funds	(1,757,317)	(1,756,110)
*adjusted for deferred income	Free Reserves: 5,346,765	4,389,553

In 2022, Council agreed to a revised risk-based method to determine a free reserves target. The method requires future income and expenditure to be assessed for reliability and commitment respectively, with sufficient reserve to be set aside to mitigate unforeseen adverse changes to predicted income and expenditure. In addition, future planned capital and project expenditure and contingency is taken into account to ascertain the minimum reserve to set aside on any year. The proposed reserve figure is examined by FPC and a recommendation is put before Council for approval.

THE GEOLOGICAL SOCIETY OF LONDON

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	2021 Total £000	2020 Total £000
Determination of Free Reserve Requirement		
Free reserves as calculated above:	5,347	4,390
Provision for unforeseen shortfall of income over expenditure in next financial year	749	5,387
Provision for future capital expenditure, future income over expenditure shortfalls and contingency	1,818	
Reserves Target	2,567	4,040
Free Reserves expressed as a percentage of Core Operational Expenditure:	208%	81.5%

32 Geological Trading Limited

Geological Trading Limited, registered in England as Company Number 3522033, is a wholly-owned trading subsidiary of the Geological Society of London, offering room hire and catering services. The company's results are consolidated into this statement of accounts on a line by line basis and are summarized as follows:

	2021 Total £	2020 Total £
Geological Trading Limited Summary balance sheet		
Assets		
- debtors:	12,733	7,784
- cash at bank and in hand:	30,218	27,947
Liabilities		
- creditors falling due within one year:	(38,195)	(30,975)
Total net assets or liabilities:	4,756	4,756
Funds		
- retained profit / (losses):	4,754	4,754
- share capital:	2	2
Total funds:	4,756	4,756

Share capital consists of 2 ordinary shares, each of £1, allotted and fully called-up.

	2021 Total £	2020 Total £
Geological Trading Limited Summary statement of income, expenditure and retained earnings		
Turnover:	7,482	2,874
Cost of sales:	-	(1,556)
Administrative expenses:	(840)	(658)
Operating profit before taxation	6,642	660
Tax liability	-	-
Charitable donation to parent	(6,642)	(32,297)
Retained profit for financial year	-	(31,637)
Funds brought forward	-	31,637
Funds carried forward	-	-

33 Reconciliation of net income to net cash flow from operating activities

Reconciliation of Net income to net cash flow from operating activities	2021 Total £	2020 Total £
Net income for the reporting period as per Statement of Financial Activities:	304,336	438,761
Adjusted for -		
Depreciation charges:	284,836	321,569
(Gains) / losses on investments:	(713,935)	(649,867)
Impairment loss on tangible and intangible fixed assets	493,083	47,560
Dividends and interest from investments:	(127,143)	(141,622)
Decrease/ (increase) in stocks:	(11,212)	(50,198)
Decrease/ (increase) in debtors:	35,030	(20,859)
Increase/ (decrease) in creditors:	404,707	(215,110)
Net cash provided by operating activities:	669,702	(269,766)

34 Analysis of cash and cash equivalents

Analysis of Cash and cash equivalents	2021 Total £	2020 Total £
Cash in hand:	2,060,703	2,314,486
Notice deposits (less than 3 months):	1,373,414	498,826
Total cash and cash equivalents:	3,434,117	2,813,312

Analysis of changes in net debt	Balance B/fwd £	Cashflows £	Other non-cash changes £	Balance C/fwd £
Cash and cash equivalents				
Cash	2,813,312	620,805	-	3,434,117
Cash equivalents	-	-	-	-
	2,813,312	620,805	-	3,434,117
Borrowings	-	-	-	-
Total	2,813,312	620,805	-	3,434,117

35 Operating Lease Commitments

Operating Lease Commitments	2021 Total £	2020 Total £
Payments due:		
Not later than one year	6,772	11,711
Later than one year and not later than five years	13,455	18,747
Later than five years		-
Total operating lease commitments:	20,227	30,458

36 Taxation

Taxation	2021 Total £	2020 Total £
The tax charge on the profit for the period was as follows:		
UK Corporation Tax at 19%	-	-
Tax on Profit	-	-

37 Related Party Transactions

During 2021 and 2020, there were no related party transactions.