



The
Geological
Society

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2015

The Geological Society of London
Registered Charity Number 210161

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Version: Final – 4 Apr 2016

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 Purpose 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:

- improving knowledge and understanding* of the history, structure, constitution and dynamics of the Earth and its processes;
- promoting all forms of education*, awareness and understanding of the Earth and their practical applications for the benefit of the public globally; and
- 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 1.2 sets out the Society's current over-arching 10 year strategy and priorities; section 1.3 explains 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

In 2007 the Society set out a 10 year strategy for serving science and the profession. This included seven aims through which its charitable objects are expressed, summarized below but provided in full on the website:

- to be the respected public voice of geosciences in the UK;
- to provide lifelong professional support to geoscientists;
- to recognize and foster innovation in the geosciences;
- to show leadership in the geosciences community nationally and internationally;
- to promote geoscience education;
- to communicate geoscience research and practice;
- to assure high professional standards for the benefit of society.

In addition seven financial priorities were also identified:

- diversifying income streams;
- protecting and developing existing income streams;
- generating strategies to mitigate financial risk;
- maintaining and developing an expert and professional staff;
- ensuring the continuing involvement of Fellows in the running of the Society;
- growing Fellowship and promoting the Society throughout academia and industry;
- effectively and responsibly managing the resourcing of strategic objectives.

Specific measurement criteria were not set as part of the current strategy; instead success is measured in terms of the Society's impact on the wider community and the continued growth of its membership and activities. These are considered in more detail in section 2 for the year ending 31 December 2015.

During 2016 the Society plans to review and set its next 10 year strategy, which will come into effect from 1st January 2017.

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; 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 Affiliates and visitors at Burlington House and increasingly online.

Trading activities

- (v) *Room hire and catering* – hire of spare capacity in the facilities at Burlington House, including meeting rooms and lecture theatre, to associated bodies and third parties; 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 social investments and grant-making activities of a material nature, as well as its use of volunteers.

The Society is not involved in any social investments.

Its grants and award-making activities are currently limited to a level not exceeding £60,000 per year.

The Society does not make use of volunteers in the delivery of its activities or in income generation, except for those Fellows who give freely of their time to attend committee meetings and editorial boards. 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.

1.2 Achievements and performance

1.2.1 Overall achievements and performance

Despite a number of financial challenges (set out in section 3 following), the Society has continued to perform well in striving to achieve its objectives during the year, with an increase in Fellowship numbers, and continuing developments in publishing to support wider electronic access to information.

The Society's significant achievements against its objectives in 2015 are set out as follows.

1.2.2 Science and education

In 2015, the Geological Society celebrated a Year of Mud. This was the first time that we have identified a scientific theme on which to focus some of our scientific meetings, public events, educational and outreach activities. Among the conferences with a mud-related theme was the 2015 Lyell Meeting, our annual flagship palaeontological event held jointly with the other member societies of the Joint Committee for Palaeontology, under the title 'Mud, Glorious Mud, and why it is important for the fossil record'. Several of our free, monthly public London Lectures also focused on aspects of the geological significance of mud.

2015 was also the bicentenary year of William Smith's geological map of England, Wales and part of Scotland, an original copy of which is displayed in the Society's entrance foyer. To celebrate, a series of conferences and events were run by the Society and other Earth science organizations across the UK. These events, like most of our regular annual programme, were well attended. Some of the events put on by the Society's Petroleum Group were less well attended than in previous years – a reflection of the impact of the oil and gas industry downturn on both registrations and sponsors.

Another highlight of our science programme was the 2015 Arthur Holmes meeting on 'Tsunami Hazards and Risks: Using the Geological Record', our second joint conference on this topic with the Geological Society of Japan. This event included a successful field visit to Shetland, and concluded with a reception at the Japanese Embassy.

The Society continues to develop its programme of communicating policy-relevant geoscience to officials and elected politicians in the UK and more widely, through responses to inquiries and consultations (alone and in partnership with others) and through our own initiatives. In June 2015, we collaborated with the European Federation of Geologists and many of its national associations to launch the European edition of our Geology for Society report in 13 languages at the European Parliament in Brussels.

The former Committee of Heads of University Geoscience Departments was relaunched in 2015 as University Geoscience UK, working in close partnership with the Geological Society. Together we have established a Joint Higher Education Committee, in order to engage better with geoscience academics and students and to make the case for the national importance of research and education in our science. We also played a leading role in ensuring that geology will continue to be offered as an A-level and GCSE subject in England and Wales, and advising on the content of these reformed qualifications.

Our programme of activities and support for school teachers and students continues to thrive, with the Geoscience Education Academy (sponsored by BP) and the National Schools Geology Challenge now well-established fixtures in the calendar. Earth Science Week in the UK and Ireland took geological time as its theme, and was the most successful yet with events run by the Society and many other organizations across our nations. A highlight was an innovative schools event at Burlington House, at which teams of students explored and debated the question of whether we are entering a new geological epoch – the Anthropocene. The 100 Great Geosites initiative continued to attract considerable media and public attention, with the launch of a 100 Great Geosites app (in partnership with ESRI UK), a photo competition and the launch of the 2016 Geosites calendar.

1.2.3 Professional and academic standards

Since 2011 Society membership has increased year on year by more than 2%, indicating that its objectives and activities continue to be relevant to those working and studying in geology and associated fields. In mid-2015 the Society's Fellowship stood at 11,991, up from 11,606 in 2014 and 10,968 in 2013. September marked the 25th anniversary of the title of Chartered Geologist and for the year membership numbers were also up by almost 100 to 2,592 (2,495 in 2014; 2,433 in 2013).

Regional and Specialist group activity continues to be strong, with groups running a variety of activities during 2015 including talks, field-trips and competitions to engage Fellows, students and members of the public. Two annual Careers Day events are also held each year, in Keyworth and Edinburgh, and this year these events were attended by over 500 undergraduate and postgraduate students from across the UK and Ireland.

1.2.4 Scholarly publishing

The Society's publishing programme remains a key strand of the Geological Society's activity, generating a significant proportion of the revenues required to fund other Society activities, while simultaneously fulfilling our charitable objectives. Significant developments were undertaken to support our subscribers online use of published content, whilst also ensuring strong copy flow and commissioning activity to support coming years' publishing. Our first receipts from GeoScienceWorld ebooks have been received and provide us with some confidence that this will provide us with an important strand of publishing activity in the future.

1.2.5 Library and archives

In 2015 the Society took steps the better to define its collections, identify out of scope material and dispose of duplicates and unwanted titles. A new online Library Management System, Heritage, was implemented during the year, enabling more effective searching of our holdings by both onsite and remote users.

1.2.6 Support and other activities

In preparation for replacing its ageing Fellowship database with a new Customer Relationship Management (CRM) and finance system, the Society appointed a project manager towards the end of 2015. Work has progressed on specifying requirements and investigating options available and it is planned to identify a preferred supplier and IT system (or systems) by Easter 2016. Work will then commence on implementation and roll-out of this major IT project.

1.3 Financial review

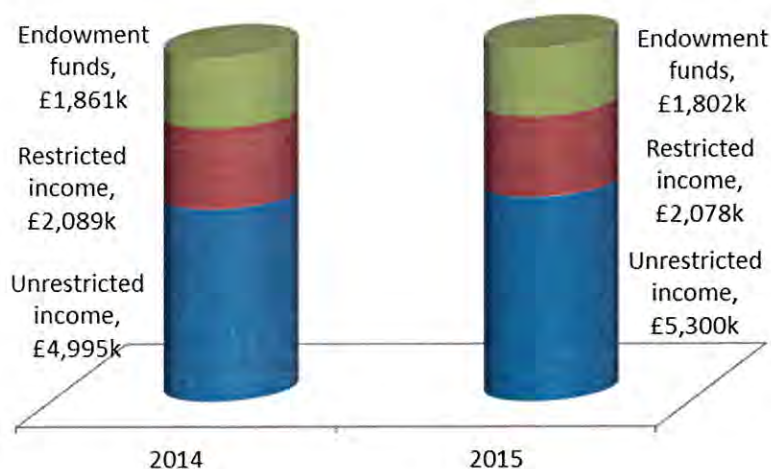
1.3.1 Financial position and performance

Funds

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

- (i) *Unrestricted income funds* – that may be spent or applied at the discretion of the trustees in furtherance of the Society’s charitable objectives;
- (ii) *Restricted income 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 2015 was £9,179,789 (£8,944,685 at the end of 2014). This is analysed over the three categories defined above as follows:



Unrestricted income funds represent 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. No significant new donations were received during 2015. This, coupled with stock market turbulence in the latter half of the year is the main reason why, year on year, restricted income and endowment funds have decreased in value.

Notes 26 to 29 of the Financial Statements set out individual material funds held by category, significant movements in those funds during the reporting year, and their position at year-end.

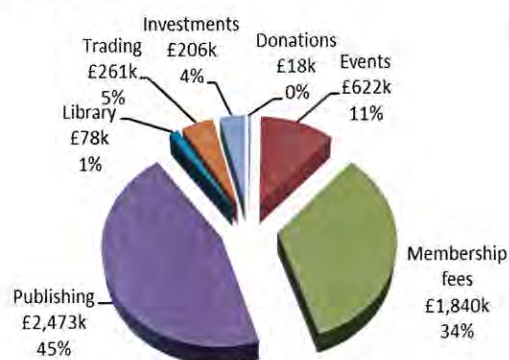
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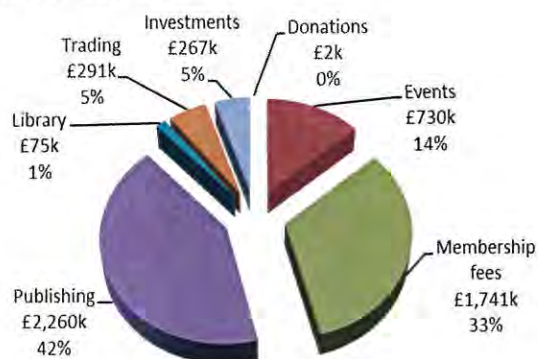
Principal sources of funding

Total consolidated income, excluding gains and losses from investments, was £5,497,823 in the year ending 31 December 2015 (£5,366,399 for 2014). The Society's principal sources of funding remain closely linked to its charitable activities and these are set out below:

Income Sources 2015



Income Sources 2014



Note: within the Statement of Financial Activities, Fellowship and Corporate Affiliate fee income, which is included in the charts above as part of Membership Fees, is re-distributed across those charitable activities from which benefit is received in return. Note 3 to the Financial Statements sets out in more detail how this is shared.

Heading	2015		
	Source	Reallocation	Statements
	£k	£k	£k
Donations	18	-	18
Events (Science & Education)	622	14	636
Membership fees (Professional & Academic)	1,840	(1,176)	664
Publishing	2,473	481	2,954
Library	78	662	740
Trading	261	19	280
Investments	206	-	206
	5,498	-	5,498

Heading	2014		
	Source	Reallocation	Statements
	£k	£k	£k
Donations	2	-	2
Events (Science & Education)	730	41	771
Membership fees (Professional & Academic)	1,741	(1,255)	486
Publishing	2,260	544	2,803
Library	75	652	726
Trading	291	19	310
Investments	267	-	267
	5,366	-	5,366

The Society's publishing income reflects a global decline in print sales and continued movement towards online and electronic access, as well as the promotion of open access material. Membership income has increased, with the total number of Society Fellows reaching 12,000 in 2015. When compared against 2014, events and trading income are down and this is as a result of economic pressures on the petroleum and

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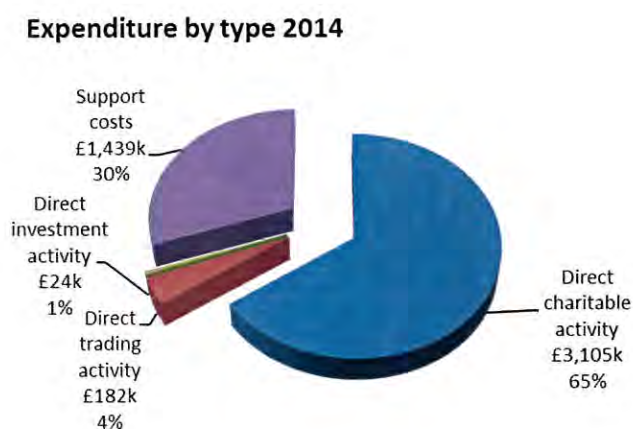
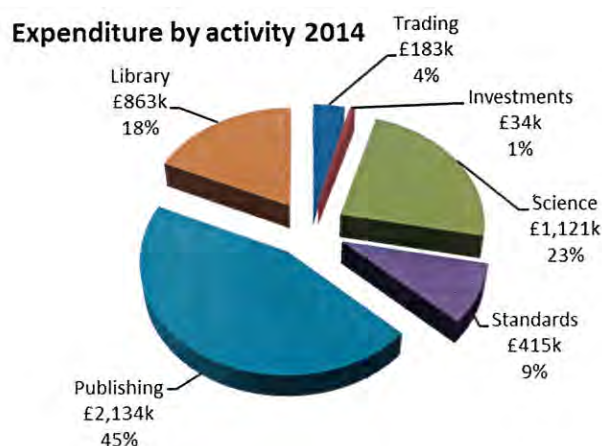
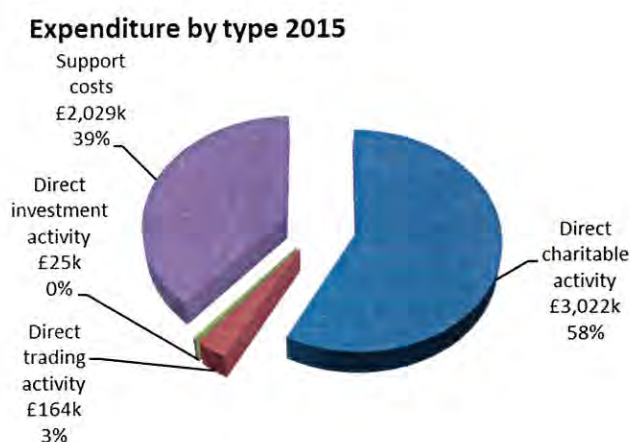
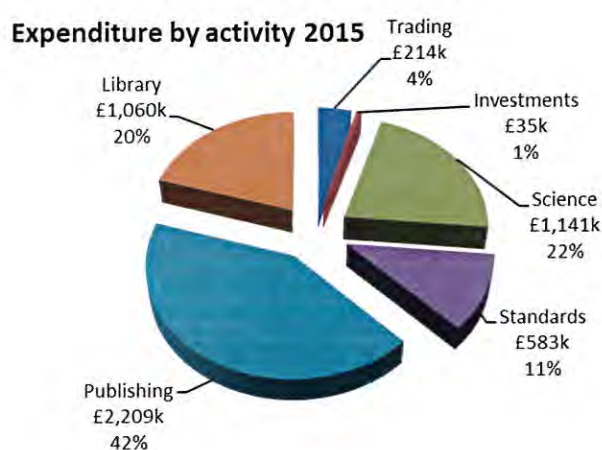
Annual report and financial statements for the year ended 31 December 2015

mining industries, members of which form a significant part of the Society's customer base in these areas. Investment income is also significantly reduced as a result of stock market down-turn towards the financial year end.

Despite the challenging economic background, however, the Society's total income for the year has increased, largely as a result of publishing growth. Accounts are presented, therefore, on a 'going concern' basis, although the Society recognizes a need to diversify its income and insulate its charitable activities against both sustained downturn and further economic change.

Expenditure of funds

The Society's total expenditure for the year ending 31 December 2015 was £5,240,643 (£4,750,279 in 2014). Society expenditure has been in line with its charitable objectives and principal sources of funding. Note 6 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 charts summarize expenditure by activity and type for the current and previous years:



Support costs are detailed in note 8 to the Financial Statements and staff costs in notes 13 to 16.

In addition to the revenue expenditure set out above, capital expenditure to the value of £262,071 was also made in 2015 (£212,599 in 2014) on the acquisition of assets, including stock for the Society's library.

Investments

The Society maintains an investment portfolio of around £5.5M, managed on its behalf by UBS AG who make a regular, quarterly report 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 UBS are set growth targets against which the Investment Committee measures performance.

During 2015 new targets were agreed which are designed to provide a total return of RPI plus 4.5% (i.e. capital appreciation at RPI, with annual yield of 4.5%) when measured on an average basis over a rolling 3 year cycle. As at 31 December 2015 it is too early to measure success or otherwise against these new objectives but, as noted above, investment performance year on year has suffered as a result of stock market uncertainty and continued falls in the value of the bonds market.

Dividend income in 2015 was £166,263 (£176,963 in 2014); interest on bonds was £37,702 (£85,318 in 2014) – see note 5 to the Financial Statements for further detail.

Investment management charges comprise the annual fees of UBS, plus a share of support staff and other overhead charges to reflect internal management of this activity. Note 6.b to the Financial Statements provides further analysis of these charges which 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 are similar: £34,887 in 2015 and £34,110 in 2014.

Investment valuations are also explained in note 20. The total value of the investment pool has fallen slightly during the year from £5,490,384 at 31 December 2014 to £5,372,024 at 31 December 2015.

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. The company's results are consolidated into the Society's annual statement of accounts and are set out at note 32 in further detail.

During 2015 trading activity has been at a similar level with previous years, with income received of £80,458 (£75,674 in 2014). Direct costs have been higher, however, reflecting an increased amount of associated catering, write-off of unrecovered income from prior years and a provision for taxation against the Gift Aid payment for 2014 that was made late.

In addition administration charges to cover use of the Society's staff and facilities have been increased in line with the Society's new overhead charging model. This has led to an operating loss of £23,277 at the end of 2015 (operating profit of £44,804 in 2014), a disappointing outcome but a position which is considered reversible in future years without undermining the subsidiary company's continuation as a going concern.

Other matters

The Society occupies its apartments at New Burlington House on a ten year renewable lease, the renewal date for which was 31st January 2015. As first reported at the end of 2014, in conjunction with the other Learned Societies at New Burlington House the Society continues to be involved in negotiations with the landlord over lease renewal and the basis of future rental charges.

1.3.2 Reserves

The Society's policy on reserves is to build and maintain a contingency sufficient to cover one year of core operational expenditure (within a range of 20% above or below this value). Core operational expenditure is defined as the full cost of undertaking the Society's charitable activities (including support and administration overheads), as identified in the Statement of Financial Activities.

Under the Charities SORP 2015 reserves are calculated as the total of investments and net current assets classified as unrestricted funds, less any assigned to designated funds. This is a different definition from that applied under the previous Charities SORP, which did not exclude designated funds.

Under the new definition, therefore, on 31 December 2015 reserves stood at £1,709,964 (£1,739,487 at the same time in 2014) against core operational costs of £4,992,198 (£4,532,721 in 2014). This represents a contingency of 34.3% of the target (38.4% in 2014).

Under the previously applied definition, however, on 31 December 2014 reserves stood at £3,462,830 (76.4% of target contingency) and would have stood at £3,764,391 (75.4% of target contingency) as at 31 December 2015.

The difference arises as the result of historic designation of unrestricted funds. Clearly, in the light of the change, the Society will need to review and update its reserves policy during 2016 to address this significant gap.

Notes 30 and 31 to the Financial Statements set 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 £5.5M - £6.0M it is not financially a large organization and, whilst it enjoys healthy revenues at present from its various income streams, these streams are not many and are not immune to change. For these reasons financial control and decision-making is given a high priority in the Society's affairs.

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 are growing steadily but corporate membership via the Corporate Affiliate programme has declined, as a direct result of the downturn in the oil industry.

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. These include strong commercial competitors, 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 is also subject to volatility, as evidenced by falls in income as a result of the oil industry downturn – members of which form a significant part of the pool from which attendees are regularly drawn. This is mitigated by providing a varied events programme and adapting, where possible, to take account of likely demand peaks and troughs.

There remains an ongoing commitment to capital expenditure on the library and its holding of books, journals and maps in order to ensure that this is kept up to date and relevant as the depository of information on geological and related matters.

Uncertainty remains over future lease costs in respect of Burlington House, since the commencement of a process of arbitration with the landlord in 2014. Against this the Society has been building a designated Building Fund that will be used to offset additional or unforeseen costs should the outcome, expected in 2016, be unfavourable.

1.4 Plans for future periods

1.4.1 Summary of future plans

Aims and objectives

The fundamental aims and objectives of the Society remain unchanged for 2016. The Society's current 10 year strategy expires at the end of 2016 and so Council is already considering the next strategy that will replace this from 1st January 2017 onwards. As part of this process there is growing recognition that the profile of the Society and the importance of geoscience can be raised through broadening public outreach and engagement further.

Future direction and activities of the Society

Core areas of activity – science, standards, publishing and library – will continue as set out in section 2.

Science and education

Continuing with its annual geological themes, first started in 2015 with the Year of Mud, 2016 is the Year of Water. Events and educational outreach activities are planned in the year ahead, including specific public (London) lectures and specialist conferences on research and understanding of groundwater, hydrogeology and the fundamental role of water in many other areas of geoscience. Further information is available on the Society's website at:

<https://www.geolsoc.org.uk/water16>

2016 will see the launch of two new flagship conference series at the Geological Society: the Janet Watson meetings will be aimed at early career geoscientists, bringing this group together with established experts from industry, academia and government – the first being on the topic of 'The Future of Hydrocarbon Exploration'; and the Bryan Lovell meetings will focus on the application of geoscience to societal challenges, with the first addressing aspects of understanding and managing risk relating to water.

We will launch a new online resource to provide school and university students with information about careers and study opportunities in geology. We also plan to develop our programme of school visits and resources for teachers and pupils. We will work with the Earth Science Teachers Association (ESTA) and others to support teachers in delivering the new national curriculum for England and the reformed A-level and GCSE qualifications in geology and other related subjects.

Professional and academic standards

We aim to continue to grow membership of the Society through Fellowship and Chartership and also to explore the options for broadening membership into new areas. We will be reviewing the way the Society interacts with its Corporate Affiliates in terms of both the benefit the Society itself receives from corporate members and the benefits the Society provides in return for that membership. In all that we do, however, the importance of retaining the highest academic and professional standards will remain paramount.

Publishing

We aim to keep the Society relevant for existing and new Fellows and to maintain the high academic and professional standards that this entails. At the same time, however, we shall be exploring whether we can increase engagement and broaden participation in the Society's activities through new classes of membership that are open to interested individuals who do not currently meet the requirements for Fellowship.

There is a strong programme of publishing development planned for 2016, the key element of which is the launch of an upgraded platform for the delivery of our online content. We will also be reviewing the range of publishing activity we undertake in line with the development of the new ten year strategy for the Society as a whole.

Library

We will continue with further work on the Library inventory to ensure we have a close understanding of all our collections. Key activities for the year will include development of a website to show-case the archive of the scientist, Dan McKenzie, and a review of future directions in order to inform the Society's strategic thinking.

Trading, support and other activities

It is anticipated that negotiations around the Society's lease at Burlington House will be concluded in the first half of 2016 and, as a result, the Society is likely to face significantly increased rental costs in the years ahead. Whilst this is already factored into future budget models, it also acts as a wake-up call for the Society to make more and better use of Burlington House as an income-generating asset. To this end it is planned in the year ahead to review trading and other activities that might generate further income to support the Society's continued charitable activities.

Financial Strategy

The Society adopted its first Financial Strategy early in 2015 as a means of expressing financially how the objectives of its current 10 year strategy would be achieved. Together with the review in the year ahead of its over-arching strategy, the Society will also review and redefine its supporting Financial Strategy. This will recognize the points set out in the financial review of the year above, in particular those financial risks and uncertainties that the Society faces. It is likely to be the case that in order to provide a raised profile and broader public benefit, as well as to ensure its continued longevity, the Society will need to diversify and seek new forms of income.

1.5 Structure, governance and management

1.5.1 Governing instrument

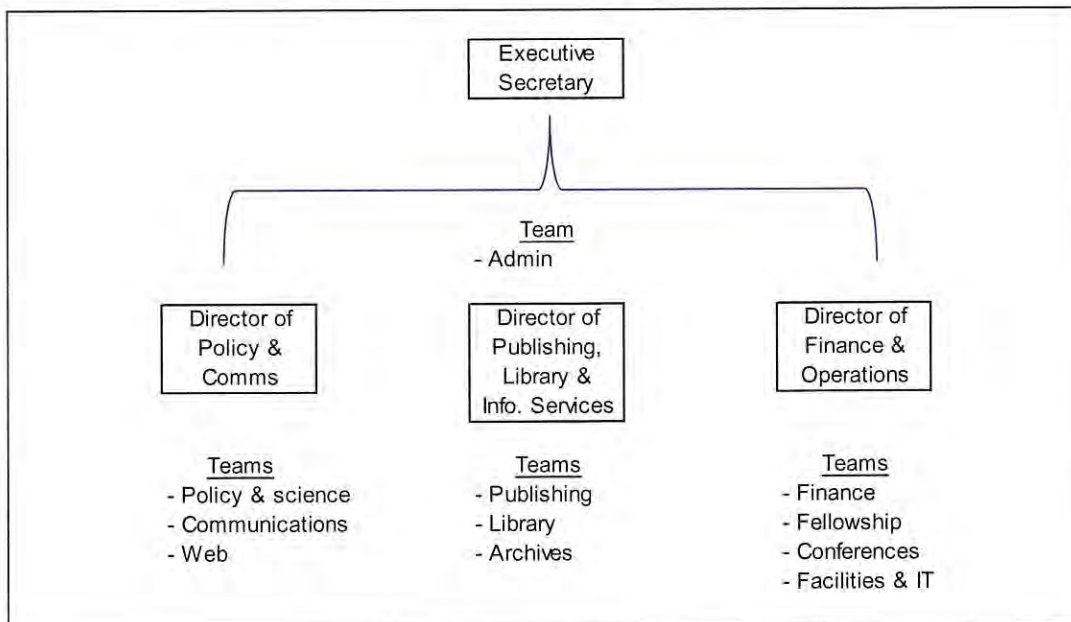
The Society was founded in 1807 and incorporated by Royal Charter in 1825 (amended by a Supplemental Charter in 2005). This remains its governing instrument, from which its Bye-Laws (revised in 2000 and amended in 2003) are derived.

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 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 for discussion and approval, 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 the following formally constituted decision-making bodies in which detail will be considered before a recommendation is made to Council:

- (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.
- (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.
- (iii) ***Professional Committee*** – responsible for promoting professional excellence and ethical standards in the Earth sciences for the public good. Chaired by a Secretary.
- (iv) ***Science and External Relations Committee*** – responsible for maintaining a science policy for the Society that reflects its charitable aims and objectives, and informs its approach to communications, conferences, public information and educational outreach. Chaired by a Secretary.
- (v) ***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 a Secretary.
- (vi) ***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.

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- (vii) *Awards Committee* – responsible for consideration of nominations received from the Fellowship for the Society's awards and medals. Chaired by the President.
- (viii) *Elections Committee* – responsible for ensuring the proper conduct of elections to Council, including the nomination and election of officers. Chaired by the President.

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

Risk management

The Trustees and senior leadership team actively 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 (which will be reviewed and updated during the first half of 2016). These include: regular review of financial issues and regular reporting at both the Finance and Planning Committee and Council; annual scrutiny of financial statements and controls by the Audit Committee; and a policy to build up and maintain a prudent level of reserves.

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. 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 has 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 international petroleum geology events which take place at intervals of four to six years. The latest of these events, the 8th *Petroleum Geology of Northwest Europe Conference 2015*, took place in September 2015 at the Queen Elizabeth II Conference Centre in London.

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) *Higher Education Network* – established by the Society in 2010 to bring together those researching and teaching Earth sciences in the Higher Education sector. This groups works collaboratively with the Higher Education Academy, the Committee of Heads of University Geosciences Departments, the Earth Science Teachers’ Association and other bodies worldwide.
- (ii) *Young Earth Sciences Network* – an international association of early-career geoscientists from universities, geoscience organizations and companies across the world.

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, and the Institute of Geologists of Ireland. The Society is the UK adhering body to the International Union of Geological Sciences.

1.5.6 Pay policy for senior staff
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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 senior staff may receive an annual bonus that is linked to achievement of agreed objectives and is determined by the Treasurer and agreed in conjunction with the officers of the Society. Details relating to senior staff pay are also set out in notes 15 and 16 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:	Prof David Manning
President Designate:	Mr Malcolm Brown
Vice Presidents:	Mr Chris Eccles Mr David Jones
Secretaries:	Mrs Natalyn Ala Dr Marie Edmonds Dr Colin North
Secretary, Foreign & External Affairs:	M Michael Young
Treasurer:	Mr Graham Goffey

Other members of Council -

Mr Rick Brassington, Miss Liv Carroll, Dr Nigel Cassidy, Dr Angela Coe, Mr Jim Coppard, Mrs Jane Dottridge, Mrs Tricia Henton, Mr David Hopkins, Dr Jennifer McKinley, Dr David Norbury, Prof Christine Peirce, Dr Katherine Royse, Mr Keith Seymour, Dr Lucy Slater.

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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:

Dr Mike Armitage, Prof Neil Chapman, Mr David Cragg, Prof Alastair Fraser, Dr Adam Law, Prof Alan Lord, Dr Brian Marker OBE, Dr Gary Nichols.

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 – until 30 Sep 2015:	Mr Edmund Nickless
Executive Secretary – from 1 Oct 2015:	Ms Sarah Fray
Director of Policy & Communications:	Mr Nic Bilham
Director of Publishing:	Mr Neal Marriott
Director of Finance & Operations:	Mr Jonathan Silk

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:	BDO LLP, 2 nd Floor, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA
Investment advisors:	UBS AG, 1 Finsbury Avenue, London EC2M 2AN

2. Reports of the President, Treasurer and Executive Secretary

2.1 President's report

From the President, Prof David Manning

Broadening Horizons

Back in January 2015, I stood at a lectern in the Geological Society's Lecture Theatre and launched the first of our themed years – the Year of Mud.

As I said in that talk, mud represents both an end and a beginning – the end of the cycle of erosion and transport, and the beginning of new materials, of value to society.

In many ways, 2015 has been a year of endings and beginnings. In October, we welcomed a new Executive Secretary, Sarah Fray, and bid farewell to Edmund Nickless, who has been at the helm for the past 18 years. On behalf of the whole Society, I would like to thank Edmund for all he has done for us, and to welcome Sarah.

Our public lecture series is now in its tenth year, and in that time our audience has expanded – from one evening lecture per month, to a talk repeated to an afternoon crowd, recorded for a YouTube audience, and streamed live for anyone who wants to join in online.

The first of our themed years, too, has reached a broader audience than we could have anticipated. It began with an editorial in *Nature*, and an interview with BBC World Service's *Science in Action* – firm, familiar ground for a learned society such as ours. It closed, almost exactly a year later, featuring as the lead in an article by Anna Pavord in the *Independent's* gardening section. What better evidence that geology underpins our lives in unexpected, fundamental ways?

Our horizons have broadened geographically, as well. In the Geological Society's early days, a suggested move to South Kensington was considered radically adventurous. Communication was limited to our nearest neighbours, and members were almost exclusively London based.

Now, of course, we have members across the world, and are always striving to form links with international bodies. For me personally, the Year of Mud stretched all the way to Kuala Lumpur, where in January this year I was fortunate enough to be involved with 'Mud – the musical' – a production in the National Theatre drawing on Kuala Lumpur's mining history, early economic activity and extractive industry.

Our report 'Geology for Society' is now published in 14 languages, and was launched at the European Parliament in June 2015. Our Arthur Holmes meeting, one of the mainstays of the Society's meetings calendar, was run jointly with the Geological Society of Japan, closing with a reception at the Japanese Embassy.

It has been an enormous pleasure to work with the Society, its Fellowship, staff and supporters, to work towards our shared goals. Horizons, of course, are never reached – there is always new territory to explore. In handing over to my successor as President, Malcolm Brown, I wish him the best of luck on his own journey.

2.2 Treasurer's report

From the Treasurer, Mr Graham Goffey

From a financial perspective, 2015 net income surplus of £235k was significantly below the 2014 outturn of £694k despite increased Fellowship numbers and income from the Society's Publishing house. The Conference Office maintained a high level of activity with thousands of geoscientists attending conferences and events through the year, whilst the London lecture series and the 'Geologists House' open day continued a theme of broadening outreach to a wider public. However, the depressed natural resources industries and weakening stock markets meant a substantial reduction in income from the Society's investments and from events such as those run by the Petroleum Group (-50%) and the Corporate Affiliates programme (-20%). Whilst the Publishing House's print sales declined as expected, earlier investment in online platforms continued to deliver tangible results. Use of the Lyell platform increased and 2015 saw the first income from a new online initiative, the GeoScienceWorld Ebooks. The Society's scientific publishing activities under Neal Marriot and his dedicated team do a fantastic job in disseminating geological science to a global audience and continued investment by the Society in the Publishing House is critical to maintaining its leading publishing position.

Revised accounting practices during 2015 allowed the Society to amend the accounting treatment of its so-called 'heritage' assets – primarily its holdings of books and periodicals, which were valued at £14,782k in 2014. The revised balance sheet value in this category is £1,003k and the removal of these illiquid and difficult-to-value assets has allowed a much clearer picture of the Society's financial position.

In recent years, it has become apparent that certain of the Society's information technology systems are no longer fit for purpose, in particular the accounting and Fellowship services systems. The Society has commenced a substantial investment programme to renew and upgrade these systems in order improve the service to Fellows and to allow more effective working by Society's staff.

Fellows will be aware that the facilities within Burlington House underpin the Society's activities of education, outreach and dissemination of science. My predecessor advised last year that the Burlington House lease was under renegotiation. Owing to irresolvable differences between the 'Courtyard Societies' (including the Geological Society) and the landlord, a formal arbitration was subsequently commenced regarding aspects of the lease. As I write, the conclusion to this arbitration is awaited. The outcome is uncertain and without doubt, some of the possible outcomes may threaten the Society's medium-term tenure of these apartments. This is a matter which will be of no little concern to Fellows and on which Council of the Society is devoting considerable attention as it develops its strategy for the next 10 years.

The Society has an ambitious programme of scientific engagement, outreach, research and education which is funded through surplus income generated by the activities mentioned above. The continued ability of the Society to generate surplus income also allows Council to continue to limit increases in Fellowship fees. However Fellows should be aware that this year's outturn underlines the extent of the Society's reliance on the natural resources industries and on the Publishing House's ability to generate surplus income whilst developments in the online publishing world demand continued investment by the Society. This vulnerability was addressed during 2015 by Council's approval of a revised financial strategy which places considerable emphasis on increasing the Society's reserves and on diversifying and increasing income. These themes will be developed in the Society's strategy for the next 10 years, which will need to see the

development of new income streams to allow the Society to pursue its core charitable activities and to seek to assure its continued tenure of Burlington House. The Society's loyal staff and the many Fellows who willingly volunteer their time, together with the library, meeting and conference facilities at Burlington House are key to everything the Society will be able to achieve.

2.3 Executive Secretary's report

From the Executive Secretary, Ms Sarah Fray

I joined the Geological Society on the 1st October 2015, and found an organisation full of energy and commitment to the promotion of our science. This determination stands as a tribute to the leadership of Edmund Nickless, who retired after eighteen years as Executive Secretary. The changes he brought about are the foundation on which we will build, as the Society continues to evolve over the coming years. We wish Edmund a wonderful and well earned retirement.

Since its foundation over two centuries ago, the Society has changed and grown fundamentally. We are in a period of change – economically, in the public perception of science and technology, of individual and corporate accountability, educationally and in scientific thinking. The Society needs to keep up with these changes, to stay relevant to its Fellows and wider stakeholders, and to remain dynamic, influential and sustainable into the long term.

The Society is a people and knowledge 'business.' It is built upon the synergies brought about by a passionate and committed Fellowship; by staff who are engaged in finding efficient and effective outcomes to all we do; and, increasingly importantly, through interaction with a broad range of stakeholders across an international landscape.

Geology is fundamental to every person's life, every day across the planet - as the theme of our 2014 review stated, 'Geology Matters'. This year's theme, 'Broadening Horizons', builds upon this, reflecting the changes that have occurred throughout the year and recognising that they will continue. This allows me to both look back to 2015, and to herald some of our upcoming 2016 initiatives.

2015 was the Society's 'Year of Mud'. This year long science theme delivered many conferences and 105 scientific meetings, resulting in growing attention and recognition in both traditional and social media. Our influence continued to grow through policy engagement and education work, and our Fellowship increased to just under 12,000. Our Publishing House maintained its leading position in the world of academic publishing, competing successfully against major international publishers. These are just a few examples of the achievements that mark a dynamic, progressive and ambitious Society.

The Society's first ten year strategy, formulated in 2006, is now coming to a close. A key objective for the year ahead will be to create a new strategy, reflecting not only the science and Society of today, but anticipating that of 2027 – setting our ambitions and direction of travel across the decade, and informing its successors when the time comes. The new strategy will be a collective activity, and we will be looking to consult with Fellows and others to bring together a strong, ambitious vision.

To broaden our horizons we must engage with increasing effectiveness not only our current Fellows, friends and associates, but many other potential partners and stakeholders. Fundamental to this will be the use of quality data. To this end, 2016 will see the installation of a new Customer Relationship Management (CRM)

system, which will integrate existing systems and data, with all the benefits that brings. Throughout, we will continue to work with our staff to deliver a broader, more ambitious and effective organisation that supports Fellows, the science, and widening public interest.

Finally, all at the Society recognise the current real financial pain within the petroleum/gas sector and extractive industries. Whilst we will continue to keep careful watch on our own revenues during the coming year, we will also keep in mind the many Fellows and geoscientists affected by the severity of this downturn. Maintaining and increasing engagement with the Society, which enables individuals to retain and build personal networks whilst reinforcing skills and knowledge, can be invaluable in such times.

I look forward with relish to the many exciting opportunities and challenges that 2016 will bring.

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") 2015;
- 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.

Signed on behalf of the Trustees:



Prof David Manning

President

Date:



Mr Graham Goffey

Treasurer

Date:

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

We have audited the financial statements of The Geological Society of London for the year ended 31 December 2015 which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of trustees and auditor

As explained more fully in the Responsibilities of the Trustees, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2015, and of the group's and parent charity's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

BDO LLP

BDO LLP
Statutory Auditor
Gatwick
United Kingdom
Date: *6 April 2016*

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

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

5. Statements of Financial Activities

The notes on pages 34 - 79 form an integral part of these Financial Statements. All amounts relate to continuing activities.

5.1 Consolidated Statement of Financial Activities as at 31 December 2015

	Note	2015			Total Funds Re-stated £	
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £		
Income and endowments from:						
Donations and legacies	2	17,536	20	-	17,556	2,154
Charitable activities						
- Science & education	3.a	636,412	-	-	636,412	770,892
- Professional & academic standards	3.b	663,987	-	-	663,987	486,096
- Scholarly publishing	3.c	2,953,792	-	-	2,953,792	2,803,477
- Library & archives	3.d	740,070	-	-	740,070	726,478
Other trading activities						
- Room hire & catering	4	279,890	-	-	279,890	309,930
Investments	5	70,537	68,491	67,088	206,116	267,372
Total income		5,362,224	68,511	67,088	5,497,823	5,366,399
Expenditure on:						
Raising funds						
- Room hire & catering	6.a	212,016	1,542	-	213,558	183,448
- Investment management costs	6.b	11,663	11,782	11,442	34,887	34,110
Charitable activities						
- Science & education	7.a	1,107,837	33,091	-	1,140,928	1,121,500
- Professional & academic standards	7.b	579,628	3,296	-	582,924	414,837
- Scholarly publishing	7.c	2,097,540	3,207	107,927	2,208,674	2,133,635
- Library & archives	7.d	1,040,771	18,902	-	1,059,673	862,750
Total expenditure		5,049,455	71,820	119,368	5,240,643	4,750,279
Surplus/(Deficit) of income over expenditure		312,769	(3,309)	(52,280)	257,180	616,120
Net gains/(losses) on investments	20	(7,402)	(7,412)	(7,262)	(22,076)	78,525
Net income/(expenditure)		305,367	(10,721)	(59,542)	235,104	694,645
Transfers between funds	25	-	-	-	-	-
Net movement in funds		305,367	(10,721)	(59,542)	235,104	694,645
Reconciliation of funds:						
Total funds brought forward		4,994,706	2,088,780	1,861,199	8,944,685	8,250,040
Total funds carried forward		5,300,073	2,078,059	1,801,657	9,179,789	8,944,685

Full comparative figures for the year ending 31 December 2014 are set out under the following heading.

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5.2 Consolidated Statement of Financial Activities as at 31 December 2014

	Note	2014 Re-stated			Total Funds £
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	
Income and endowments from:					
Donations and legacies	2	2,154	-	-	2,154
Charitable activities					
- Science & education	3.a	770,892	-	-	770,892
- Professional & academic standards	3.b	486,096	-	-	486,096
- Scholarly publishing	3.c	2,803,477	-	-	2,803,477
- Library & archives	3.d	726,478	-	-	726,478
Other trading activities					
- Room hire & catering	4	309,930	-	-	309,930
Investments	5	93,028	88,074	86,270	267,372
Total income		5,192,055	88,074	86,270	5,366,399
Expenditure on:					
Raising funds					
- Room hire & catering	6.a	183,448	-	-	183,448
- Investment management costs	6.b	11,436	11,454	11,219	34,110
Charitable activities					
- Science & education	7.a	1,088,658	32,841	-	1,121,500
- Professional & academic standards	7.b	409,283	5,554	-	414,837
- Scholarly publishing	7.c	2,002,738	5,672	125,225	2,133,635
- Library & archives	7.d	836,113	26,637	-	862,750
Total expenditure		4,531,676	82,159	136,444	4,750,279
Surplus/(Deficit) of income over expenditure		660,379	5,915	(50,174)	616,120
Net gains/(losses) on investments	20	26,328	26,369	25,828	78,525
Net income/(expenditure)		686,707	32,284	(24,346)	694,645
Transfers between funds	28	-	-	-	-
Net movement in funds		686,707	32,284	(24,346)	694,645
Reconciliation of funds:					
Total funds brought forward		4,307,999	2,056,496	1,885,545	8,250,040
Total funds carried forward		4,994,706	2,088,780	1,861,199	8,944,685

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5.3 Charity only Statement of Financial Activities as at 31 December 2015

	Note	2015			2014	
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds Re-stated £	
Income and endowments from:						
Donations and legacies	2	17,536	20	-	17,556	2,154
Charitable activities						
- Science & education	3.a	636,412	-	-	636,412	770,892
- Professional & academic standards	3.b	663,987	-	-	663,987	486,096
- Scholarly publishing	3.c	2,953,792	-	-	2,953,792	2,803,477
- Library & archives	3.d	740,070	-	-	740,070	726,478
Other trading activities						
- Room hire & catering	4	199,432	-	-	199,432	234,256
Investments	5	70,537	68,491	67,088	206,116	267,372
Total income		5,281,766	68,511	67,088	5,417,365	5,290,725
Expenditure on:						
Raising funds						
- Room hire & catering	6.a	108,281	1,542	-	109,823	152,578
- Investment management costs	6.b	11,663	11,782	11,442	34,887	34,110
Charitable activities						
- Science & education	7.a	1,107,837	33,091	-	1,140,928	1,121,500
- Professional & academic standards	7.b	579,628	3,296	-	582,924	414,837
- Scholarly publishing	7.c	2,097,540	3,207	107,927	2,208,674	2,133,635
- Library & archives	7.d	1,040,771	18,902	-	1,059,673	862,750
Total expenditure		4,945,720	71,820	119,368	5,136,908	4,719,409
Surplus/(Deficit) of income over expenditure		336,046	(3,309)	(52,280)	280,457	571,316
Net gains/(losses) on investments	20	(7,402)	(7,412)	(7,262)	(22,076)	78,525
Net income/(expenditure)		328,644	(10,721)	(59,542)	258,381	649,841
Transfers between funds	28	-	-	-	-	-
Net movement in funds		328,644	(10,721)	(59,542)	258,381	649,841
Reconciliation of funds:						
Total funds brought forward		4,994,706	2,088,780	1,861,199	8,944,685	8,250,040
Total funds carried forward		5,323,350	2,078,059	1,801,657	9,203,067	8,899,881

Full comparative figures for the year ending 31 December 2014 are set out under the following heading.

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5.4 Charity only Statement of Financial Activities as at 31 December 2014

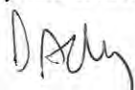
	Note	2014 Re-stated			Total Funds £
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	
Income and endowments from:					
Donations and legacies	2	2,154	-	-	2,154
Charitable activities					
- Science & education	3.a	770,892	-	-	770,892
- Professional & academic standards	3.b	486,096	-	-	486,096
- Scholarly publishing	3.c	2,803,477	-	-	2,803,477
- Library & archives	3.d	726,478	-	-	726,478
Other trading activities					
- Room hire & catering	4	234,256	-	-	234,256
Investments	5	93,028	88,074	86,270	267,372
Total income		5,116,381	88,074	86,270	5,290,725
Expenditure on:					
Raising funds					
- Room hire & catering	6.a	152,578	-	-	152,578
- Investment management costs	6.b	11,436	11,454	11,219	34,110
Charitable activities					
- Science & education	7.a	1,088,658	32,841	-	1,121,500
- Professional & academic standards	7.b	409,283	5,554	-	414,837
- Scholarly publishing	7.c	2,002,738	5,672	125,225	2,133,635
- Library & archives	7.d	836,113	26,637	-	862,750
Total expenditure		4,500,806	82,159	136,444	4,719,409
Surplus/(Deficit) of income over expenditure		615,575	5,915	(50,174)	571,316
Net gains/(losses) on investments	20	26,328	26,369	25,828	78,525
Net income/(expenditure)		641,903	32,284	(24,346)	649,841
Transfers between funds	28	-	-	-	-
Net movement in funds		641,903	32,284	(24,346)	649,841
Reconciliation of funds:					
Total funds brought forward		4,307,999	2,056,496	1,885,545	8,250,040
Total funds carried forward		4,949,902	2,088,780	1,861,199	8,899,881

6. Balance Sheets

6.1 Consolidated Balance Sheet as at 31 December 2015

	Note	2015		2014 Re-stated	
		£	£	£	£
Fixed assets:					
Intangible assets					
- website development	17.a	21,290		29,040	
- systems development	17.b	27,695	48,985	-	29,040
Tangible assets					
- leasehold property	18.a	491,321		587,159	
- equipment, fixtures & fittings	18.b	98,570		100,546	
- computer equipment	18.c	112,593	702,484	113,953	801,658
Heritage assets					
- library holdings	19		1,003,028		951,546
Investments					
- listed and traded investments	20.a	5,372,024		5,490,384	
- other investments	20.b	153,394	5,525,418	97,571	5,587,955
Total fixed assets:			7,279,915		7,370,199
Current assets					
Stocks	21				
- finished stock		288,842		292,704	
- work in progress		105,607		76,640	
Debtors	22	329,077		449,509	
Investments	23	1,927,540		1,963,941	
Cash at bank and in hand	24	1,870,568		917,467	
Total current assets		4,521,634		3,700,261	
Liabilities					
Creditors					
- amounts falling due within one year	25	(2,621,760)		(2,125,775)	
Net current assets/(liabilities)			1,899,874		1,574,486
Total net assets or liabilities			9,179,789		8,944,685
The funds of the charity:	26				
Unrestricted funds	27		5,300,073		4,994,706
Restricted income funds	28		2,078,059		2,088,780
Endowment funds	29		1,801,657		1,861,199
Total funds			9,179,789		8,944,685

Approved by the trustees on 6 April 2016 and signed on their behalf by:



Professor David Manning, President



Mr Graham Goffey, Treasurer

The notes on pages 34 - 79 form an integral part of these Financial Statements. All amounts relate to continuing activities.

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6.2 Charity only Balance Sheet as at 31 December 2015

	Note	2015		2014 Re-stated	
		£	£	£	£
Fixed assets:					
Intangible assets					
- website development	17	21,290		29,040	
- systems development		27,695	48,985	-	29,040
Tangible assets					
- leasehold property	18.a	491,321		587,159	
- equipment, fixtures & fittings	18.b	98,570		100,546	
- computer equipment	18.c	112,593	702,484	113,953	801,658
Heritage assets					
- library holdings	19		1,003,028		951,546
Investments					
- listed and traded investments	20.a	5,372,024		5,490,384	
- other investments	20.b	153,394	5,525,418	97,571	5,587,955
Total fixed assets:			7,279,915		7,370,199
Current assets					
Stocks					
- finished stock	21	288,842		292,703	
- work in progress		105,607		76,640	
Debtors	22	347,545		456,755	
Investments	23	1,927,540		1,963,941	
Cash at bank and in hand	24	1,864,435		900,148	
Total current assets			4,533,969		3,690,187
Liabilities					
Creditors					
- amounts falling due within one year	25	(2,610,818)		(2,115,701)	
Net current assets/(liabilities)			1,923,151		1,574,486
Total net assets or liabilities			9,203,066		8,944,685
The funds of the charity:					
Unrestricted funds	28				
	29		5,323,350		4,994,706
Restricted income funds	30		2,078,059		2,088,780
Endowment funds	31		1,801,657		1,861,199
Total charity funds			9,203,066		8,944,685

Approved by the trustees on 6 April 2016 and signed on their behalf by:



Professor David Manning, President



Mr Graham Goffey, Treasurer

The notes on pages 34 - 79 form an integral part of these Financial Statements. All amounts relate to continuing activities.

7. Consolidated Cash Flow Statement for the year ended 31 December 2015

	Note	2015		2014 Re-stated	
		£,000	£,000	£,000	£,000
Cash flows from operating activities:					
<i>Net cash provided by operating activities:</i>	33		932,195		355,641
Cash flows from investing activities:					
Dividends and interest from investments:		206,116		267,372	
Loan to associated body:		17,000		-	
Proceeds from sale of property, plant and equipment		-		-	
Purchase of property, plant and equipment		(262,071)		(212,599)	
Proceeds from sale of investments:		3,667,912		2,175,423	
Purchase of investments:		(3,644,456)		(2,139,466)	
<i>Net cash provided by investing activities:</i>			(15,498)		90,730
Cash flows from financing activities:					
<i>Net cash provided by financing activities:</i>			-		-
<i>Change in cash and cash equivalents in the reporting period:</i>			916,696		446,371
Cash and cash equivalents at the beginning of the reporting period:	34		2,881,405		2,435,034
Change in cash and cash equivalents due to exchange rate movements:			-		-
<i>Cash and cash equivalents at the end of the reporting period:</i>	34		<u>3,798,101</u>		<u>2,881,405</u>

The notes on pages 34-78 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 2015 and Financial Reporting Standard ('FRS') 102, which the Society has adopted. Figures are prepared using the historical cost convention, with the exception of investments which are included at market value.

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 2016 budget on the reasonable assumption that this will continue. The trustees have assessed the Society's ability to continue on this basis and are assured of the validity of this assumption.

(b) Reconciliation with previous Generally Accepted Accounting Practice

Note 35 sets out the reconciliation of these accounts, prepared in accordance with the Charities SORP 2015 and FRS 102, and those of previous years. The date of transition to FRS 102 was 1 January 2014.

(c) Changes in accounting policy

In addition to changes required with the adoption of the Charities SORP 2015 and FRS 102, the trustees have also made the following changes to accounting policy:

- (i) *Treatment of Heritage Assets* – library holdings and acquisitions are held at cost, where known, and depreciated over a life of twenty years to reflect reasonable economic value to the Society. Previously holdings and acquisitions were valued at a mixture of assumed market and cost values but were not depreciated. See note 19 for further details.
- (ii) *Identification of income and expenditure categories* – in order to align category headings used for income and expenditure in the accounts more closely with activities undertaken by the Society.
- (iii) *Allocation of membership fee income* – in order that those activities providing benefit in return for membership fees paid (Fellowship and Corporate Affiliate fees) receive a fair share of the income generated.
- (iv) *Allocation of support and overhead costs* – a more transparent and robust method for allocating support overheads, cost of facilities and governance.

In accordance with the Charities SORP 2015 and FRS 102, prior year accounts are re-stated with these new policies applied. Note 36 sets out the reconciliation of these accounts with those presented in 2014.

(d) 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.

(e) Income and expenditure

Income and expenditure is recognized and accounted for on an accruals basis. This means that income and expenditure is attributed to the reporting year to which it relates rather than the year in which it may be received or paid. 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.

Recognized 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.

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

Expenditure relating to support activities, facilities costs and governance is allocated to front-line activities in the form of overheads. Note 8 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 2015 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 shown 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, has been charged as a cost against management and administration expenditure during the year.

(f) 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.

(g) 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. Note 17 sets out further details of capital costs, depreciation 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 18 details costs, depreciation and net book value held, as well as the basis for charging depreciation to Income and Expenditure accounts. Land owned by the Society is not depreciated.

The Society classifies its library collection and collection of portraits, busts, historical furniture and the Society's Charter as heritage assets. Note 19 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 20 sets out further details.

(h) Current assets

The Society holds stock of scientific publications produced by its Publishing House, as well as a small stock of works for re-sale produced by third parties. 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 and a deposit account, which are 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. Note 24 provides further details of the Society's cash holdings.

(i) 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 25 sets out further details.

(j) 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 one year of core operational expenditure (within a range of 20% above or below this value). Note 31 sets out how this is calculated.

(k) Cash flow statement

A consolidated cash flow statement is provided that is compliant with FRS 102 and the Charity SORP 2015. 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

The Society was notified of a legacy in January 2015 from the will of Mr Harold Ison Porter. This was received during the year to the sum of £13,452.

3 Income from charitable activities

Income from the Society's charitable activities is analysed over the following areas of activity. Core Fellowship fees are collected annually from members of the Society and allocated across activities to reflect the benefit received in return. Similarly, those elements of the Corporate Affiliate fee, collected from bodies which support the Society, which are attributable directly to benefits provided in return, are allocated to the appropriate activity.

This is a change in accounting policy, adopted by the Society in 2015. Previously fee income was not reassigned but shown against the heading under which it was collected - an approach that does not recognize the activities to which that income is assigned. 2014 comparative figures have been re-stated using the new policy - see also note 36.

(i) Allocation of Fellowship fee income

Core Fellowship fee income was allocated as follows:

Activity	2015		2014	
	%	£	%	£
Science & education	0.7%	10,297	2.3%	32,849
Professional & academic	18.9%	267,895	15.0%	214,990
Publishing	33.9%	481,059	38.0%	543,939
Library & archives	46.5%	659,182	44.7%	641,175
	<u>100.0%</u>	<u>1,418,433</u>	<u>100.0%</u>	<u>1,432,953</u>

(ii) Allocation of Corporate Affiliate fee income

Corporate Affiliate fee income was allocated as follows:

Activity	2015		2014	
	%	£	%	£
Science & education	2.6%	3,700	4.5%	7,750
Professional & academic	81.6%	114,104	78.4%	134,488
Library & archives	1.9%	2,724	6.1%	10,460
Trading	13.8%	19,322	11.0%	18,902
	<u>100.0%</u>	<u>139,850</u>	<u>100.0%</u>	<u>171,600</u>

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Analysis of charitable income

	2015	2014
	Unrestricted & Total Funds	Unrestricted & Total Funds
	£	£
Charitable income		
Current year analysis		
3.a Science & Education		
Flagship meetings & events	239,772	193,596
Petroleum Group meetings	231,038	492,748
Other scientific & educational events	143,530	39,071
Grants & other direct funding	3,805	-
Friends of the GSL	4,270	4,878
Fellowship fees	10,297	32,849
Corporate Affiliate fees	3,700	7,750
Sub-total:	636,412	770,892
3.b Professional & academic standards		
Fellowship fees	465,216	327,024
Corporate Affiliate fees	114,104	134,488
Accreditation	27,702	20,788
Specialist & Regional Groups	55,510	1,500
Other Fellowship Income	1,455	2,296
Sub-total:	663,987	486,096
3.c Publishing		
Book sales & distribution	416,095	477,143
Lyell Collection	1,233,209	1,096,237
GSL journals	467,284	449,359
Non-GSL Journals	52,743	52,657
Geology Today	10,688	22,208
Geofacets	116,483	90,486
Geoscientist	18,231	20,035
GSW Ebooks	74,861	-
Royalties & copying income	81,833	47,469
Other publishing income	1,306	3,944
Fellowship fees	481,059	543,939
Sub-total:	2,953,792	2,803,477
3.d Library & Archives		
Library Income	78,164	74,843
Fellowship fees	659,182	641,175
Corporate Affiliate fees	2,724	10,460
Sub-total:	740,070	726,478
Grand total	4,994,261	4,786,943

The Society received no charitable funding during the current or previous years from restricted or endowment sources. Fellowship fees under Professional & Academic Standards include both core and other fees.

4 Other trading activities

Other trading activities	2015	2014
	Unrestricted & Total Funds £	Unrestricted & Total Funds £
Hire of rooms to Fellows & associates	107,272	96,763
Hire of rooms by subsidiary company*	33,068	42,840
Corporate Affiliate fees	19,322	18,902
Catering for Fellows & associates	73,114	118,142
Catering by subsidiary company*	47,390	32,834
Other activities	(276)	449
	279,890	309,930

* Lines included upon consolidation but excluded from the charity-only Statement of Financial Activities

5 Investment income

Investment income is allocated to funds on the basis of share of total investment pool.

Investment income Current year analysis	2015			Total Funds £
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	
Dividend income received	55,745	55,831	54,687	166,263
Interest received on investment bonds	12,641	12,660	12,401	37,702
Sub-total income from investments	68,386	68,491	67,088	203,965
Bank interest on funds held	2,151	-	-	2,151
	70,537	68,491	67,088	206,116

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Investment income Prior year analysis	2014			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Dividend income received	59,332	59,424	58,207	176,963
Interest received on investment bonds	28,605	28,650	28,063	85,318
Sub-total income from investments	87,937	88,074	86,270	262,281
Bank interest on funds held	5,091	-	-	5,091
	<u>93,028</u>	<u>88,074</u>	<u>86,270</u>	<u>267,372</u>

6 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 8.

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

6.a Room hire & catering analysis

	2015 Total Expenditure £	2014 Total Expenditure £
Direct non-staff costs of room hire	26,863	32,808
Direct non-staff costs of catering	122,329	131,818
Direct staff costs	15,090	17,322
Support staff overheads	21,621	-
Facilities overheads	22,867	-
Governance costs	4,788	1,500
	<u>213,558</u>	<u>183,448</u>

Total expenditure includes £1,542 of restricted expenditure in 2015 (2014: £Nil). All other expenditure is unrestricted.

Costs relating specifically to the Society's trading subsidiary, Geological Trading Limited, that are included within the consolidated statements above, but excluded from the charity-only Statement of Financial Activities are identified as follows:

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Trading Subsidiary costs	2015 £	2014 £
Direct non-staff costs of room hire	4,631	4,807
Direct non-staff costs of catering	49,830	24,563
Support staff overheads	21,621	-
Facilities overheads	22,866	-
Governance costs	4,788	1,500
	103,736	30,870

All subsidiary activity is consolidated under the Unrestricted Funds heading.

6.b Investment management

Investment management charges are made up of the following elements:

	2015 £	2014 £
Direct charges from Investment Managers	25,357	24,123
Finance staff time	3,116	4,038
Support staff overheads	2,162	1,499
Facilities overheads	364	320
Governance costs	3,787	4,130
Other charges	100	-
Total management charge	34,886	34,110

This charge is allocated across funds classes on the basis of share of the total investment fund attributable to each class.

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7 Expenditure on charitable activities

Charitable expenditure Current year analysis	2015				2014
	Unrestricted	Restricted	Endowment	Total	Total
	Funds	Funds	Funds	Funds	Funds
	£	£	£	£	£
7.a Science & education					
Flagship meetings & events	95,625	-	-	95,625	118,117
Petroleum Group meetings	146,197	-	-	146,197	257,197
Other scientific & educational events	48,820	-	-	48,820	42,934
Friends of the GSL	143	-	-	143	1,008
Science & Education Committee	58,782	25,754	-	84,536	75,553
Direct staff costs	292,349	-	-	292,349	291,784
Support staff overheads	363,227	-	-	363,227	236,924
Facilities overheads	91,257	7,337	-	98,594	86,702
Governance costs	11,436	-	-	11,436	11,280
Sub-total:	1,107,837	33,091	-	1,140,928	1,121,500
7.b Professional & academic standards					
Fellowship support	90,774	-	-	90,774	106,211
Corporate Affiliates	16,403	-	-	16,403	18,588
Accreditation	2,941	-	-	2,941	23,855
Professional Committee	6,970	-	-	6,970	4,347
Specialist & Regional Groups	69,398	-	-	69,398	(13,798)
Direct staff costs	175,326	-	-	175,326	112,155
Support staff overheads	151,345	-	-	151,345	104,966
Facilities overheads	32,659	3,296	-	35,956	31,619
Governance costs	33,813	-	-	33,813	26,893
	579,628	3,296	-	582,924	414,837
7.c Publishing					
Book sales & distribution	214,357	-	16,187	230,545	236,185
Lyell Collection	189,360	-	-	189,360	238,680
GSL journals	90,876	-	38,556	129,432	131,373
Non-GSL Journals	33,855	-	-	33,855	36,328
Geoscientist	171,797	-	-	171,797	174,719
GSW E-books	6,848	-	-	6,848	19,317
Publishing House running costs	147,776	-	-	147,776	196,657
Direct staff costs	635,317	-	-	635,317	606,951
Support staff overheads	558,681	-	53,183	611,865	452,855
Facilities overheads	3,240	3,207	-	6,446	5,669
Governance costs	45,433	-	-	45,433	34,900
	2,097,540	3,207	107,927	2,208,674	2,133,635
7.d Library & Archives					
Library running costs	188,018	2,829	-	190,847	141,067
Direct staff costs	253,791	-	-	253,791	282,229
Support staff overheads	367,551	-	-	367,551	221,929
Facilities overheads	229,974	16,073	-	246,047	216,369
Governance costs	1,436	-	-	1,436	1,156
	1,040,771	18,902	-	1,059,673	862,750

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Charitable expenditure Prior year analysis	2014			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
7.a Science & education				
Flagship meetings & events	118,117	-	-	118,117
Petroleum Group meetings	257,197	-	-	257,197
Other scientific & educational events	42,934	-	-	42,934
Friends of the GSL	1,008	-	-	1,008
Science & Education Committee	55,003	20,550	-	75,553
Direct staff costs	291,784	-	-	291,784
Support staff overheads	236,924	-	-	236,924
Facilities overheads	74,411	12,291	-	86,702
Governance costs	11,280	-	-	11,280
Sub-total:	1,088,658	32,841	-	1,121,500
7.b Professional & academic standards				
Fellowship support	106,211	-	-	106,211
Corporate Affiliates	18,588	-	-	18,588
Accreditation	23,855	-	-	23,855
Professional Committee	4,347	-	-	4,347
Specialist & Regional Groups	(13,798)	-	-	(13,798)
Direct staff costs	112,155	-	-	112,155
Support staff overheads	104,966	-	-	104,966
Facilities overheads	26,065	5,554	-	31,619
Governance costs	26,893	-	-	26,893
	409,283	5,554	-	414,837
7.c Publishing				
Book sales & distribution	217,721	-	18,464	236,185
Lyell Collection	238,680	-	-	238,680
GSL journals	87,775	-	43,598	131,373
Non-GSL Journals	36,328	-	-	36,328
Geoscientist	174,719	-	-	174,719
GSW E-books	19,317	-	-	19,317
Publishing House running costs	196,657	-	-	196,657
Direct staff costs	606,951	-	-	606,951
Support staff overheads	389,692	-	63,163	452,855
Facilities overheads	(4)	5,672	-	5,669
Governance costs	34,900	-	-	34,900
	2,002,738	5,672	125,225	2,133,635
7.d Library & Archives				
Library running costs	141,067	-	-	141,067
Direct staff costs	282,229	-	-	282,229
Support staff overheads	221,929	-	-	221,929
Facilities overheads	189,732	26,637	-	216,369
Governance costs	1,156	-	-	1,156
	836,113	26,637	-	862,750

8 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. Previously overheads were allocated on the basis of a historic formula that no longer reflects actual front-line usage of support services. Figures for 2014, therefore, have been re-stated in each case on the basis of the new policy.

(i) Facilities overheads

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.

	2015 Total Support cost £	2014 Total Support cost £
Burlington House running & maintenance costs	482,036	401,909
Facilities manager staff cost	40,115	37,153
	522,151	439,062

(ii) Support staff overheads

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 and non-staff expenditure for the following:

	2015 Total Support cost £	2014 Total Support cost £
Executive	542,290	336,196
Finance	306,748	146,620
IT Support	231,343	200,362
Web Support	196,519	123,909
Computer Depreciation	37,567	67,071
Marketing	122,914	73,322
Share of Facilities overhead recharged	80,389	70,693
	1,517,770	1,018,173

Marketing includes 50% of the staff costs of a member of the Publishing House. Support staff overheads, including a share of Facilities costs, are allocated to activities on the basis of the number of staff engaged in providing the main activity. As all main activities are reliant upon the use of people to effect delivery, a *per capita* basis of allocation is deemed to reflect the scale of the activity and its consequential use of Support functions.

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(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.

	2015 Total Support cost £	2014 Total Support cost £
Audit fees	30,000	27,228
Annual report	6,474	5,942
Trustees' expenses	32,731	18,999
Share of Facilities overhead recharged	31,489	27,691
	100,694	79,860

(iv) Allocation of overhead costs

Overhead costs are shown individually against activities in note 7. The following tables set out the same information grouped by type of support cost:

Overhead Allocation Current year analysis

	2015			Total Support cost £
	Facilities overheads £	Support staff overheads £	Governance costs £	
<i>Charitable activities</i>				
Science & education	98,594	363,227	11,436	473,258
Professional & academic standards	35,956	151,344	33,813	221,113
Scholarly publishing	6,446	611,865	45,433	663,744
Library & archives	246,047	367,551	1,436	615,034
<i>Other activities</i>				
Trading	22,866	21,621	4,788	49,275
Investments	364	2,162	3,787	6,313
<i>Support costs*</i>				
Support staff overheads	80,389			
Governance costs	31,489			
	522,151	1,517,770	100,693	2,028,737

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Overhead Allocation Prior year analysis	2014			
	Facilities overheads	Support staff overheads	Governance costs	Total Support cost
	£	£	£	£
<i>Charitable activities</i>				
Science & education	86,702	236,924	11,280	334,906
Professional & academic standards	31,619	104,966	26,893	163,479
Publishing	5,669	452,855	34,900	493,423
Library & archives	216,369	221,929	1,156	439,454
<i>Other activities</i>				
Trading	-	-	1,500	1,500
Investments	320	1,500	4,130	5,949
<i>Support costs*</i>				
Support staff overheads	70,693			
Governance costs	27,691			
	<u>439,062</u>	<u>1,018,173</u>	<u>79,859</u>	<u>1,438,711</u>

* Facilities overheads are shared with other support costs but included in the reallocation to activities of those costs in columns two and three; hence they are not totalled across otherwise they would be double-counted.

9 Trustees' remuneration and expenses

None of the trustees have been paid any remuneration or received any other benefits from an employment with the Society or a related entity.

Expenses claimed by trustees or met directly by the Society are to cover costs incurred whilst fulfilling their duties. These include primarily travel and accommodation:

Nature of expense	2015	2014
	Total £	Total £
Total value of expenses paid	<u>32,731</u>	<u>18,999</u>
Total number of trustees paid	<u>22</u>	<u>20</u>

10 Transactions with related parties

The Society's trading company, Geological Trading Limited, made a donation in the year to the Society, value £44,804, being profit earned in 2014. The Society charged Geological Trading Limited a management fee of £49,275 for 2015.

The Society also received payment of £15,000 from PGC Ltd, in which it has a 1/3 interest, this being repayment of the loan made by the Society in 2013.

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11 Audit, examination and other financial service fees

Amounts paid to the Society's auditor in the reporting period are analysed as follows:

Nature of expense	2015	2014
	Total	Total
	£	£
Statutory audit fees	31,260	27,228
Services other than audit	-	-
Total fees paid to Auditor	<u>31,260</u>	<u>27,228</u>

12 Ex gratia payments

The Society made no ex gratia payments in the reporting period that are required to be disclosed in accordance with section 9 of the Charities SORP 2015.

13 Staff costs and employee benefits

Total staff costs for the Society are set out below, analysed between sub-totals for charitable and other activities.

Total staff costs	2015			2014		
	Charitable £	Other £	Total £	Charitable £	Other £	Total £
Wages and salaries	1,165,745	696,039	1,861,784	1,065,690	533,120	1,598,810
Social security costs	124,246	74,341	198,587	120,055	57,950	178,005
Pension contributions	84,669	43,167	127,836	77,132	24,565	101,697
Sub-total direct costs	<u>1,374,660</u>	<u>813,547</u>	<u>2,188,208</u>	<u>1,262,877</u>	<u>615,635</u>	<u>1,878,512</u>
Temps & agency staff	5,953	108,433	114,386	16,196	90,583	106,779
Staff insurance	15,828	4,850	20,677	19,843	5,745	25,588
Recruitment costs	5,434	18,695	24,129	11,415	5,400	16,815
Sub-total related costs	<u>27,215</u>	<u>131,978</u>	<u>159,192</u>	<u>47,454</u>	<u>101,728</u>	<u>149,182</u>
Total staff costs	<u>1,401,875</u>	<u>945,525</u>	<u>2,347,400</u>	<u>1,310,331</u>	<u>717,363</u>	<u>2,027,694</u>

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.

There were no redundancy or termination payments relating to the reporting period that are required to be disclosed under section 9 of the Charities SORP 2015.

Total staff costs have increased in the current year by £319,706, primarily as a result of an increase in staff numbers in Publishing, Finance, Projects and Web Management - all growth within the budget approved for the year.

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14 Staff numbers

Total staff numbers (headcount) and the average number of employees (Full Time Equivalent) chargeable to each activity during the reporting period was as follows:

	2015 Total staff (headcount)	2014 Total staff (headcount)	2015 Full time equivalent	2014 Full time equivalent
<i>Charitable activities</i>				
Science & education	10	9	8.40	7.90
Professional & academic standards	5	3	3.50	3.50
Scholarly publishing	17	19	14.15	15.10
Library & archives	8	7	8.50	7.40
<i>Other activities</i>				
Trading	0	0	0.50	0.00
Investments	0	0	0.05	0.05
<i>Support</i>				
Support staff	15	11	15.05	12.05
	55	49	50.15	46.00

15 Remuneration of higher paid staff

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

	2015 Number	2014 Number
£140,000 - £149,999	-	1
£130,000 - £139,999	-	1
£120,000 - £129,999	1	-
£110,000 - £119,999	1	-
£100,000 - £109,999	-	-
£90,000 - £99,999	-	-
£80,000 - £89,999	1	-
£70,000 - £79,999	-	-
£60,000 - £69,999	-	1
	3	3

These figures are further analysed in section 16 following.

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16 Remuneration of senior managers

Total employee benefits received by the Society's senior managers for the reporting period is set out below:

Current year analysis

	Contractual Salary payments £	Employer pension contribution £	2015 Total £
Executive Secretary - retired in year	121,098	9,854	130,952
Executive Secretary - started in year	27,500	2,750	30,250
Director of Publishing	117,152	9,492	126,644
Director of Finance & Operations	89,150	8,415	97,565
Director of Policy & Communications	51,370	5,137	56,507

Previous year comparison

	Contractual Salary payments £	Employer pension contribution £	2014 Total £
Executive Secretary	140,501	12,447	152,948
Director of Publishing	133,917	9,650	143,567
Director of Finance & Operations	68,750	3,438	72,188
Director of Policy & Communications	48,920	4,892	53,812

Edmund Nickless retired from the post of Executive Secretary at the end of September 2015 and was succeeded by Sarah Fray. Contractual payments relating to travel by the Director of Publishing were reduced. The Director of Finance and Operations took up his position in March 2014, so the 2014 comparison is not a full year.

17 Intangible assets: website and systems development

Major redevelopment of the Society's website and business systems is capitalized at cost and depreciated at a rate of 25% per annum with the expectation of a four-year life-cycle. Costs of running and maintaining the website are charged directly to income and expenditure accounts, together with depreciation charges on the capitalized sum. The systems development project commenced in August 2015 and is expected to start delivering around the end of 2016. Capital costs will be accrued until the system goes into live usage, at which point depreciation will also become chargeable.

17.a Website	2015	2014
Cost or valuation	Total	Total
	£	£
Cost or valuation at beginning of reporting period:	126,602	116,982
Movement during reporting period		
- Acquisitions:	23,983	9,620
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	150,585	126,602
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	(97,563)	(67,716)
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	(31,732)	(29,847)
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	(129,295)	(97,563)
Net book value		
Net book value at beginning of reporting period:	29,039	49,266
Total movements during reporting period:	(7,749)	(20,226)
Net book value at end of reporting period:	21,290	29,040

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17.b Finance & CRM systems redevelopment	2015	2014
Cost or valuation	Total	Total
	£	£
Cost or valuation at beginning of reporting period:	-	-
Movement during reporting period		
- Acquisitions:	27,695	-
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	27,695	-
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	-	-
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	-	-
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	-	-
Net book value		
Net book value at beginning of reporting period:	-	-
Total movements during reporting period:	27,695	-
Net book value at end of reporting period:	27,695	-

18 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

18.a Leasehold property

Cost or valuation

Cost or valuation at beginning of reporting period:

Movement during reporting period

- Acquisitions:

- Disposals:

- Revaluations:

- Transfers:

Cost or valuation at end of reporting period:

Depreciation and impairment

Cumulative depreciation brought forward at beginning of reporting period:

Movement during reporting period

- Adjustments on disposal:

- Depreciation charged:

- Impairment provisions made/(reversed):

- Transfers:

Cumulative depreciation charged at end of reporting period:

Net book value

Net book value at beginning of reporting period:

Total movements during reporting period:

Net book value at end of reporting period:

	2015 Total £	2014 Total £
Cost or valuation at beginning of reporting period:	1,448,088	1,436,667
Movement during reporting period		
- Acquisitions:	3,985	11,421
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	1,452,073	1,448,088
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	(860,929)	(761,190)
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	(99,824)	(99,739)
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	(960,753)	(860,929)
Net book value		
Net book value at beginning of reporting period:	587,160	675,477
Total movements during reporting period:	(95,839)	(88,318)
Net book value at end of reporting period:	491,321	587,159

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18.b Equipment, fixtures and fittings	2015 Total £	2014 Total £
Cost or valuation		
Cost or valuation at beginning of reporting period:	732,993	710,388
Movement during reporting period		
- Acquisitions:	23,839	22,605
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	756,832	732,993
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	(632,447)	(605,686)
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	(25,815)	(26,761)
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	(658,262)	(632,447)
Net book value		
Net book value at beginning of reporting period:	100,546	104,702
Total movements during reporting period:	(1,976)	(4,156)
Net book value at end of reporting period:	98,570	100,546

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18.c Computer equipment	2015	2014
Cost or valuation	Total	Total
	£	£
Cost or valuation at beginning of reporting period:	1,763,372	1,697,875
Movement during reporting period		
- Acquisitions:	50,179	65,497
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	1,813,551	1,763,372
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	(1,649,419)	(1,602,921)
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	(51,539)	(46,498)
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	(1,700,958)	(1,649,419)
Net book value		
Net book value at beginning of reporting period:	113,953	94,954
Total movements during reporting period:	(1,360)	18,999
Net book value at end of reporting period:	112,593	113,953

19 Heritage assets

The Society classifies the following assets as Heritage Assets within the terms defined by the Charities SORP 2015:

- (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.

This is a change in accounting policy, adopted by the Society in 2015. Previously assets were valued on the basis of a valuation carried out in 2000 and were not depreciated. For the reasons set out above this was deemed not to reflect the economic value of the assets to the Society.

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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Heritage Assets	2015	2014
	Total	Total
Cost or valuation	£	£
Cost or valuation at beginning of reporting period:	1,491,154	1,387,698
Movement during reporting period		
- Acquisitions:	132,390	103,456
- Disposals:	-	-
- Revaluations:	-	-
- Transfers:	-	-
Cost or valuation at end of reporting period:	1,623,544	1,491,154
Depreciation and impairment		
Cumulative depreciation brought forward at beginning of reporting period:	(539,608)	(465,051)
Movement during reporting period		
- Adjustments on disposal:	-	-
- Depreciation charged:	(80,909)	(74,557)
- Impairment provisions made/(reversed):	-	-
- Transfers:	-	-
Cumulative depreciation charged at end of reporting period:	(620,517)	(539,608)
Net book value		
Net book value at beginning of reporting period:	951,546	922,647
Total movements during reporting period:	51,482	28,899
Net book value at end of reporting period:	1,003,028	951,546
Analysis of Net Book Value by class of assets:		
(i) General holdings	20,000	24,000
(ii) Books	38,332	35,833
(iii) Bindings	56,638	55,044
(iv) Maps	31,003	28,060
(v) Periodicals	857,054	808,609
	1,003,027	951,546

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The Charities SORP 2015 requires that the Society provide a 5 year summary of Heritage Asset transactions. This is set out below:

	2015	2014	2013	2012	2011
Heritage Assets	£	£	£	£	£
Cost of acquisition					
(i) General holdings	-	-	-	-	-
(ii) Books	5,961	1,269	2,840	2,247	2,958
(iii) Bindings	6,235	6,824	5,930	4,964	7,305
(iv) Maps	5,267	1,447	1,417	1,308	4,532
(v) Periodicals	114,928	93,916	109,994	96,964	106,269
	<u>132,391</u>	<u>103,456</u>	<u>120,181</u>	<u>105,483</u>	<u>121,064</u>
Value of donated assets:					
All asset classes	-	-	-	-	-
Carrying amount of disposals:					
All asset classes	-	-	-	-	-
Proceeds from disposals:					
All asset classes	-	-	-	-	-
Impairments recognized:					
All asset classes	-	-	-	-	-

Assets are reviewed on an annual basis for any impairments in value other than depreciation already accounted for.

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20 Fixed asset investments

Fixed asset investments include equities and bonds held by the Society to generate income, associated portfolio cash and a loan made in 2013 to Petroleum Geology Conferences Limited, an associated company in which the Society holds a 1/3 interest. The loan was to provide working capital for the 8th Petroleum Geology Conference in September 2015. It became repayable when the conference took place together with any surplus or deficit arising from the event, which was shared jointly in the same proportion as ownership interest.

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 note 6 to the Financial Statements.

Summary of Investment Totals	2015 Total £	2014 Total £
Total listed and traded investments (note 20.a)	5,372,024	5,490,384
Total other investments (note 20.b)	153,392	97,571
Less loan (note 20.b)	-	(15,000)
Total shown against investment summary above:	<u>5,525,416</u>	<u>5,572,955</u>

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

20.a Listed and traded investments analysis	2015 Total £	2014 Total £
Market valuation at beginning of reporting period:	5,490,382	5,512,869
Purchases in year at cost:	3,644,456	2,139,467
Sales in year at cost:	(3,581,077)	(2,136,628)
Market revaluation of assets:	(181,737)	(25,324)
Market valuation at end of reporting period:	<u>5,372,024</u>	<u>5,490,384</u>
Analysis of gains and losses		
Gains / (losses) realized on sale or disposal:	153,843	103,849
Unrealized gains / (losses) on revaluation:	(181,737)	(25,324)
Market value adjustment	5,817	-
Total gains / (losses) on investment assets:	<u>(22,077)</u>	<u>78,525</u>

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20.b Other investments

Current year

Market valuation at beginning of reporting period:

Additions in year (sales):

Disposals in year (purchases):

Other charges:

Market valuation at end of reporting period:

	Portfolio		2015
	Cash	Loan	Total
	£	£	£
Market valuation at beginning of reporting period:	82,571	15,000	97,571
Additions in year (sales):	3,734,921	-	3,734,921
Disposals in year (purchases):	(3,644,456)	(15,000)	(3,659,456)
Other charges:	(19,644)	-	(19,644)
Market valuation at end of reporting period:	153,392	-	153,392

Other investments

Prior year

Market valuation at beginning of reporting period:

Additions in year (sales):

Disposals in year (purchases):

Other charges:

Market valuation at end of reporting period:

	Portfolio		2014
	Cash	Loan	Total
	£	£	£
Market valuation at beginning of reporting period:	17,517	15,000	32,517
Additions in year (sales):	2,240,477	-	2,240,477
Disposals in year (purchases):	(2,139,466)	-	(2,139,466)
Other charges:	(35,957)	-	(35,957)
Market valuation at end of reporting period:	82,571	15,000	97,571

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20.c Significant investments held

FRS 102 requires that material amounts held within investment classes must be individually identified. The table below sets out all individual holdings with a market valuation of £100,000 or greater as at 31 December 2015:

Asset	Market value at 31 Dec 2015 £
Bonds: -	
GOLDMAN SACHS GLOBAL HIGH YIELD PORTFOLIO	218,916
NEUBERGER BERMAN HIGH YIELD BND CL I2 GBP	232,477
UBAM SICAV GBL H/Y SOLUTION IHD GBP	274,886
	<u>726,279</u>
Equities: -	
ASTRAZENECA PLC COM STK USD0.25 (GBP)	193,062
BARCLAYS PLC ORD 25P	100,164
BEAZLEY PLC 0.05 GBP	149,275
BRIT AMER TOBACCO ORD 25P	174,560
DIAGEO PLC GBP 0.28935	110,685
GLAXOSMITHKLINE ORD 25P	134,430
HSBC HOLDINGS PLC USD0.50 (GBP)	127,117
IG GROUP HLDGS PLC ORD 0.005P	137,605
PRUDENTIAL PLC ORD 5P	121,301
RECKITT BENCKISER ORD 10P	201,620
RELX PLC ORD 14.44P	129,659
ROYAL DUTCH SHELL EUR0.07 SHS B (GBP)	174,945
SAGE GROUP PLC GBP 0.01051948	113,114
UBS ETF SICAV MSCI EMU SHARES A DIS (GBP)	154,630
UNILEVER PLC GBP0.03111	114,690
VANGUARD FUNDS PLC FTSE 100 UCITS ETF GBP INC	173,777
VODAFONE GROUP PLC USD0.2095238 (GBP)	192,811
	<u>2,503,445</u>
Property and other funds: -	
CHARITIES PROPERTY INCOME UNITS (GBP)	808,987
ALPES 2008 LP II. VALUATION	201,354
	<u>1,010,341</u>

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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 a depreciation 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 depreciation 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.

	2015 Total £	2014 Total £
Stock at end of reporting period		
Geological Society finished stock:	271,196	284,955
Geological Society Work In Progress:	105,607	76,640
Third-party sale stock:	17,646	7,748
	394,449	369,343
Total finished stock:	288,842	292,704
Total work in progress:	105,607	76,640
	394,449	369,343

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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 Charities SORP 2015. Debt over 12 months old is provided for in full. Where this provision is adjusted for material changes year on year, the charge or credit is taken to the Statement of Financial Activities.

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Debtors at end of reporting period				
Trade debtors				
- amounts falling due within 1 year:	222,465	256,973	214,243	228,566
- amounts falling due older than 1 year:	64,328	50,219	64,328	50,219
- provision for doubtful debts:	(64,446)	(53,546)	(64,446)	(53,546)
Sub-total	222,347	253,646	214,125	225,239
Amounts owed by group and associated undertakings				
- amounts falling due within 1 year:	-	-	26,690	35,653
Prepayments and accrued income				
- amounts falling due within 1 year:	79,845	41,194	79,845	41,194
Other debtors				
- amounts falling due within 1 year:	26,885	154,669	26,885	154,669
Total debtors	329,077	449,509	347,545	456,755

Except where stated above, all amounts fall due within 1 year.

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 20), and consists primarily of US dollar 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.

	2015 Total £	2014 Total £
Current asset investments at end of reporting period		
Money market account:	1,663,261	1,699,662
Deposit accounts	264,279	264,279
	1,927,540	1,963,941

24 Cash at bank and in hand

The Society has previously included its money market and deposit accounts under the heading of cash at bank and in hand. These are now shown separately, as current asset investments, per note 23. In addition the 2014 total for cash at bank and in hand has been re-stated in order to correct an error in which cash received was double-counted. These changes are reconciled below:

	Original value 2014 £	Correction £	Re-stated value 2014 £
Cash at bank and in hand	975,845	(58,378)	917,467
Cash now shown as current asset investments	1,963,941	-	1,963,941
	<u>2,939,786</u>	<u>(58,378)</u>	<u>2,881,408</u>

The correction stated here and at note 25 also re-state the income shown in 2014 against the Publishing activity. This is increased by a net value of £149,313.

25 Creditors: amounts falling due within one year

Creditors falling due within one year 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 Charities SORP 2015. There are no amounts falling due to creditors after one year.

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Creditors falling due within one year as at end of reporting period				
Trade creditors:	(249,476)	(92,388)	(246,686)	(89,380)
Amounts owed to group and associated undertakings:	-	-	-	-
Accruals and deferred income:	(2,245,381)	(1,947,408)	(2,245,381)	(1,947,408)
Taxation and social security:	(84,358)	(56,112)	(76,206)	(49,046)
Other creditors:	(42,545)	(29,867)	(42,545)	(29,867)
	<u>(2,621,760)</u>	<u>(2,125,775)</u>	<u>(2,610,818)</u>	<u>(2,115,701)</u>

The 2014 totals for accruals and deferred income have been re-stated in order to correct an error that resulted in deferred income being over-stated for that year:

	Original value 2014 £	Correction £	Re-stated value 2014 £
Accruals	244,911	-	244,911
Deferred income	1,910,188	(207,691)	1,702,497
Total	<u>2,155,099</u>	<u>(207,691)</u>	<u>1,947,408</u>

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26 Funds summary

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

Current year funds summary

2015 Fund type	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance C/fwd £
Unrestricted income	4,994,706	5,362,224	(5,049,455)	-	(7,402)	5,300,073
Restricted income	2,088,780	68,511	(71,820)	-	(7,412)	2,078,059
Endowment funds	1,861,199	67,088	(119,368)	-	(7,262)	1,801,657
Total funds & reserves	8,944,685	5,497,823	(5,240,643)	-	(22,076)	9,179,789

Prior year funds summary

2014 Fund type	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance C/fwd £
Unrestricted income	4,307,999	5,192,055	(4,531,676)	-	26,328	4,994,706
Restricted income	2,056,496	88,074	(82,159)	-	26,369	2,088,780
Endowment funds	1,885,545	86,270	(136,444)	-	25,828	1,861,199
Total funds & reserves	8,250,040	5,366,399	(4,750,279)	-	78,525	8,944,685

Note: the unrestricted funds of the charity for 2015, as opposed to the consolidated group, are £5,323,351, as they exclude the loss of £23,278 made by the subsidiary company in that year.

27 Unrestricted funds

The Society holds the following unrestricted funds:

a. General funds

The Society's General funds are those that arise from balances of unrestricted income not otherwise allocated to specific or designated funds.

b. Curry funds

Funds arising from donations made by Dennis and Albert 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. 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.

d. 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.

e. Bicentenary projects fund

As a part of its bicentenary activities in 2007, the Society raised sponsorship funding to facilitate a number of improvement projects, including creation of the Lyell Centre within the library at Burlington House. The value of this fund is gradually being drawn down against the depreciation of this asset and should reach zero in 2017.

f. Lyell Centre fund

With the creation of the Lyell Centre it was anticipated that development of electronic resources, digitization and access would drive an ongoing requirement for further funding. A contingency fund was created, therefore, to cover such costs and ensure ongoing development should there be a shortfall in other revenue funding. Since 2012 it has not proved necessary to draw down against this fund, although for the time being it remains in place as a designated contingency item.

g. Educational outreach

In its bicentenary year the Society set aside funds to support educational outreach activities. These funds have begun to be used in 2014 to support the Society's Schools Geology programme and this usage is expected to expand in 2015 and future years.

h. 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 in its broadest sense. Although the fund has remained untouched since 2007, it is proposed that it be used in 2015 and beyond to contribute towards the Society's increased Research Grants Scheme.

i. Mills fund

In 2013 the Society was notified of a legacy from Mr Stephen Mills, the greater part of which have now been received.

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Analysis of these funds is set out below.

Current year summary of unrestricted income fund movements

2015 Funds	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance C/fwd £
<i>General funds -</i>						
a. General funds	361,206	5,238,328	(4,922,232)	(390,000)	-	287,302
b. Curry funds	2,910,159	66,813	(11,395)	-	(7,232)	2,958,345
Sub total:	<u>3,271,365</u>	<u>5,305,141</u>	<u>(4,933,627)</u>	<u>(390,000)</u>	<u>(7,232)</u>	<u>3,245,647</u>
<i>Designated funds -</i>						
c. Constituted groups	129,442	57,083	(50,974)	-	(170)	135,381
d. Buildings fund	969,995	-	-	390,000	-	1,359,995
e. Bicentenary projects	41,623	-	(19,188)	-	-	22,435
f. Lyell Centre	46,191	-	-	-	-	46,191
g. Educational outreach	173,337	-	(45,666)	-	-	127,671
h. Welch fund	199,237	-	-	-	-	199,237
i. Mills fund	163,516	-	-	-	-	163,516
Sub total:	<u>1,723,341</u>	<u>57,083</u>	<u>(115,828)</u>	<u>390,000</u>	<u>(170)</u>	<u>2,054,426</u>
	<u>4,994,706</u>	<u>5,362,224</u>	<u>(5,049,455)</u>	<u>-</u>	<u>(7,402)</u>	<u>5,300,073</u>

The Society transferred £390,000 from General funds in 2014 to the designated Buildings Fund in order to set aside money against the costs of maintaining Burlington House under its lease obligations and to create a contingency to cover further costs that may arise as a result of ongoing negotiations with the landlord over new lease arrangements. A similar sum has been set aside from the 2015 year end surplus.

28 Restricted income funds

a. Bicentenary fund

The Bicentenary Fund was raised as part of the Society's bicentennial activities in 2007 and is applicable to activities relating to the Bicentenary Appeal. This funded the refurbishment of the Society's Council Room and the fund is drawn down against the annual depreciation charges made against this capital outlay. It is anticipated that the fund will reach a zero balance in 2017.

b. Fossil fish fund

A fund created specifically to sponsor the costs of cleaning, conserving and digitizing 2,000 drawings of fossil fish from the Society's archive. As at December 2014, less than £10,000 remains in this fund.

c. Coke fund

A fund that is available for general purposes other than the purchase of property. At present the majority of the fund is invested.

d. Pool C

A collection of smaller restricted funds for the purpose of financing memoirs, publications and other specified activities.

e. Pool D

A collection of smaller restricted funds for the purpose of financing medals and awards.

f. Distinguished geologists' memorial fund

A fund to support professional training.

g. Mike Coward memorial fund

A fund to support field work in structural and tectonic geology.

Analysis of these funds is set out below.

Current year summary of restricted income fund movements

2015 Funds	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance C/fwd £
a. Bicentenary fund	87,274	-	(31,556)	-	-	55,718
b. Fossil fish fund	5,750	20	(2,829)	-	-	2,941
c. Coke fund	1,334,426	44,815	(7,643)	-	(4,851)	1,366,747
d. Pool C	236,973	7,959	(1,358)	-	(861)	242,713
e. Pool D	296,486	11,423	(27,702)	-	(1,236)	278,971
f. Memorial fund	76,326	2,563	(437)	-	(277)	78,175
g. Coward fund	51,545	1,731	(295)	-	(187)	52,794
	<u>2,088,780</u>	<u>68,511</u>	<u>(71,820)</u>	<u>-</u>	<u>(7,412)</u>	<u>2,078,059</u>

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.

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. In 2014 a research grant was provided from this fund.

Analysis of these funds is set out below.

Current year summary of endowment fund movements

2015 Funds	Balance B/fwd £	Income £	Expenditure £	Transfers £	Gains & Losses £	Balance C/fwd £
a. Fermor	1,813,199	67,088	(119,368)	-	(7,262)	1,753,657
b. Robert Scott	48,000	-	-	-	-	48,000
	<u>1,861,199</u>	<u>67,088</u>	<u>(119,368)</u>	<u>-</u>	<u>(7,262)</u>	<u>1,801,657</u>

30 Summary of net assets by funds category

		2015 Total £	2014 Total £
Unrestricted funds	Fixed assets	1,535,683	1,531,875
	Investments	1,852,555	1,868,493
	Net current assets	1,911,836	1,594,337
		<u>5,300,074</u>	<u>4,994,705</u>
Restricted funds	Fixed assets	218,814	250,369
	Investments	1,855,438	1,871,402
	Net current assets	3,807	(32,990)
		<u>2,078,059</u>	<u>2,088,781</u>
Endowment funds	Fixed assets	-	-
	Investments	1,817,422	1,833,059
	Net current assets	(15,766)	28,140
		<u>1,801,656</u>	<u>1,861,199</u>
	<u>9,179,789</u>	<u>8,944,685</u>	

31 Reserves

Free reserves are calculated under the Charities SORP 2015 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.

SORP 2015 Calculation

		2015 £	2014 £
Investments held in unrestricted funds		1,852,555	1,868,493
Net current assets held in unrestricted funds		1,920,797	1,594,337
		<u>3,773,352</u>	<u>3,462,830</u>
<i>Less</i> investments and assets held in designated funds		(2,054,427)	(1,723,341)
	Free Reserves	<u>1,718,925</u>	<u>1,739,489</u>
Reserves Policy is to maintain a free reserve equivalent to 1 year of core operational expenditure (within a range of +/- 20%). Core operational expenditure is taken to be the sum expended on charitable activities during the year, as reported on the Statement of Financial Activities. For the current and previous reporting years this figure is:		£	£
		<u>4,992,198</u>	<u>4,532,721</u>
Free Reserves expressed as a percentage of Core Operational Expenditure:		<u>34.4%</u>	<u>38.4%</u>

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Note: under the previous accounting regime provided by the Charities SORP 2005, the calculation of free reserves did not exclude designated funds. By comparison, therefore, with the free reserves as stated in prior year accounts the calculation was as follows:

SORP 2005 Calculation	2015 £	2014 £
Investments held in unrestricted funds	1,852,555	1,868,493
Net current assets held in unrestricted funds	1,911,836	1,594,337
Free Reserves	<u>3,764,391</u>	<u>3,462,830</u>
Reserves Policy is to maintain a free reserve equivalent to 1 year of core operational expenditure (within a range of +/- 20%). Core operational expenditure is taken to be the sum expended on charitable activities during the year, as reported on the Statement of Financial Activities. For the current and previous reporting years this figure is:	£	£
	4,992,198	4,532,721
Free Reserves expressed as a percentage of Core Operational Expenditure:	<u>75.4%</u>	<u>76.4%</u>

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:

Geological Trading Limited	2015 Total £	2014 Total £
Summary balance sheet		
Assets		
- debtors:	17,185	28,409
- cash at bank and in hand:	6,133	17,319
Liabilities		
- creditors falling due within one year:	(46,593)	(45,726)
	<u>(23,275)</u>	<u>2</u>
Funds		
- retained profit / (losses):	(23,277)	-
- share capital:	2	2
	<u>(23,275)</u>	<u>2</u>

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

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Geological Trading Limited	2015 Total £	2014 Total £
Summary statement of income and expenditure		
Turnover:	80,458	75,674
Cost of sales:	(45,500)	(29,370)
Administrative expenses:	(49,274)	(1,500)
Operating profit / (loss) before taxation	(14,316)	44,804
Tax liability	(8,961)	-
Net profit / (loss) after taxation	(23,277)	44,804
Amount for year to be donated to GSL under Gift Aid	-	44,804
Losses b/fwd from previous years	-	-
Net amount to be donated to GSL under Gift Aid	-	44,804

33 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2015 Total £,000	2014 Total £,000
Net income / (expenditure) for the reporting period as per Statement of Financial Activities:	235,104	694,645
<i>Adjusted for -</i>		
Depreciation charges:	289,819	277,402
(Gains) / losses on investments:	22,076	(78,525)
Dividends and interest from investments:	(206,116)	(267,372)
Loss / (profit) on the sale of fixed assets:	-	-
(increase) / decrease in stocks:	(25,106)	(96,515)
(increase) / decrease in debtors:	120,432	97,255
increase / (decrease) in creditors:	495,985	(271,248)
Net cash provided by operating activities:	932,195	355,641

34 Analysis of cash and cash equivalents

	2015 Total £,000	2014 Total £,000
Cash in hand:	1,870,568	917,467
Notice deposits (less than 3 months):	1,927,540	1,963,941
Overdraft facilities:	-	-
Total cash and cash equivalents:	3,798,108	2,881,408

35 Reconciliation of changes resulting from adoption of FRS 102

With the adoption of the new FRS 102 accounting standard as part of the Charities SORP 2015, the Society is required to provide a reconciliation of changes made as a result of this new standard to accounts already published - i.e. the 2014 comparative figures presented in these accounts. These are detailed in note 36 concerning accounting policy changes as there are no further material adjustments arising under FRS 102 apart from those detailed below and already formally adopted by the Society.

36 Reconciliation of accounting policy changes with prior year statements of account

This note explains how the adoption of the new accounting policies set out in Note 1 have re-stated the figures shown for 2014 and how those figures in this year's financial statements may be reconciled with those provided in the statement published last year.

36.a Heritage Assets

Heritage Assets were previously shown as non-depreciating assets on the balance sheet and as a mixture of assumed market value (for acquisitions made prior to 2001) and actual cost value (for acquisitions made thereafter). The total value shown on the balance sheet as at 31 December 2014 comprised:

	£
Assumed market valuations (assets prior to 2001):	13,291,276
Cost value of assets acquired from 2001:	1,491,154
	14,782,430

The balance sheet at 31 December 2014 also contained a Revaluation Reserve within the Designated Funds section to the value of the assumed market valuations, i.e. £13,291,276. This reserve had not been altered by subsequent acquisitions so the value of purchases made since 2001 was included within the General Fund total.

The effect of the accounting policy change is twofold:

- (i) To remove the assumed market value from the Heritage Assets section in the top half of the balance sheet and, at the same time to remove the Revaluation Fund from the bottom half.

	Original Published Accounts 2014 £	Effect of Change £	Re-stated Accounts 2014 £
Heritage assets	14,782,430	(13,291,276)	1,491,154
Revaluation reserve	13,291,276	(13,291,276)	-

- (ii) To apply depreciation to the acquisitions made at cost since 2001 to reduce the stated asset value:

	£	£
Re-stated asset value at cost:		1,491,154
Cumulative depreciation relating to 2001 to 2013:	(465,051)	
Depreciation chargeable for 2014:	(74,558)	
Total depreciation chargeable to Dec 31 2014:		(539,608)
Net asset value at 31 Dec 2014 after depreciation charged:		951,546

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36.b Redefinition of income and expenditure categories

The categorization of income and expenditure on the Statement of Financial Activities has been reviewed in the light of guidance under the Charities SORP 2015 and adjusted so that it more clearly reflects the ongoing activities of the Society. The following table shows the effect of that translation on the 2014 figures in the original and re-stated Statement of Financial Activities for 2014.

Category	Original Published Accounts 2014 £	Effect of Change £	Re-stated Accounts 2014 £
Income			
Donations	2,154	-	2,154
Investments	267,371	-	267,371
Room hire & catering	290,579	19,352	309,931
Science & education (formerly Conferences & events)	881,790	(110,899)	770,891
Professional & academic standards (formerly Fellowship)	1,688,563	(1,202,467)	486,096
Publishing	2,086,629	716,850	2,803,479
Library (formerly included in Fellowship)	-	726,478	726,478
Total income	5,217,086	149,313	5,366,399
Expenditure			
Room hire & catering	164,626	55,888	220,514
Investments	24,123	9,871	33,994
Science & education (formerly Conferences & events)	929,077	172,690	1,101,767
Professional & academic standards (formerly Fellowship)	1,817,410	(1,404,912)	412,498
Publishing	1,695,151	433,783	2,128,934
Library (formerly included in Fellowship)	-	852,573	852,572
Governance costs (now reallocated in overhead)	45,335	(45,335)	-
	4,675,722	74,558	4,750,279

Note - expenditure is increased in total by the inclusion of Heritage Asset depreciation, as per note 38.a, which was not originally charged in 2014.

The redistribution of overhead costs is further explained in note 36.d following.

36.c Re-distribution of Fellowship and Corporate Affiliate fee income

Previously income collected relating to Fellowship fees and Corporate Affiliate (company membership) fees was allocated only to the activity against which it was collected, i.e. Fellowship for Fellowship Fees and Conferences for Corporate Affiliate fees. As this does not reflect the benefit received by individuals or bodies making such payments and, thereby, does not allocate the income earned to those activities providing the benefit, the policy for treatment of these fees has changed to reflect usage.

The direct effect on the Statement of Financial activities for 2014 is included in note 36.b above.

	£	£
Core Fellowship fees collected - originally allocated in full to 'Fellows'		1,432,953
Allocation to library for access and resources:	641,175	
Allocation to Publishing for included publications:	543,939	
Allocation to Science for discounted event entry:	32,849	
Allocation to Standards to cover costs of administration:	<u>214,990</u>	
Total re-allocated Fellowship fee income:		1,432,953
	Collected	Allocated
	£	£
Net effect on Fellows/Standards	<u>1,432,953</u>	<u>214,990</u>
		<u>(1,217,962)</u>

36.d Re-allocation of support and overhead costs

Previous methods of overhead cost identification and allocation to front-line activities were based upon historic assumptions that have not been updated. The identification and allocation of overhead costs has been overhauled, therefore, to provide a transparent method that sits within the guidance provided by the Charities SORP 2015.

The Society recognizes 3 types of overhead cost under the new method which are allocated on a basis to reflect fair usage of the facilities or support services that they represent. These are:

- (i) Facilities - being the running costs associated with Burlington House (the running costs of the Publishing House are allocated 100% to the Publishing activity);
- (ii) Support staff - being the staff and office costs of administrative and professional support to the Society from the likes of IT, Finance, HR, etc.
- (iii) Governance costs - being trustees costs and the costs of audit and the Annual Report.

Note 8 sets out in more detail how these costs are allocated. This note explains how that re-allocation reconciles with the costs originally stated for the year ending 31 December 2014 and shown above in the expenditure table at note 38.b

The original allocation of direct and overhead costs in the 2014 published accounts was as follows:

	Publishing £	Science (Conferences) £	Standards (Fellows) £	Trading, Investment & Other £	Total £
Direct expenditure	763,435	532,331	660,757	188,749	2,145,272
Support costs	931,716	396,746	1,156,653	-	2,485,115
Governance	-	-	-	45,335	45,335
	<u>1,695,151</u>	<u>929,077</u>	<u>1,817,410</u>	<u>234,084</u>	<u>4,675,722</u>

No support costs were attributed to trading, investment or other activities and the costs of governance were not re-distributed across charitable activities.

Within this model £2,530,450 was identified as the total amount of overhead (support and governance costs) to re-allocate. Note 8 sets out specifically those costs identified as overheads and how the new model re-allocates these costs to front-line activities. For 2014 the total amount identified as overheads under the new model is £1,438,711. The difference between these two totals is explained below.

	£
Total overhead cost originally identified for 2014 under 'old' model:	2,530,450
Publishing staff now treated as direct costs to Publishing	(674,537)
Science & education staff now treated as direct cost under Science	(187,853)
Geoscientist staff now treated as direct cost under Publishing	(42,186)
Fellowship staff now treated as direct cost under Standards	(112,155)
Fellowship office running costs treated as direct cost under Standards	(75,008)
Total overhead cost identified for 2014 under 'new' model:	<u>1,438,711</u>