



**BIOCHEMICAL
SOCIETY**

**Trustees' Report and
Accounts for the year
ended 31 December 2022**

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OUR MISSION

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

PUBLIC BENEFIT STATEMENT

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

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

Registered charity name: Biochemical Society
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FOREWORD FROM OUR PRESIDENT AND CHIEF EXECUTIVE

2022 was an exciting year for the Group as we moved into a new [3-year strategic period](#) that cemented a focus on [Equality Diversity and Inclusion](#) (EDI) and committed us to continued innovation and collaboration to deliver support and services for our community. Our former President, Professor Sir Pete Downes, finished his term of office in July after a successful 5-year term, and handed over to Professor Dame Julia Goodfellow with whom the Group are delighted to be working as we move into the next strategic phase for the organization.

We ran our busiest [events programme](#) to date in 2022, which saw a full return to face-to-face activities for the Society, together with live streaming of all scientific meetings. There was a total of 41 scientific events held, including 11 scientific meetings and three Harden Conferences. Webinars remained very well attended with our two most popular webinars of the year, [AlphaFold 2 structure modelling](#) and [The Janet Thornton 2021 Award Lecture](#) drawing over 500 attendees in total. Sponsorship for events returned to pre-pandemic levels, with good levels of support across the 2022 programme from both regular and new sponsors.

The return to face-to-face activities was accompanied by a significant uplift in our [grant awards](#), with more than £309k provided to support members of the molecular biosciences community across 32 different countries. This included awards from two funding schemes reopened in 2022; the [Eric Reid Fund](#) and the [Krebs Memorial Scholarship](#), which was reopened for the first time since 2019 with updated criteria to cover those impacted by the coronavirus pandemic. We were also delighted to accept a donation of the remainder of the Korner Travelling Fellowship Fund from the University of Sussex which is being used to fund student and early career member's travel to laboratory visits abroad.

We continued our commitment to digital development and innovation with the Society's new website delivered in December, the culmination of a cross-Society project that has brought in greater levels of automation and behaviour-based surfacing of content alongside advanced search functionality, all as part of an entirely refreshed design. Our IT infrastructure review continued, with the delivery of a new membership system in November to support more accurate reporting and improved running of the Society's membership operation, and a solidifying of the Group's approach to cyber security with the introduction of advanced threat protection for emails and an upscaling of our identity protection efforts. 2022 also saw the Society's Twitter account [@BiochemSoc](#) hit the significant milestone of 30k followers, as we increased posts across all our social platforms by 67%.

Our focus on supporting key community groups saw us review the activities of our [Industry](#) and [Early Career](#) Advisory Panels, with the former meeting for the first time in 2022 as we look to ensure all relevant aspects of industry are represented within the panel's membership. Some of the Society's [Local Ambassadors](#) represented the Society at local careers fairs and public engagement events as we successfully trialed a new 'train the trainers' approach to public engagement from early 2022. This has allowed the Society to reach wider audiences without the need for staff to be present, something that was previously a limiting factor in increasing our reach in this area.

Our commitment to placing EDI at the heart of all that we do, saw us deliver our second annual EDI Data Survey in May 2022 which showed that 63% of our community respondents agreed, or strongly agreed, that EDI considerations are embedded within the Society's culture. The [EDI Advisory Panel](#) continued to support a number of cross-Group activities, most notably the

nominations process for vacancies on Society boards and committees. This introduced a refreshed approach to the nominations process, including the use of more inclusive language, the recognition of lived experience alongside specific career expertise and the development of a more transparent approach to appointments. We will continue to refine the process as we move through 2023 to ensure we are attracting diverse and representative candidates to our decision-making groups.

The remote working model for staff that the Group adopted in response to the first coronavirus lockdown in March 2020 is now fully embedded with ~50% of staff now based outside London, or outside a reasonable regular commuting distance to London. Our commitment to remote working has allowed us to maintain flexible working options for staff, for example those with caring responsibilities and/or disabilities, as part of our wider EDI commitment, with 2022 delivering our lowest staff turnover rate for 4 years. We are proud to be operating an innovative and forward-thinking staffing model and will continue to develop our approach to ensure we remain at the forefront of agile working.

Our wholly owned subsidiary, [Portland Press](#), continued to operate successfully, despite seeing a downward trend in research submissions and publications compared with previous years, as was the case across the sector. Our total publications decreased by over a third in 2022, mostly as a result of less content in [Bioscience Reports](#) (BSR), which published approximately half as many articles compared to 2021, in part due to the continued impact of papermills. We also saw a significant decrease in article publishing charge (APC) revenue by publication, largely as a result of the decrease in published articles within BSR. Significant commissioning efforts continue to be used to drive more submissions from key subject areas and institutions to address these issues.

Other metrics trended favourably, including production timelines consistently at, or significantly below, the 28-day target across the year and institutional usage up by ~35% compared to 2021. Total usage was at its highest for the year during November, with our content receiving ~535k article views in total.

We renewed the Society's long-standing commitment to [open scholarship](#) as part of our 2022–2025 strategy, in line with EDI considerations being at the heart of our activities. This saw a continued assessment of the options available for the introduction of fully open access (OA) routes to publishing in all our journals, with an emphasis on this being delivered in a fair and sustainable manner. The proportion of OA articles in hybrid journals increased significantly during the year, in particular in both the [Biochemical Journal](#) and [Biochemical Society Transactions](#) which stood at 59% and 55% respectively by December.

2022 saw new agreements signed with University of California and the TIB German consortium as well as institutions in the UK, Europe, USA, Taiwan and Hong Kong. Read & Publish (transformative) agreements continued to produce positive results in shifting the balance of articles towards OA. In 2022 the programme continued to internationalize; an important negotiation with University of California Digital Libraries resulted in a deal which covers all campuses alongside participation from institutions in Taiwan and Hong Kong.

As always, we thank our Trustees, Members of PPL Board, Local Ambassadors, Editorial Board members, Society members, peer reviewers, authors, partner organizations and staff team for their ongoing support and commitment that allows us to deliver for our community.

**Professor Dame Julia Goodfellow
President, Biochemical Society**

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

STRATEGIC REPORT ON GROUP ACTIVITIES

The trustees present their report and the audited financial statements for the year-end date. Reference and administrative information set out on page x forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

2022 saw the Group transition into a new 3-year strategic period, developing and innovating offerings and activities to support the molecular bioscience community. What follows is an assessment of Group business within this period as it relates to the strategic objectives from the 2019 – 2022 strategy. Operational objectives for the current 2022 – 2025 strategy were agreed in November 2022 and as such will be reported on from 2023 onwards. Further details are included on page 22 of this report.

Bringing together molecular bioscientists

Key objectives

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

2022 saw our [webinar programme](#) firmly embedded in our events programme, following its initial introduction during the coronavirus pandemic in 2020. We ran a reduced programme of 14 webinars compared to the 24 run in 2021 due to the return of a full face-to-face events programme, but attendance remained high with a total of 1,629 live attendees across the programme and a further 989 views on Vimeo¹, with registrants from 91 different countries. Total views of the whole webinar series so far have now reached over 23k. Webinar topics continued to cover a range of subjects with opportunities for both members and staff to suggest topics of interest. Our most popular webinar of 2022, [Alphafold 2 structure modelling](#), attracted 336 attendees, a higher attendance figure than any webinar achieved in the 2021 programme. Information on career stage and/or category is captured at the point of registration.

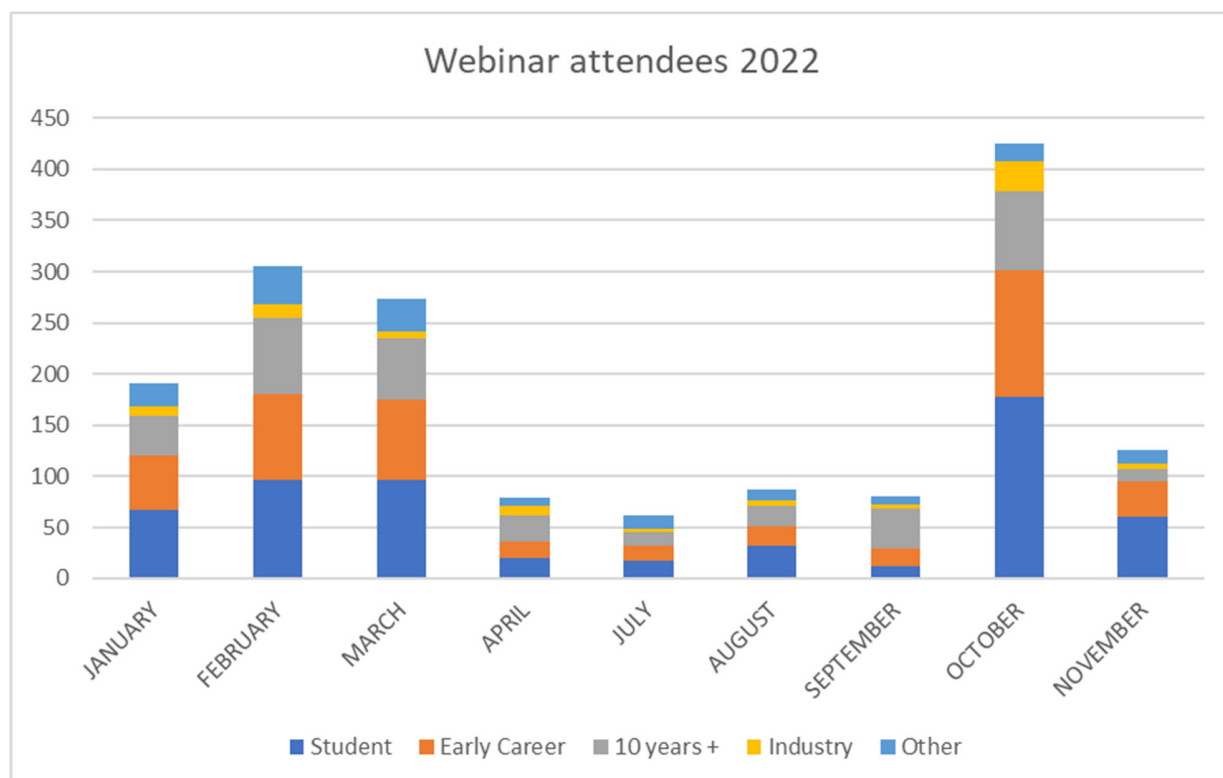


Figure 1: Bar chart to show breakdown of webinar attendees across 2022.

¹ Vimeo is a video hosting, sharing, and services platform provider.

Three Early Career (EC) webinars were run during the year; [Developments in glycobiology](#), [New advances in DNA structure, repair, and protein quantification](#) and [Cellular behaviour in disease models](#), achieving a combined total of 220 attendees and providing an opportunity for EC scientists to come together to connect and discuss topics of interest. EC members continued to be key contributors on many of our governance boards and panels, including our EC Trustee Representative and on our [Early Career Advisory Panel](#), which fed into discussions related to training, policy priorities, and scientific events and conferences.

The EC Editorial Board Mentorship scheme pilot concluded in 2022 after an 18-month period, during which EC members were able to gain experience with the editorial processes and activities relevant to an Editorial Board member. There were some very positive outcomes, with more than 80% of EC mentee respondents saying they felt highly or very confident in completing core Editorial Board paper handling tasks, and 70% confirming they had been engaged in discussions concerning content ideas and/or journal strategies. A detailed review of all feedback is currently being conducted with a view to refreshing the scheme ahead of a potential relaunch later in 2023.

Plans for an [EC Editorial Advisory Panel](#) for our journal Neuronal Signaling were put in place at the end of 2022 and this has since been launched; with EC members also leading on the December 2022 issue of [Emerging Topics in Life Sciences](#).

A review of our [Industry Advisory Panel](#) took place in 2022 to ensure members were fully engaged in the Society's next phase of strategy and sees the panel's expertise now cover four industry areas; drug discovery, goods/services, agrochemicals/food, and biomaterials. The panel met for the first time in November and plans for continued engagement are now in place to ensure the voices of this community group are fully represented throughout our activities. 28 of our 199 invited speakers at scientific meetings were from industry (14%), as well as 8% of webinar speakers and Chairs. 86 webinar attendees identified as industry (5%), a small increase from 4% in 2021. In addition, 10% of the members of events-related committees are currently from industry, helping to integrate industry members into all that the Society does.

International collaboration was evident within our 2022 events programme, including the [Federation of European Biochemical Societies \(FEBS\) 3+ meeting and 86th Harden Conference on Machines on Genes](#), which was held in Alicante, Spain and featured the Biochemical Society's 2021 International Award winner Professor Brandt Eichman, from Vanderbilt University, as an invited speaker. The Society supported the nomination of Professor Caroline Dean for the FEBS role of [Chair of the Working Group for Women in Science](#) which she now holds, and also agreed a collaboration with the International Union of Biochemistry and Molecular Biology (IUBMB) on the '[Evolving molecular bioscience education](#)' event, which will be held in May 2023 jointly with FEBS and in association with IUBMB.

The [Equality, Diversity and Inclusion \(EDI\) Advisory Panel](#), established in October 2020, continued to deliver on our public commitment to embedding EDI practices across the Group through the Manifesto for Change. The second EDI Data Survey, run in May 2022, allowed us to review the impact of our activities in this area to date and understand the areas important to the community for future focus. The survey found 63% of community respondents agreed, or strongly agreed, that EDI considerations were embedded within the ethos and culture of the

Group. The EDI page on the Society website saw a 175% increase in page views² compared to 2021 and a 43% increase in file downloads on the previous year.

2022 saw the creation of a recorded discussion on '[Creating a Diverse Team](#)' with speakers that included EDI Advisory Panel members and other guests with expertise in this area. Questions were submitted by the community on challenges, methods of best practice and examples of impact, all of which were discussed during the discussion. We also joined the [City, University of London Microplacement scheme](#), through which we will host two student placements in the summer of 2023. Students on the programme are typically from 'widening participation backgrounds', including students from families where there is no previous history of higher education, looked after children or care leavers, disabled students, those from underrepresented backgrounds and those from low-income backgrounds. We have established two key projects within both governance and EDI to ensure the students are working with us to achieve key strategic objectives for the organization in 2023.

[Diversity in Science \(DiS\) grants](#) were awarded in December 2022, following 39 applications from 11 countries (India, Kenya, Malawi, Nigeria, Rwanda, Serbia, South Africa, Turkey, Uganda, UK and Zimbabwe), compared to the 15 applications received in 2021, and we awarded a total of £5k to 11 projects. These included an initiative to increase the participation rate of disabled people in science in Malawi, a project to engage girls with science in Zimbabwe, and a University of Bristol project to consider the diversification and decolonization of science curriculums. Project reports are submitted at the end of each funding period as agreed with applicants and are used to demonstrate impact and generate further interest and awareness in the scheme. Two previous DiS grant recipients had articles published in the Biochemist magazine in December 2022, [Lived experiences of black women pursuing STEM in UK higher education](#), and January 2023, [Encouraging and embracing black diversity in industry](#).

A key piece of work for the EDI Advisory Panel in 2022 was the review of the Society's main nominations process, as we looked to address the lack of diverse representation amongst our boards and committees, something the community raised as a priority for them in the 2022 EDI Data Survey. The nominations cycle run in the autumn was the pilot for many of these changes, including the use of more inclusive language, better explanations for role requirements and the inclusion of 'lived' and personal experience, the removal of several questions that had been asked previously but served no definite purpose in the process, and the inclusion of an EDI Advisory Panel member at the final meeting at which all appointments were ratified to ensure objective oversight. We saw a far more diverse pool of applicants in this cycle, particularly when looking at gender, organizational affiliation and geographic location, and a far greater response rate overall. We are now looking ahead to our spring nominations cycle in 2023 and will continue to adapt and refine the process to support the appointment of diverse talented individuals across our decision-making groups.

The gender balance for invited speakers at scientific meetings was 54:46 male/female and the balance for speakers and Chairs in the Biochemistry Focus webinar series was 51:49 male/female, with 11% of invited speakers at scientific meetings and 26% of the speakers and Chairs in the webinar series, students or EC scientists.

² A page view is defined as a view of a page on a site that is being tracked by the Analytics tracking code. If a user clicks reload after reaching the page, this is counted as an additional page view. If a user navigates to a different page and then returns to the original page, a second page view is recorded as well.

The Society continues to be a member of the [Equality, Diversity and Inclusion in Science and Health \(EDIS\) group](#), and a supporter of [In2ScienceUK](#), who assist young people from low-income backgrounds to gain insight into STEM careers through summer placements and delivery of a high-quality programme of university access support and employability workshops. The Society funded five placements on this programme in 2022 and further voluntary donations from event delegates raised £1,270 in addition to our standard funding.

Supporting career development and lifelong learning

Key objectives for the year

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

2022 saw a full return to face-to-face activities for the Society, alongside live streaming of all scientific meetings, with online access to posters. We also continued to run the online [Biochemistry Focus webinar series](#) as detailed in the preceding section of the report, providing important opportunities for the molecular biosciences community to come together and network accordingly. This was our busiest year of events to date, with 11 scientific meetings, one organized jointly with the [British Society for Research on Ageing](#), three Harden Conferences, one organized jointly with [FEBS](#), three training events, 14 webinars and six online training courses. There was a strong appetite for face-to-face meetings, with good delegate numbers at most events and up to 38% of delegates taking advantage of the live streaming offering. When surveyed about why they chose to watch the live stream rather than attend in person, most respondents (70%) selected the impact on their time/other commitments. Our webinar series, covered in detail in the preceding section of this report, also provided an opportunity for community members to come together and experience online networking in a limited form.

In 2019, two funding streams were implemented to support teacher placements in Scotland via [SSERC](#) and in Northern Ireland via [Deliberate Learning](#). Due to understandable delays caused by the pandemic, placements and/or plans for the use of Society funding were not confirmed until 2022 (aside from two placements carried out by Deliberate Learning in 2019). Deliberate Learning used the £4k remaining from the original agreement to fund 11 teacher placements at Queen's University Belfast (QUB) on a 3-day programme which ran from 27 June 2022 entitled "Queen's Conquering Covid". The programme consisted of research talks, tours and activities which showcased the work of researchers, technicians and students in responding to the pandemic.

SSERC confirmed plans within 2022 to use the £5k funding remaining from the original agreement to fund five biology teachers on a 2-day placement at Merck Bioreliance in Glasgow in 2023. The team at Merck are planning to demonstrate a range of hands-on biochemistry techniques and the Society has requested that the programme includes interaction with staff at Merck who had come through the company via non-traditional routes of entry, e.g. as an apprentice or later in their career. SSERC are also requesting a session during which the teachers will produce a resource, using material they have collated during the placement, which will be passed on to other teachers for use as a classroom resource, and to the Society for further dissemination as we feel appropriate.

The Society continued to provide [training](#) in support of the career development and lifelong learning of the molecular biosciences community. Six online training courses were run in 2022,

with two runs of each of our three offerings; [R for Biochemists 101](#), [R for Biochemists 201](#) and [Practical Python for Beginners](#), which attracted a total of 456 learners. A further three training events were held throughout the year attracting 100 learners with topics including protein purification and biophysical characterization, and the use of supercomputers for microbiome analysis. A new course on 'introduction to statistics for the life sciences' will be piloted in the first half of 2023.

Our [Summer Vacation Studentships](#) (SVS) offered two schemes in 2022; a lab-based scheme and a computational-based scheme, following the success of the online provision provided in 2021 in response to continuing coronavirus restrictions. Take-up of both schemes was significantly down on expectations; 38 places were awarded for the lab-based scheme and 46 for the computational-based scheme. This downturn was part of a general trend in student engagement noted by Trustees at their own academic institutions following the end of pandemic restrictions. Successful candidates on the computational-based scheme received access to the online courses R for Biochemists 101 and Practical Python for Beginners, as well as two exclusive webinars.

The [April 2022 issue of Essays in Biochemistry](#) included a collection of articles written by bioscience educators working globally in higher education and was guest edited by two Trustees; Helen Watson and Luciane V Mello, who chair the Society's Education, Training and Public Engagement Committee and Training Theme Panel respectively. The content included perspectives and case studies aimed at a range of audiences including educators, students and those from outside higher education with a general interest in the subject.

The Society's [Science Communication Prize](#), created to engage those with an interest in communicating science and to inspire young people to learn about the molecular biosciences, opened for its 12th year in 2022 with a total of 35 eligible entries from foundation, undergraduate and postgraduate students, down from the 66 entries received in 2021. This included 28 entries in the written category and seven in the mixed media category, with winning entries including [Rolling Out Vaccines: The fight to eradicate COVID-19](#), [How COVID-19 spiked the interest for structural biology](#), and [Deciphering the code of protein folding](#). Winning entries are available to view on the Society website and were also publicized in *The Biochemist*.

With in-person meetings fully returned for 2022 we saw a significant uplift in grant applications with a total of ~£309k awarded as [grants or bursaries](#) to applicants from 32 different countries, up from the ~£45k awarded in 2021. This included 141 [General Travel Grants](#) totaling ~£70k, and ten Sponsored Events Grants totaling £4k, reflecting the return to travel and in-person meeting attendance. We reopened the [Krebs Memorial Scholarship Fund](#) for applications in 2022 for the first time since 2019 with updated criteria to cover those impacted by the coronavirus pandemic, and the [Eric Reid Fund for Methodology](#) also saw its highest number of grant applicants awarded (12 awards totaling £46k). Two new grant schemes were also introduced: [Online Attendance Grants](#) and the [Student Opportunities Grant](#).

We were grateful beneficiaries of a £7.8k donation of remaining funds from the University of Sussex's [Korner Travelling Fellowship Fund](#) which is being used to fund students and recently qualified postdoctoral students who are working within the UK or the Republic of Ireland to make collaborative visits to other laboratories outside of those countries. Any residual amounts left after such grants are awarded will then be reallocated within the Society's grants portfolio to ensure the donation is spent in full.

All terms and conditions relating to individual grant schemes are provided in the [Grants section of the Society website](#), where previous grant recipients for each award can also be viewed.

Encouraging wider dialogue and working collaboratively across and beyond our community

Key objectives for the year

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

During the 27th UN Climate Change Conference of the Parties ([COP27](#)) held from 6th to 18th November 2022, the Society promoted related content and activities, including issues of Emerging Topics in Life Sciences which covered [coral reef ecosystems](#) and the [impact of plastic pollution on organisms and the environment](#), an issue of The Biochemist focused on [sustainability](#) and two webinars on the topics of [the role of plants in achieving net zero](#) and [environmental sustainability in biomedical laboratories](#). Submissions to the [Biochemical Journal themed collection](#) on plants and climate change were also encouraged.

The Society contributed to two consultation responses in 2022, one on the [draft EDI policy of UK Research and Innovation](#) (UKRI) which was an independent response from the Society's [Policy Advisory Panel](#), and a joint response submitted through the Royal Society of Biology (RSB) on the [Research Excellence Framework](#) (REF).

The Society continued to participate in a number of key community and policy events, including the RSB's [Policy Lates series](#) and [Parliamentary Links Day](#), as well as promoting Society activities and resources related to the world of protein structure and function during the RSB's [Biology Week 2022](#). We also remained a member of the [Learned Society Partnership on Antimicrobial Resistance](#) (LeSPAR) alongside six other societies, focusing on sharing best practice and options for future collaboration and cross-working. Our own [Antimicrobial Resistance position statement](#) was updated and a review of all other such position statements held by the Society is being undertaken in 2023.

[STEM for Britain awards](#) were presented in March 2022 with the Society as sponsor of the Bronze Award, which was won by Claire Laxton (University of Nottingham) for her work on an artificial simulated wound infection model. The Society's Honorary Policy Officer, Derry Mercer, was in attendance at the event to congratulate the winner and promote the work of the Society in general. Representatives from the Society also attended the [John Maddox Prize](#) reception in October, where [Dr Eucharia Oluchi Naraichi](#) from the University of Port Harcourt, Nigeria, received the award for engaging communities in conflict to research solutions to pollution in the

oil fields of the Niger Delta. The Society was delighted to congratulate Dr Naraichi on her achievements.

The Society sponsored a symposium held on the topic of cell death as part of [Pharmacology 2022](#), which was chaired by Professor James Murphy, Editor-in-Chief of Biochemical Society Transactions. An exhibition booth was used to promote Society membership, grants and publications and to hold a ‘meet the editor’ session with Professor Murphy.

The Biochemical Society and its publishing arm Portland Press have been on a steady course towards [open scholarship](#) for several years, following the Group’s [open scholarship position statement](#) from October 2019. This commitment was renewed as part of our 2022–2025 strategy, in line with EDI considerations being at the heart of our activities, and work has continued to assess the options available for the introduction of fully open access (OA) routes to publishing in all our journals, which we expect to be in place by the beginning of 2025. Our dedicated [open scholarship portal](#) shares the course of this transition with our community and signposts relevant content.

2022 was the first year in which more than half of all content published in our hybrid journals was OA, compared to 41% in 2021, with 60% of articles published OA in the [Biochemical Journal](#), almost three quarters of which were made OA via our transformative Read & Publish (R&P) agreements. Both the Biochemical Journal and [Biochemical Society Transactions](#) achieved a significant proportion of OA, at 59% and 55% respectively by the end of the year, with 288 institutions participating in Read & Publish (R&P) agreements across 15 different countries worldwide.

Effect of R&P on Portland Press hybrid journals: articles published between 2019-2022

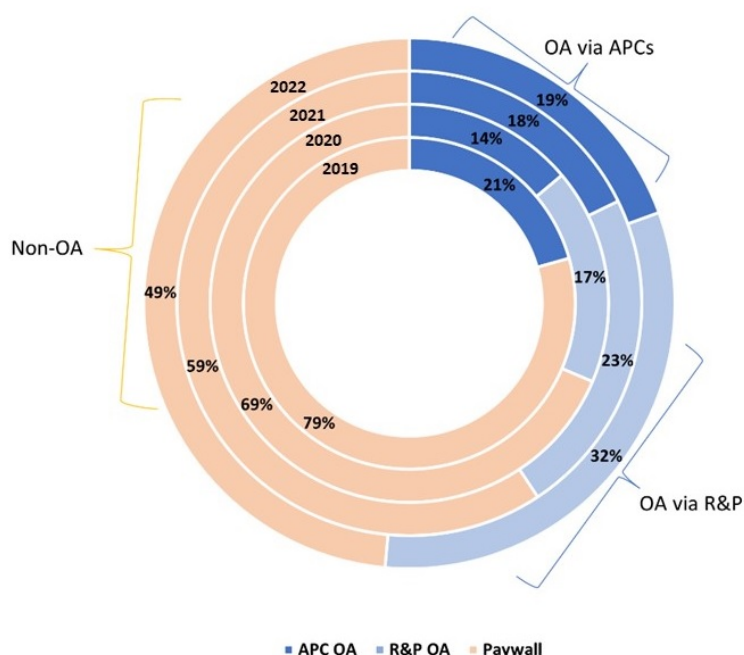


Figure 2: Ring chart to show the effect of Read & Publish on Portland Press hybrid journals

Promoting and sharing knowledge

Key objectives for the year

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

The downward trend in submissions and publications to our research journals seen in 2021 continued in 2022, as was the case across the sector. The impact of lockdowns continued to be felt by researchers and many have experienced ongoing issues with obtaining equipment and reagents to carry out laboratory work, with the overall publishing landscape continuing to change at pace across various institutions and global regions in line with the move towards open access.

Submissions were down 13% on 2021, with significant drops in submissions seen for our hybrid journals [Biochemical Journal](#), [Biochemical Society Transactions](#) and [Clinical Science](#), although this decline was less steep than that witnessed in 2021 when we received 28% fewer submissions than the previous year. In the hybrid journals, submissions to the four journals mentioned above dropped substantially, but the dedicated commissioning resource allocated to [Essays in Biochemistry](#) generated an increase in submissions of over 60%; this resource will now be reallocated to help support similar growth across the portfolio. Submissions to the fully OA titles in 2022 were only 4% below 2021 levels and all journals exceeded revised end-of-year targets for submissions with the exception of the Biochemical Journal.

Total publications decreased by over a third in 2022, with approximately half as many articles published in [Bioscience Reports](#) when compared to the previous year. Significant commissioning efforts continue to be used to drive more submissions from key subject areas and institutions to address the downturn, during a period of ongoing change across the scholarly publishing landscape.

The transition to OA continued successfully, as referenced in the preceding section of the report. For the third year in a row the Biochemical Journal hit OA growth targets which [cOAlition S](#) chart for transformative journals. The proportion of articles published OA in the journal in 2022 hit a high of 60% which provides a strong foundation for the work to be conducted in 2023 as we map our full transition to open.

This growth is being fuelled by the increasing numbers of corresponding authors at universities covered by R&P agreements. The [UK Jisc consortium](#) agreement now counts 39 participating institutions and represents 54% of all published R&P articles. Replicating and scaling this success in other regions, bringing the benefits of OA to our global community of authors, will be the focus of much future attention. The success of this programme is expected to contribute to the Biochemical Journal's citation rate, and our own analysis of recent publications found that

articles published OA received 4 times as many downloads and 1.4 times as many citations as non-OA articles published in the same period.

Proportion of OA articles in Society journals

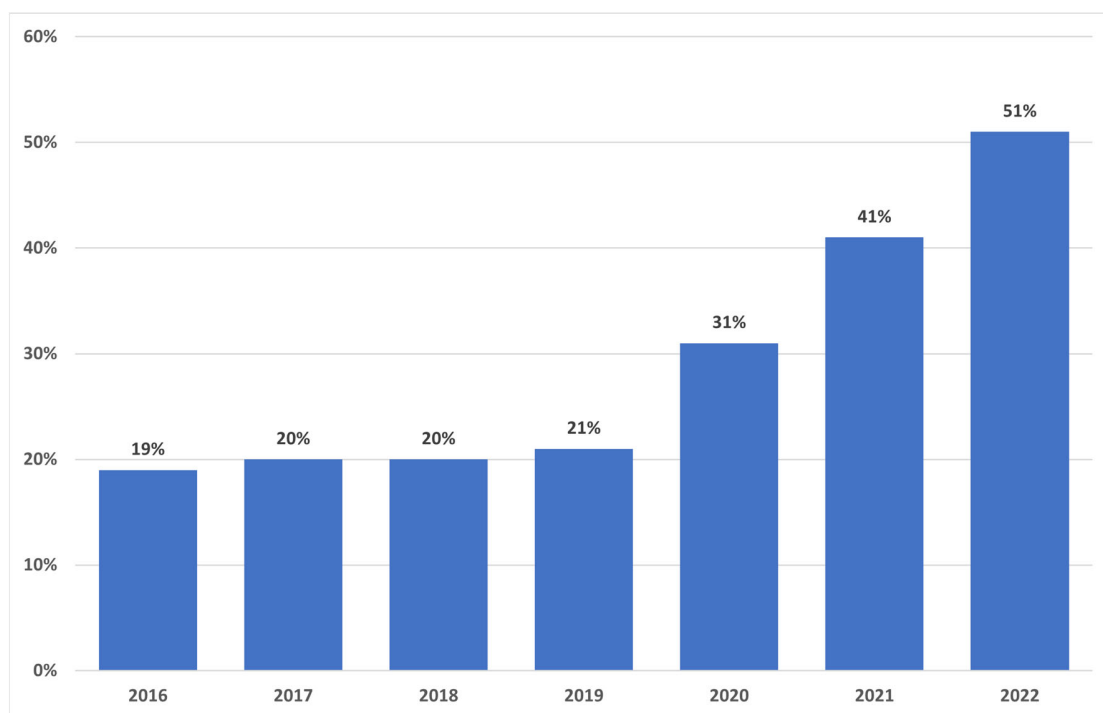


Figure 3: Bar chart showing the increase in the proportion of OA articles in Society journals 2016 to 2022.

Institutional usage levels this year have increased for all journal titles, but we have seen particularly large increases in usage for the Biochemical Journal, Clinical Science and Essays in Biochemistry.

Excluding a once-off mass indexing of our content by recommendation engine TrendMD (which should improve traffic to our content in future), the main regions increasingly using our platform in 2022 are China and the US; downloads from the UK, Netherlands and Japan are also higher than in previous years.

The creation of online content for the support of teaching and understanding of biochemistry and an evaluation of the Society's scientific meetings and training programme have been detailed in the 'Supporting career development and lifelong learning' section of this report.

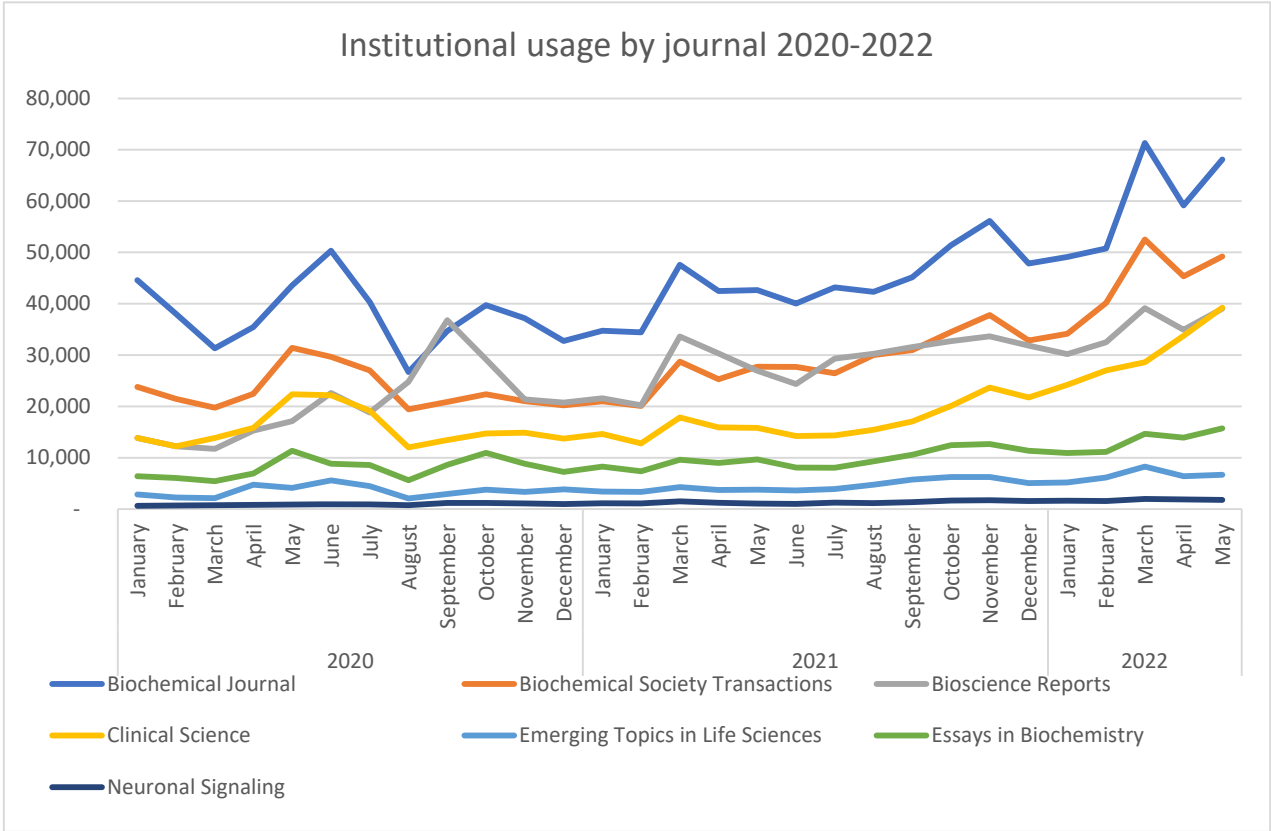


Figure 4: Line graph to show institutional usage levels for each journal 2020 to 2022.

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

Key objectives for the year

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

The Society's [Awards Portfolio](#), which covers a variety of categories, different areas of expertise and stages of career, remains a key way in which the Society raises the profile of its work within the molecular biosciences, and the discipline itself. The portfolio was reviewed in 2022, including both the awards and the nomination process, with a survey of members and the wider biosciences community run for a 1-month period receiving 192 responses (80% from academia, 20% from other sectors including industry, education, government, and science communication). The responses from the survey were largely positive and acknowledged that Society awards recognized a range of subject areas while providing good opportunities for recipients to present at a Society conference or publish in a Biochemical Society journal. However, some comments were raised regarding the lack of representation in some areas and the complexity of the nominations process. Changes were introduced to improve the inclusivity and accessibility of the awards, as well as broaden our recognition of the community.

As a result four new awards were introduced; [Biochemical Society Awards](#), [Inspiration and Resilience Award](#), [Research Support Award](#), and [Teaching Excellence Awards – Early Career and Established Educator](#), and three awards were retired; The Heatley Medal and Prize, The Thudichum Medal, and the Excellence in Science Award. Due to the now streamlined two-stage nomination process, the highest number of nominations in the history of the Society awards were received in 2022 (for awards to be given in 2024); a 70% increase on the number of nominations received in 2021 (for awards to be given in 2023).

[Portland Press Ltd](#) remains the publisher of the Biochemical Society and we continue to champion publishing independence, not publishing through a third party or tied to a commercial company. This allows us to remain agile and cross reference our content more broadly, feeding back into Society activities, for example, curated content from journals can be made free to access for the duration of a Society conference on a relevant subject.

The Society stands behind an equitable and inclusive funding model to cover open access publishing costs and challenge the more commercial imperatives of open access publishing. We trust our key communities – authors and librarians worldwide – align with these principles and will support us in our continuing journey towards more open research practices.

Social media continued to act as a significant channel for the Group to communicate details of its activities and raise the profile of biochemistry and molecular biology, with accounts held on Twitter, Facebook and LinkedIn. All of the Society's accounts saw growth in 2022, with the most significant increases seen on the [@BiochemSoc](#) Twitter account where we reached the milestone of 30k followers in November. We also increased our [Facebook](#) and [LinkedIn](#) followings during 2022, with an additional 1,700 LinkedIn and 186 Facebook followers by the

end of the year. Our highest performing posts included the sharing of [an article in The Biochemist](#) about the role of mitochondria, and details on the Mitochondrial Dysfunction and Neurodegeneration 2023 event.



Figure 5: Images of mentioned tweets from the @Biochemist and @BiochemSoc twitter accounts

We continued to maximize our marketing and communications channels for opportunities to engage with our community and promote the life sciences more effectively. During 2022 we sent 140 email marketing campaigns via our primary DotDigital account which saw improvement on all associated metrics when compared with 2021, continuing the upward trend seen over the last two years. These marketing campaigns saw a 33% increase in unique opens³ and a 5% increase in unique clicks⁴ against 2021. Total clicks increased by 11% to ~335k. Email marketing campaigns sent via the Clarivate Web of Science Author Connect (WOSAC) service for Portland Press achieved a 33% average unique open rate, outperforming the platform average of 25%.

³ Unique opens indicate how many subscribers opened the email, no matter how many times they did it.

⁴ Unique clicks are a count of the number of people who clicked on the provided links at least once.

Continuing to ensure sustainable support for the advancement of science

Key objectives for the year

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

2022 saw the Society bed in approaches adopted during the preceding years of uncertainty caused by the coronavirus pandemic, including the successful adoption of a remote working model. The decision made by Trustees in March 2022 not to re-invest in physical premises resulted in substantial cost savings which can now be ploughed back into charitable activities. We have seen lower turnover and sickness rates than others in the sector who have returned to a physical office, and it has allowed us to promote flexibility and support mental health and a healthy work-life balance for all staff. Regular face-to-face staff meetings throughout the year and the use of technology allow collaboration and team working to continue effectively with reduced commuting promoting a more sustainable outlook. By the end of the year ~50% of staff were based outside London, or outside a reasonable regular commuting distance to London.



Figure 6: Map showing locations of employees within Great Britain by end of 2022.

The diversity of the workforce continues to be an area of focus, with 16 new employees joining the Society in 2022, 72% of [all staff](#) identified as female and 38% identified as being from an ethnically diverse background. The Society continues to innovate in employment practice and regularly benchmarks its offerings.

We continued to operate a full and effective governance calendar taking advantage of online meeting technologies to operate fully remote meetings as well as hybrid meetings, as options to meet face-to-face fully returned. This included our first hybrid Annual General Meeting (AGM), run in July 2022 at which we formally noted the retirement of the Society President Professor Sir Pete Downes and welcomed his successor, [Professor Dame Julia Goodfellow](#).

Our commitment to maximizing digital opportunities for growth and engagement was evident in the delivery of the [new Society website](#) in December, following a detailed review and planning process that incorporated input and expertise from across the Group and saw significant and effective staff collaboration. The new website delivers advanced search functionalities and automation, and the design has been refreshed to better display the wealth of content available. The infrastructure review carried out within the year allowed us to review our systems and prioritize advancements, with a new membership system sheepCRM successfully launched on 21 November. Our finance system will also be updated as a result of the review, with plans to initiate this in 2023.

The business technology team built a new KPI database system to enable enhanced data analytics review capability and our cyber security position was improved, with the introduction of advanced threat protection for emails to better protect against phishing and impersonation and a tightening of our identity protection efforts which has increased our Azure secure score by 40 percentage points.

Journal sales revenue (including subscriptions and sales under the transitional Read & Publish model) for 2022 was ~£3.22M, which is in line with 2021. Of the total £3.22M, about £533k came from Read & Publish deals.

Revenue generated from per-article charges (article publishing charges/APCs) for 2022 significantly decreased from £634k in 2021 to just under £368k in 2022, largely as a result of the decrease in published articles within Bioscience Reports referenced in previous sections of this report. By the end of December 2022, £1.86M of 2023 subscription income had been received of which £283k was from R&P deals.

Looking forward

The [Group's 2022–2025 strategy](#) was launched in July 2022 and, for the first time, the strategy presented was Group wide, encompassing the Biochemical Society and Portland Press. Four main strategic objectives were agreed upon, with EDI being a thread running through the entire strategy:

1. Promoting and sharing knowledge;
2. Supporting career development and lifelong learning;
3. Bringing together molecular bioscientists and encouraging wider dialogue;
4. Developing and transforming our working practices and business models.

From these high-level strategic objectives, high-level operational objectives were developed and agreed by the Council of Trustees in November 2022. These have been embedded into staff

appraisals and objective setting, and progress against each objective will be reported on accordingly.

Volunteers

Volunteers are key to the Society effectively delivering many of its activities and community outreach programmes, as well as providing our key governance bodies. All Society [board](#), [committee and panel members](#) are volunteers, giving their time to attend meetings and provide their subject-specific expertise to advise on Society strategy and activities.

Our extensive network of [Local, Student, International and Industry Ambassadors](#) are volunteers who give their time to support the Society, encouraging new membership, serving as a conduit for the transfer of ideas between local molecular bioscientists and the Society, and helping to organize local events. Ambassadors also strengthen relationships and collaboration between the Society and their respective organizations.

Our [Policy Network](#) members also volunteer their time to input into discussions related to specific Policy topics via a series of short surveys, which to date have covered topics including open scholarship, genetically modified organisms, education and skills, and immigration and Brexit.

We are hugely grateful to all our volunteers for the time they freely give to support the Society in our endeavors.

GOVERNANCE AND MANAGEMENT

Corporate Status and Constitutional Documentation

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

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

Governance Committee Structure

The Biochemical Society delivered its mission and charitable objectives in 2022 through its members, who were represented on the Council of Trustees and its contributing subcommittees, as well as the Executive Management Committee. A structure of all related committees can be found on [the Society's website](#).

- Council of Trustees

The Council of Trustees is the governing body of the Biochemical Society. It meets four times a year and addresses Society strategy and matters reserved for consideration by Directors/Trustees. Its full composition is detailed on page 29 of this report. During the period covered by this report there were 15 Trustees, as shown on page 29.

- Executive Management Committee

The Executive Management Committee has the remit of overseeing the implementation of the Society strategy, as set by the Council of Trustees. It meets a minimum of five times a year and met 11 times in 2022. It comprises the Chair of the Executive Management Committee, the Honorary Treasurer, the Chair of Portland Press Board, an Independent Member and the Chief Executive Officer.

- Finance Committee

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

- Audit Committee

All audit activity is initially managed by the Audit Committee, which is chaired by an independent appointee from outside the Society membership, with demonstrable skills

and experience in compliance and audit-related matters. The Honorary Treasurer attends by request. The President of the Society may not attend these meetings.

- Additional Sub-Committees of the Council of Trustees

In addition to the above, within 2022, the Council of Trustees also had the following subcommittees:

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

Elections and Appointment of Trustees

The Society is keen to encourage as wide a representation of its members as possible amongst its Trustees, as well as ensuring sufficient breadth of skill and experience. Members are invited to nominate themselves or others for consideration through announcements placed on the website and delivered directly by email, or via post if no valid email address is held. During 2022, the Society used Civica Election Services to manage both the nominations and elections processes, providing the members with a straightforward nominations platform, and ensuring an additional layer of scrutiny to the process. The nominations process is overseen by the Nominations Panel. These committees are mindful of the particular skills of existing Trustees and Committee Members and areas of Trustee skills that might be strengthened.

Trustee Induction and Access to Training

On appointment new Trustees receive an induction pack consisting of all key Society governance documents, including the Articles of Association, the annual Accounts for the previous financial year, Terms of Reference for their Society Committee(s) and policies related to conduct and financial security. Trustees who will have specific responsibility for a Committee/Sub-Committee also receive copies of the minutes from any appropriate meetings that have taken place within at least the last 12 months.

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

All Trustees are invited to attend a series of introductory sessions which comprise their induction, including a governance induction, a meeting with key Trustees and Senior Management Team (SMT) personnel related to their roles, as well as sessions on charity finance and a meeting with the President of the Society.

Statement of Trustee Responsibilities

The Trustees (who are also Directors of the Biochemical Society for the purposes of Company

Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable legislation and regulations.

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities Statement of Recommended Practice and FRS-102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable organization will continue in business.

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

The Trustees confirm that:

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

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

Management of the Society's Business and Activities

The Trustees have delegated the authority to manage the Society to the Chief Executive Officer (CEO) who reports on the performance of the Society against the strategic and operational plans approved by the Trustees. The Chief Executive is supported by other members of the SMT which, as of 31 December 2022, comprised of the CEO, the Associate Director, Content and Engagement, the Associate Director, Events and Marketing, the Associate Director, Human Resources, EDI and Technology, the Associate Director, Finance and Governance and the Associate Director, Business Development and Sales. The SMT progresses the Society's activities and strategy, and members deputize for the CEO in her absence. All Associate Directors report to the CEO.

Portland Press Limited

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

Portland Press has its own Board of Directors, on which sit three Society Trustees. The full membership of the Portland Press Board of Directors in 2022 is listed on page 29.

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

The Society continued to work remotely with Trustees approving the hybrid working model as it currently stands through the next phase of strategy, with regular check-ins with staff and the regular all-staff meetings taking place (as currently in place six times per year). Desks continue to be made available at the Royal Society of Biology (RSB) offices in central London for staff who are unable to work from home or who wish to continue working in an office environment. This agreement also provides the Society with access to RSB meeting rooms at a discounted rate.

Principal Risks and Uncertainties

Risk Management

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

Principal Risks

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

- Portland Press transition to open access plans lead to drop in revenue and/or return to the Biochemical Society.
- The Society remains overdependent on revenue from surpluses generated by the journals portfolio.
- World events negatively impact on library/institutional/subscriber base budgets and/or research funding, reducing publishing income.
- World events and/or external factors impact on laboratory research and so negatively affect the article submission rate.
- The Society's Reserves Policy does not fully reflect the strategic position of the Society in relation to the planned transition to open access publishing.

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

Biochemical Society Trustees

The following are Members of the Council of Trustees (Board of Trustees and Directors of the Society) or were members of the Council of Trustees for the year under review and up to the date of this report. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Charles Peter Downes	Society President (up to 21 July 2022)
Julia Goodfellow	Society President (from 21 July 2022)
Sheila Graham	Society Chair and Chair, Executive Management Committee
Frank Sargent	Honorary Treasurer
Derry Mercer	Honorary Policy Officer
Richard Reece	Chair, Portland Press Limited Board of Directors (up to 21 July 2022)
Nigel Hooper	Chair, Portland Press Limited Board of Directors (from 21 July 2022)
Helen Watson	Chair, Education, Training and Public Engagement Committee
Luciane Vieira de Mello	Chair, Training Theme Panel
Michelle West	Honorary Meetings Secretary
Martin Pool	Local Ambassador Representative (up to 31 December 2022)
Susan Campbell	Local Ambassador Representative (from 20 February 2023)
Dominika Gruszka	Early Career Member Representative (up to 31 December 2022)
Hannah Chisholm-Britt	Early Career Member Representative (from 20 February 2023)
Augustin Amour	Industry Representative
Lisa Chakrabarti	Chair, Basic Bioscience Theme Panel
Martin Lindley	Chair, Clinical and Translational Research Theme Panel

Directors of Portland Press Limited

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

Richard Reece	Chair, Portland Press Ltd Board of Directors (up to 21 July 2022)
Nigel Hooper	Chair, Portland Press Ltd Board of Directors (from 21 July 2022)
Matthew Cockerill	Non-Executive Director
Philip Garner	Non-Executive Director
Sarah Greaves	Non-Executive Director (from 1 October 2022)
Peter Richardson	Non-Executive Director (up to 30 September 2022)
Sheila Graham	Non-Executive Director and Chair, Biochemical Society
Frank Sargent	Non-Executive Director and Honorary Treasurer, Biochemical Society
Kate Baillie	Executive Director and Managing Director, Portland Press Ltd and CEO, Biochemical Society
Malavika Legge	Executive Director and Director of Publishing, Biochemical Society (up to 25 May 2022)
Helen Walden	Executive Director and Chair, Publications Committee (from 21 July 2022)

Senior Management Team

Kate Baillie

CEO, Biochemical Society and Managing Director, Portland Press

kate.baillie@biochemistry.org

Malavika Legge (to 25 May 2022)

Director of Publishing

malavika.legge@biochemistry.org

Doug Armin

Associate Director, Finance and Governance

doug.armin@biochemistry.org

Kofo Balogun

Associate Director, Human Resources, EDI and Technology

kofo.balogun@biochemistry.org

Clare Curtis

Associate Director, Content and Engagement

clare.curtis@biochemistry.org

Gaynor Redvers-Mutton (from 10 October 2022)

Associate Director, Business Development and Sales

Gaynor.Redvers-Mutton@biochemistry.org

Lorraine Reese

Associate Director, Events and Marketing

lorraine.reese@biochemistry.org

Key contacts

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National Westminster Bank Plc
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Solicitors

Bates Wells LLP
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London
EC4R 1BE

Auditor

BDO LLP (until 14 December 2022)
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London
W1U 7EU

Sayer Vincent (from 15 December 2022)
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London
EC1Y 0TL

Investment managers

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London
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Epoch Consulting
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London
EC1A 9BD

Registered office

Biochemical Society
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London
EC4R 1BE

Financial review

The Group's results for the year are set out in the Statement of Financial Activities from page 43.

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

Total income from Charitable Activities was £4,441,000 (2021: £4,199,000) which included income of £3,760,000 (2021: £3,873,000) from publishing activities.

Portland Press continued to operate successfully throughout 2022 to generate a surplus returnable to the Society. Journal sales revenue (including subscriptions and sales under the transitional Read & Publish model) increased by £19,000 in 2022 to £3,222,347 with £596,000 generated from Read & Publish deals which supports 'read' access and OA (open access) publishing.

2022 saw submissions and publications in the journals decrease further from the 2021 levels. Consequently, revenue generated from per-article charges (article publishing charges/APCs) reduced by £289,000 in 2022 to £351,000 (2021: £640,000). This is largely owing to the high number of papers that were rejected at submission from Bioscience Reports on grounds of publishing integrity and following the papermill issues of 2020.

2022 saw a full return to face-to-face activities for the Society, together with live streaming of all scientific meetings, including 11 scientific meetings and three Harden Conferences. Webinars remained very well attended with our two most popular webinars of the year drawing over 500 attendees in total. These activities ensured that revenue for the year from Scientific Conferences activities was £452,000 (2021: £97,000) and from Policy, Education and Professional activities was £35,000 (2021: £29,000). Sponsorship for events returned to pre-pandemic levels, with good levels of support across the 2022 programme from both regular and new sponsors raising £141,000 (2021: £67,000) in revenue.

Revenue from Membership fees dropped for a third consecutive year to £186,000 (2021: £191,000). This was addressed in the latter half of 2022 through a review of membership data, marketing campaigns to lapsed members and implementation of a new membership processing system in November.

Following the investment review undertaken in 2021, £4,000,000 from cash at bank was transferred to new investment portfolios held at Brooks Macdonald and Ruffer. This initiative helped to grow investment income in 2022 to £149,000 (2021: £104,000).

Total expenditure relating to Charitable Activities has reduced to £4,687,000 (2021: £4,769,000) and was within the operating budget.

Expenditure relating to Scientific Conferences for the year was £1,134,000 (2021: £711,000) and the increase in main relates to the additional number of events held during 2022 compared to 2021.

Total expenditure relating to Charitable Activities accounts for a charge of £66,637 (2021: £673,735) to staff employment costs that is a result of the USS Pension Scheme liability at year end. See note 14 to the accounts for further information.

On an operating basis, and before accounting for other recognized gains and losses, the Group made a deficit for the year of £828,000 (2021: £444,000).

The majority of the Society's funding comes from publishing activities (see below); other major sources stem from membership subscriptions, conference registration fees and sponsorship, totaling £822,000 (2021: £393,000) and investment income of £149,000 (2021: £104,000).

The Society's charitable expenditure, excluding Portland Press trading activities, amounted to £2,365,000 (2021: £1,705,000).

Portland Press Limited, the Society's trading subsidiary, made a pre-tax profit for the period of £1,767,338 (2021: £1,223,456 profit). These profits will be distributed to the Society during 2023 under deed of covenant and are included in the figures stated above.

The Biochemical Society Staff Pension Scheme, a defined benefit scheme, was closed to new entrants and future accrual from March 2011. The Society currently offers staff the opportunity to be members of the Universities Superannuation Scheme, a multi-employer defined benefit scheme. In line with Pensions regulations this is the scheme in which all Society employees are initially 'auto-enrolled'. This is summarized further in Note 14.

The Society accounted for net losses on investments of £889,000 from the equity investments.

After accounting for these items, the Group made a net deficit of £1,174,000 (2021: £42,000 deficit) for the year, with closing reserves of £11.2 million (31 December 2021: £12.4 million).

Reserves Policy and Going Concern

The Biochemical Society does not engage in public fundraising and does not use professional fundraisers or commercial participators. The charity nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Institute received no complaints relating to its fundraising practice.

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

Free reserves are the unrestricted funds not designated for other purposes and readily available in the short to medium term. For this purpose, free reserves are calculated as 'Other Charitable Funds' less the value of intangible assets. As at 31 December 2022 free reserves amounted to £10 million (2021: £12.3 million).

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

As at 31 December 2022, the Society had free reserves sufficient to cover 26 months of charitable expenditure. This is above the level of free reserves as outlined by the policy and is as a result of selling freehold and investment property during 2019 with the sale proceeds not being reinvested back into property. The Trustees will review the reserves policy during 2023 in line with achieving the new strategic objectives, the current financial climate and in the context of the wider landscape with threats to declining subscription income and operating short-term deficit budgets.

Going Concern

The Trustees have assessed whether the use of the going concern basis is appropriate, particularly after taking the impact of the current economic climate and threats to declining subscription income into account. They have reassessed the business plans, income and expenditure projections and considered the Charity's reserves levels. Their conclusion is that there is no significant doubt about the Charity's ability to continue operating as a going concern.

Portland Press undertook a profitability analysis for the years between 2023 and 2027 considering scenarios based on staging the transition to open access in 2025, with assumptions ranging from a best-guess outcome to a worst-case scenario. Best-guess and worst-case scenarios of the likely impacts of the transition were based on a drop in income during the 3 years (2025–2027) due to several channels of revenue either ceasing completely or being at risk of doing so. Profit is anticipated in each year, even in the most extreme scenario modelled.

By March 2023, Portland Press had already received 87% of its budgeted revenue for 2023 subscription sales totaling £2.8M.

We remain alert to the possibility of future disruption caused by the current economic climate but note that the income-generation functions remain entirely equipped to operate at full capacity online, with remote working in place and monitoring of market conditions.

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

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

The Trustees have made their assessment for a period of at least 1 year from the date of approving the financial statements and are assured that the Group and Charity has adequate resources to continue to operate for the foreseeable future.

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

Remuneration Policy

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

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

Investment policy

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

During the year, following a review of the Society's investments by the Trustees and an independent external consultancy company (Epoch Consulting), the decision was made to invest surplus cash from the property sale proceeds with two new investment managers (Ruffer and Brooks Macdonald). The new investment portfolios were initiated in May 2022 and are intended to be held for the short to medium term.

As part of the review, the Newton investment portfolio was transferred to Sarasin & Partners in April 2023.

Newton Investments

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

The delegated management of assets remains with Newton Investment Management Limited, a subsidiary of BNY Mellon. The overall investment objective is to generate capital growth over the long term (5 years or more) without taking undue risk, whilst also ensuring ethical principles around investment practices are met. Focus on Environmental, Social and Governance (ESG) considerations are enhanced by incorporating Newton's full Sustainable Investment Process.

This objective is to be achieved principally by investing in the Newton Sustainable Growth & Income Fund for Charities. Total investment performance is expected at the minimum to exceed, over the medium to long term, the returns to be achieved on cash deposits.

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

Although a reasonable and consistent level of income and growth is expected, the performance of the investment managers is essentially judged on the total return of income plus capital growth minus investment management fees. The performance of the unrestricted fund investments is benchmarked against a parcel of indices. The managers are expected to outperform these indices.

The equity investment fund outperformed its comparative index over the year resulting in a negative return of 9.5% against a comparative index performance of a negative 10.8%. At 31 December 2022, the investment portfolio was valued at £5,231,351 including cumulative unrealized gains of £1,484,151.

Brooks Macdonald & Ruffer

The primary financial objectives relating to these portfolios are for the targeted total return (income plus capital growth) to be CPI (inflation) plus 1% per annum and for our investment assets to provide diversification, flexibility, and liquidity to cater for unforeseen changes in our situation and requirements. We wish to avoid the negative implications of selling assets at the wrong time to meet urgent funding requirements and we therefore expect to be able to access our investments within 14 days.

Given the time horizon of 3–5 years for this element of the portfolio and the higher risk investments held by the Society, the Trustees have agreed to take a cautious approach to risk with regard to this portfolio. Critically, in respect of this element of the portfolio, the Finance Committee, acting on behalf of the Trustees, indicated that they would be unhappy if there was a drop of more than 10% in the value of the portfolio on a given anniversary. The Trustees understand that there is always a possibility that this amount of loss could be exceeded which must be considered when deciding on the level of short-term reserves to be retained.

The investment managers were appointed not only for being skilled in generating good investment returns but who are also committed to and expert in ethical investment.

The Trustees expectation is that an investment manager adopts an environmental, social and governance (ESG) criteria when constructing their portfolios. The investment mandate identifies two categories of the expected approach to investment: the expectation of the investment manager to implement an Environmental, Social and Governance overlay (ESG) when investing and the expectation that the investment manager is a signatory to the UN Principles of Investment.

Whilst the most important benchmark to assess is the extent to which the portfolio has achieved its primary objectives, relative comparisons are also made. The relative performance of this element of the portfolio will be assessed against the ARC Cautious Asset Charity Index. This index incorporates portfolio performance data from over 30 leading charity investment managers encompassing more than 1,500 discretionary portfolios.

As well as benchmarking to review performance, the portfolio will be assessed for relative risk comparisons. This will be measured by volatility and maximum drawdown data.

The performance and overall suitability of the Investment Managers will be reviewed by the Finance Committee, acting on behalf of the Trustees, on an ongoing basis, with the assistance of Epoch Consulting (Investment Adviser).

The Ruffer portfolio has outperformed against its benchmark, returning 2.22% since its inception in May, whilst the Brooks Macdonald portfolio has underperformed against the benchmark returning -4.04% since its inception. The benchmark (ARC Cautious) was -4.64%.

Due to the current economic climate and the subsequent ongoing market risk, Trustees and Senior Management are closely monitoring the performance of the investment portfolios and the inevitable impact that these conditions will have on it.

Auditor

Sayer Vincent LLP were appointed in 2022 and offer themselves for reappointment as Auditor.

Trustees' Approval

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

Professor Dame Julia Goodfellow
President
Biochemical Society

Professor Sheila Graham
Chair, Executive Management Committee
Biochemical Society

Date: 13 July 2023

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE BIOCHEMICAL SOCIETY

1 Opinion

We have audited the financial statements of The Biochemical Society (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

2 Basis for opinion

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

3 Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Biochemical Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

4 Other Information

The other information comprises the information included in the trustees' annual report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

5 Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

6 Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

7 Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

8 Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

9 Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

27 July 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

Principal Accounting Policies

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

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

Basis of preparation: Going Concern

The financial statements are prepared on a going concern basis.

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

As at 31 December 2022, the Society had free reserves sufficient to cover 26 months of charitable expenditure. This is above the level of free reserves as outlined by the policy and is as a result of selling freehold and investment property during 2019 with the sale proceeds not being reinvested back into property. The Trustees will review the reserves policy during 2023 in line with achieving the new strategic objectives, the current financial climate and in the context of the wider landscape with threats to declining subscription income and operating short-term deficit budgets.

Subscription income received relating to the 2023 subscription cycle had already reached ~£2.8M (87% of budget) at the end of March 2023, and the full-year forecast remained at ~£3.28M. This demonstrates that Portland Press continues to operate for the foreseeable future and can continue to meet its obligations as and when they fall due.

Portland Press undertook a profitability analysis for the years between 2023 and 2027 considering scenarios based on staging the transition to open access in 2025, with assumptions ranging from a best-guess outcome to a worst-case scenario. Profit is anticipated even in the most extreme scenario modelled.

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

The Group is forecasting an operating deficit for the 2023 financial year but currently holds in excess of £4M cash at bank which is in addition to a significant level of liquid investments held as an investment portfolio which had a market value in excess of £9.3m at February 2023.

After considering the current state of reserves, the significant values of cash held at bank, the year-to-date cash received for the 2023 subscription cycle and the Portland Press 2023–2027 profitability analysis, it is the opinion of the Trustees that the Group is adequately financed to continue its activities for the foreseeable future, and also, that both the Society and Portland Press Limited are going concerns.

The Trustees have made their assessment for a period of at least 1 year from the date of approving the financial statements and are assured that the Group and Charity has adequate resources to continue to operate for the foreseeable future.

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

Basis of consolidation

The Group financial statements consolidate those of the Society and of its principal subsidiary undertaking drawn up to 31 December 2022. Surpluses or deficits on intra-group transactions are eliminated in full. The results of the trading subsidiary have been incorporated on a line-by-line basis.

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

Use of judgements and estimates

In preparing these consolidated financial statements, management has made certain judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Information about assumptions used and estimation uncertainties in the year ended 31 December 2022 is included in the following note:

Note 14 – Pensions

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

Income recognition

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

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

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

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

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

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

Expenditure

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

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

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

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

Allocation of support costs

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

Property, plant and equipment depreciation

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

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

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

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

The periods generally applicable are:

Equipment and furniture 3–5 years

Intangible assets

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

Investments

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

Stock

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

Foreign currencies

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

Taxation

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

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

Fund accounting

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

Expenditure for these purposes is charged to the fund.

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

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

The Fixed Asset Fund represents the net book value of the Group's fixed assets as shown in note 8.

Cash and cash equivalents

Cash and cash equivalents, for the purpose of the statement of cash flows, comprise cash in hand and short-term deposits with an original maturity date of 3 months or less.

Debtors

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

Creditors

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

Termination and redundancy pay

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

Pensions

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

Biochemical Society Pension Fund

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

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

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

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

Universities Superannuation Scheme (USS)

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

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

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

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

Leased assets

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

Financial instruments

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

Consolidated Statement of Financial Activities for the year ended 31 December 2022

Including Consolidated Income and Expenditure Account

	2022	2021
	Total	Total
Note	£'000	£'000
Income from:		
Donations and sponsorship	141	67
Charitable Activities		
Scientific Conferences	452	97
Membership fees	186	191
Policy, Education, Professional	35	29
Journals	3,760	3,873
Other	8	9
Other Trading Activities		
Investment income	4 149	104
Total income	4,731	4,370
Expenditure		
	5	
Raising Funds		
Investments	18	1
Charitable Activities		
Membership recruitment	3	2
Membership	484	402
Grants and Awards	192	49
Scientific Conferences	1,134	711
Policy, Education, Professional	314	299
Journals: Production	2,030	2,707
Journals: Distribution	5	9
Administration: Portland Press Limited	287	348
Governance Costs	238	242
Other		
Interest on defined benefit pension schemes	(35)	14
Total Expenditure	4,670	4,784
Net income / (expenditure) before gains & losses	61	(414)
Net gains and losses on investments		
Realized and unrealized (loss) / gain	10 (889)	858
Net (expenditure) / Income before other gains c/f	(828)	444

**Consolidated Statement of Financial Activities for the year ended 31 December 2022
(cont.)**

	2022	2021
	Total	Total
Note	£'000	£'000
Net (Expenditure) / Income before other gains b/f	(828)	444
Other recognized gains and losses		
Investment impairment release	-	1
Actuarial (losses) / gains on defined benefit pension scheme	14 (346)	(487)
Net Movement in funds relating to the year	(1,174)	(42)
Fund balances brought forward 1 January	12,335	12,377
Fund balances carried forward 31 December	11,161	12,335

Net expenditure before other recognized gains and losses for the year of £828k comprises £630k net expenditure for unrestricted funds and a £198k net expenditure in restricted funds

Included in total income and expenditure is restricted income of £19k, restricted expenditure of £82k and restricted losses on investments of £135k

Total funds brought forward include £1,321k relating to restricted funds and total funds carried forward include £1,123k relating to restricted funds

All activities are continuing

The accompanying accounting policies (on pages 43 to 48) and notes (on pages 54 to 65) form an integral part of the financial statements.

Statement of Financial Position as at 31 December 2022

	Note	Group		Society	
		2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed Assets					
Tangible Assets	8	8	9	8	9
Intangible Assets	9	-	2	-	2
Investments	10	10,099	7,079	10,099	7,079
Total Fixed Assets		10,107	7,090	10,107	7,090
Current Assets					
Debtors	11	459	376	1,692	4,588
Cash at bank and in hand		4,523	8,900	1,180	2,354
Total Current Assets		4,982	9,276	2,872	6,942
Current Liabilities					
Creditors	12	(2,553)	(4,031)	(444)	(1,698)
Net current assets		2,429	5,245	2,428	5,244
Total Assets less Current Liabilities		12,536	12,335	12,535	12,334
Provision for Liabilities	13	(1,375)	-	(1,375)	-
Total net assets		11,161	12,335	11,160	12,334
The Funds of the Charity					
Restricted Funds	15	1,123	1,321	1,123	1,321
Unrestricted Funds					
Fixed Asset Fund	16	8	9	8	9
Other Charitable Funds	16	8,244	9,641	8,244	9,641
Revaluation Reserve	16	1,785	2,645	1,785	2,645
Non-charitable trading funds	16	1	1	-	-
		10,038	12,296	10,037	12,295
Pension Reserve	16	-	(1,282)	-	(1,282)
Total Unrestricted Funds	16	10,038	11,014	10,037	11,013
Total Charity Funds	16	11,161	12,335	11,160	12,334

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

Professor Dame Julia Goodfellow
President

Professor Sheila Graham
Chair

Date: 13 July 2023

Company number: 00892796

The accompanying accounting policies (on pages 43 to 48) and notes (on pages 54 to 65) form an integral part of the financial statements.

Consolidated Statement of cash flows for the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities	A	(609)	(127)
Cash flows from investing activities			
Dividends from investments	149	104	
Purchase of property, plant and equipment	(8)	(8)	
Purchase of investments	(3,955)	-	
Proceeds from the disposal of investments	46	-	
Investment of impairment release	-	1	
		<u>(3,768)</u>	97
Net cash provided by investing activities		(3,768)	97
Change in cash and cash equivalents in the year		(4,377)	(30)
Cash and cash equivalents at beginning of year		<u>8,900</u>	<u>8,930</u>
Cash and cash equivalents at end of year	B	<u>4,523</u>	<u>8,900</u>

Notes to the Statement of Cash Flows

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

	2022 £'000	2021 £'000
Net income for the year	(828)	444
Depreciation	9	8
Amortisation of intangible asset	2	62
Losses / (Gains) on investments	889	(858)
Interest and rents from investments	(149)	(104)
Decrease in debtors	(83)	181
Increase / (decrease) in creditors	(196)	137
Closed pension scheme deficit funding	(285)	(685)
Pension scheme costs charged	67	674
Pension schemes interest	(35)	14
	<u>(609)</u>	<u>(127)</u>

B. Analysis of cash and cash equivalents

Cash at bank and in hand	<u>4,523</u>	<u>8,900</u>
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Analysis of changes in net funds

Current year	1 Jan 2022 £'000	Cash- flows £'000	Other non- cash changes £'000	31 Dec 2022 £'000
Cash and cash equivalents				
Cash	8,900	(4,377)	-	4,523
Overdrafts	-	-	-	-
Net Funds	8,900	(4,377)	-	4,523
Prior year	1 Jan 2021 £'000	Cash- flows £'000	Other non- cash changes £'000	31 Dec 2021 £'000
Cash and cash equivalents				
Cash	8,930	(30)	-	8,900
Overdrafts	-	-	-	-
Net Funds	8,930	(30)	-	8,900

Notes to the Financial Statements

1. Statutory information

The Biochemical Society is a Charity registered with the Charity Commission, registration number 253894 and is also registered as a Private Limited Company, domiciled in England & Wales, company number 00892796. The financial statements are presented in Sterling (£'000's)

2. Income from subsidiary company

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

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

Statement of comprehensive income and retained earnings for the year ended 31 December 2022

	2022	2021
	£'000	£'000
Turnover	3,701	3,975
Cost of Sales	(1,619)	(2,153)
	<hr/>	<hr/>
	2,082	1,822
Administrative expenses	(385)	(508)
	<hr/>	<hr/>
	1,697	1,314
Exchange (losses) / gains	67	(91)
Interest received	4	-
	<hr/>	<hr/>
	1,768	1,223
Reserves brought forward	1	1
Profit for the year	1,768	1,223
Distribution to the Biochemical Society under gift aid	(1,768)	(1,223)
	<hr/>	<hr/>
	1	1

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

Current Assets	3,559	6,777
Current Liabilities	(3,558)	(6,776)
	<hr/>	<hr/>
	1	1

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

Portland Press Limited taxable profit for the year was £1,767,338 (2021: £1,223,456). An amount of £1,767,338 will be distributed to the Biochemical Society under gift aid in 2023. A Deed of Covenant was established during 2019, which allowed for this distribution to be recognized in the Comprehensive Income in Portland Press Limited. Therefore, no corporation tax is expected to be recognised in respect of profits generated in 2022.

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022	2021
	£'000	£'000
Gross income	2,798	1,618
Result for the year	(1,102)	(132)
	<hr/>	<hr/>

3. Detailed comparatives for the statement of financial activities

Current year analysis

	Unrestricted Funds £'000	Restricted Funds £'000	2022 Total Funds £'000
Income from:			
Donations and sponsorship	141	-	141
Charitable activities	4,441	-	4,441
Investments	130	19	149
Total income	4,712	19	4,731
Expenditure on:			
Raising funds	18	-	18
Charitable activities	4,605	-	4,605
Other	(35)	82	47
Total expenditure	4,588	82	4,670
Net income / expenditure before gains / (losses) on investments	124	(63)	61
Net gains / (losses) on investments	(754)	(135)	(889)
Net income / expenditure	(630)	(198)	(828)
Transfers between funds	-	-	-
Net income / (expenditure) before other recognised gains and losses	(630)	(198)	(828)
Gains / (losses) on revaluation of fixed assets	-	-	-
Actuarial gains / (losses) on defined benefit pension schemes	(346)	-	(346)
Other gains / (losses)	-	-	-
Net movement in funds	(976)	(198)	(1,174)
Total funds brought forward	11,014	1,321	12,335
Total funds carried forward	10,038	1,123	11,161

Prior year analysis

	Unrestricted Funds £'000	Restricted Funds £'000	2021 Total Funds £'000
Income from:			
Donations and sponsorship	67	-	67
Charitable activities	4,199	-	4,199
Investments	87	17	104
Total income	4,353	17	4,370
Expenditure on:			
Raising funds	1	-	1
Charitable activities	4,753	-	4,753
Other	14	16	30
Total expenditure	4,768	16	4,784
Net income / expenditure before gains / (losses) on investments	(415)	1	(414)
Net gains / (losses) on investments	719	139	858
Net income / expenditure	304	140	444
Transfers between funds	-	-	-
Net income / (expenditure) before other recognised gains and losses	304	140	444
Gains / (losses) on revaluation of fixed assets	-	-	-
Actuarial gains / (losses) on defined benefit pension schemes	(487)	-	(487)
Other gains / (losses)	-	-	-
Net movement in funds	(183)	140	(43)
Total funds brought forward	11,197	1,181	12,378
Total funds carried forward	11,014	1,321	12,335

4. Investment income

	2022	2021
	£'000	£'000
Dividend income	143	101
Interest receivable from banks and financial institutions	6	3
	149	104

5. Analysis of expenditure

<i>Current year analysis</i>	Staff Costs £'000	Support Costs £'000	Other £'000	2022 £'000
Cost of generating funds				
Cost of investment	-	-	18	18
Charitable expenditure				
Membership recruitment costs	-	-	3	3
Membership	226	58	200	484
Grants payable				
Grants to individuals	-	-	100	100
Royal Society of Biology	-	-	15	15
Summer Vacation Studentships	-	-	65	65
Scientific Outreach	-	-	11	11
STEM Insight	-	-	-	-
In2science UK	-	-	1	1
Scientific conferences	438	51	645	1,134
Policy, Education, Professional	216	22	76	314
Journal and Books: Production	966	79	985	2,030
Journal and Books: Distribution	-	-	5	5
Administration: Portland Press Ltd	184	41	62	287
Governance	133	25	80	238
Pension schemes interest	-	-	(35)	(35)
Total outgoing resources	2,163	276	2,231	4,670

<i>Prior year analysis</i>	Staff Costs £'000	Support Costs £'000	Other £'000	2021 £'000
Cost of generating funds				
Cost of investment	-	-	1	1
Charitable expenditure				
Membership recruitment costs	-	-	2	2
Membership	262	54	86	402
Grants payable				
Grants to individuals	-	-	25	25
Royal Society of Biology	-	-	15	15
Summer Vacation Studentships	-	-	2	2
Scientific Outreach	-	-	6	6
STEM Insight	-	-	-	-
In2science UK	-	-	1	1
Scientific conferences	531	44	136	711
Policy, Education, Professional	240	22	37	299
Journal and Books: Production	1,359	93	1,255	2,707
Journal and Books: Distribution	-	-	9	9
Administration: Portland Press Ltd	214	54	80	348
Governance	129	22	91	242
Pension schemes interest	-	-	14	14
Total outgoing resources	2,735	289	1,760	4,784

Analysis of expenditure continued

The breakdown of support costs is as follows:

<i>Current year analysis</i>	Admin and Finance £'000	IT support £'000	Total Support £'000
Membership	41	17	58
Scientific Meetings	38	13	51
Policy, Education, Professional	16	6	22
Journal and Books: Production	35	44	79
Administration: Portland Press Ltd	34	7	41
Governance Costs	18	7	25
	<u>182</u>	<u>94</u>	<u>276</u>

<i>Prior year analysis</i>	Admin and Finance £'000	IT support £'000	Total Support £'000
Membership	40	14	54
Scientific Meetings	34	10	44
Policy, Education, Professional	17	5	22
Journal and Books: Production	43	50	93
Administration: Portland Press Ltd	46	8	54
Governance Costs	17	5	22
	<u>197</u>	<u>92</u>	<u>289</u>

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

Expenditure amounting to £82,000 (2021: £16,000) in respect of restricted funds is included in other costs above.

Net income is, after charging:

	2022 £'000	2021 £'000
Payments to current auditor - Sayer Vincent (2022 audit fees)	32	48
Payments to previous auditor - BDO (2021 audit fees)	45	-
- Under / (over) accrual for 2021 audit fees	4	-
Payments to current auditor - Sayer Vincent (2022 taxation services)	3	-
Payments to previous auditor - BDO (2021 taxation services)	6	-
Payments to previous auditor - BDO (other services)	-	30
Irrecoverable VAT	13	16
Depreciation of tangible fixed assets	9	8
Amortisation of intangible assets	2	62
(Gain) / Loss on currency revaluations	(67)	91

Academic Support Grants paid to institutions

	2022 £'000	2021 £'000
Academic Support Grants paid in year	<u>48</u>	<u>77</u>

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

L Vieira de Mello - University of Liverpool £4,812 (2021 £9,624); M Pool & N Hooper - University of Manchester £9,624 (2021 £4,812); University of Bristol £nil (2021 £4,812); S Graham - University of Glasgow £4,812 (2021 £9,624); M West - University of Sussex £4,812 (2021 £9,624); F Sargent - University of Newcastle £4,812 (2021 £4,812); The Francis Crick Institute £nil (2021 £4,812); University of Kent £nil (2021 £24,312); D Mercer - Novabiotics Limited £4,812 (2021 £4,812); M Lindley - Loughborough University £4,812 (2021 £nil); L Chakrabarti - University of Nottingham £4,812 (2021 £nil); D Gruszka - University of Oxford £4,812 (2021 £nil)

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

6. Employees

	2022	2021
	£'000	£'000
Staff costs during the year were as follows:		
Wages & Salaries (including allowances)	1,623	1,554
Social Security costs	183	172
Pension costs	357	947
Staff costs before redundancy and termination	<u>2,163</u>	<u>2,673</u>
Redundancy and termination	-	60
Staff costs including redundancy and termination	<u>2,163</u>	<u>2,733</u>
Closed pension scheme deficit funding	285	685
Total staff costs	<u><u>2,448</u></u>	<u><u>3,418</u></u>

Included in pension costs is £357k (2021: £947,000) in respect of the defined benefit Universities Superannuation Scheme.

Further details on Pension Scheme costs are shown in note 14.

Included within Redundancy and termination costs are £Nil (2021: £18,906) of enhanced costs relating to redundancies.

The average number of employees of the Society during the year was 42 (2021: 39).

11 Trustees (2021: 3) have received a total of £2,396 (2021: £394) in respect of reimbursed travel and accommodation costs incurred in attending Society meetings. In addition, 2 Trustees (2021: none) have received a total of £550 (2021: nil) in respect of a Guest Editor Honorarium for Essays in Biochemistry. Trustees do not receive remuneration.

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

Salaries excluding redundancy payments	2022	2021
£60,001 to £70,000	1	1
£70,001 to £80,000	1	2
£80,001 to £90,000	1	-
£90,001 to £100,000	1	1
£150,001 to £160,000	-	1
£160,001 to £170,000	1	-
Key Management compensation	£'000	£'000
Salaries and short-term employee's benefits (incl NIC and pension)	702	779

As at 31 December 2022, the Society's senior management structure is formed of the CEO and Managing Director; Associate Director, Human Resources and EDI and Technology; Associate Director, Content and Engagement; Associate Director, Events and Marketing; Associate Director, Finance and Governance; and Associate Director, Business Development and Sales

7. Transactions with related parties

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

During the year, Portland Press Limited paid the Society £1.223m (2021: £2.16m), being the amount distributable to the Society under gift aid for the year ended 31 December 2021.

At the year end, the Society was owed £1.449m (2021: £4.444m) from Portland Press Limited due from group undertakings.

During the year, the Society had held a non-controlling investment in Charles Darwin House limited (CDHL), a private company formed to manage Charles Darwin House, the Society's previous headquarters, which was sold in 2019. CDHL was dissolved on 30 September 2022.

There are no other related-party transactions to disclose.

8. Tangible Assets
The Society and the Group

	Equipment & Furniture £'000	Total £'000
Cost or Valuation		
At 1 January 2022	259	259
Additions	8	8
Disposals	-	-
At 31 December 2022	<u>267</u>	<u>267</u>
Depreciation		
At 1 January 2022	250	250
Charge for the year	9	9
Disposals	-	-
At 31 December 2022	<u>259</u>	<u>259</u>
Net book value at 31 December 2022	8	8
Net book value at 31 December 2021	<u>9</u>	<u>9</u>

9. Intangible Assets

The Society and the Group

	Software Development £'000
Cost	
At 1 January 2022	2
Additions	-
Amortisation	(2)
Disposals	-
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>2</u>

10. Investments

	2022 £'000	2021 £'000
The Society and the Group		
Equity Investments at fair value		
Fair value at start of year	7,079	6,221
Less disposals at cost	(46)	-
Add: acquisitions at costs	3,955	-
Net (loss) / gain on revaluation	(889)	858
Fair value at end of year	<u>10,099</u>	<u>7,079</u>
Historical cost at end of year	<u>8,314</u>	<u>4,434</u>

Unrealized loss on investments for the year of £860k comprised of £725k losses for unrestricted funds and £135k losses for restricted funds.

11. Debtors

	The Group		The Society	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	106	133	11	2
Other debtors	33	26	33	25
Amounts owed by group undertakings	-	-	1,449	4,444
Social security and other taxes	101	15	101	15
Prepayments and accrued income	219	202	98	102
Total debtors	<u>459</u>	<u>376</u>	<u>1,692</u>	<u>4,588</u>

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

	The Group		The Society	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	122	172	118	168
Amounts owed to group undertakings	-	-	-	-
Social security and other taxes	102	-	102	-
USS Pension Scheme	-	1,282	-	1,282
Other creditors	137	155	2	16
Deferred income	1,929	2,157	86	126
Accruals	263	265	136	106
Total creditors and deferred income	2,553	4,031	444	1,698

Creditors and deferred income continued

	The Group		The Society	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Analysis of deferred income				
At 1 January	2,157	2,033	126	177
Amount recognised in the year	(2,157)	(2,033)	(126)	(177)
Amount deferred in the year	1,929	2,157	86	126
At 31 December	1,929	2,157	86	126

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

13. Provisions for liabilities

	2022 £'000	2021 £'000
Obligation to fund deficit on USS pension		
At the start of the year	1,282	-
Movement in year	93	-
At the end of the year	1,375	-

The obligation to fund the past deficit on the University's Superannuation Scheme (USS) arises from the contractual obligation with the pension scheme for total payments relating to benefits arising from past performance. The shortfall is expected to be eliminated in 18 years from 31 March 2020, the period over which outflow related to this provision is expected.

In the 2021 financial statements, this provision was shown as a short-term creditor.

14. Pensions

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

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

	2022 £'000	2021 £'000
Biochemical Staff Pension scheme (See Note 14A)	-	-
Universities Superannuation Scheme (See Note 13)	1,375	1,282
Provision for liability recognised in the statement of financial position	1,375	1,282

A. The Biochemical Staff Pension Scheme

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

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

Pensions continued

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

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

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

The figures in the following disclosure were measured using the Projected Unit Method.

The pension scheme asset has not been recognised in the accounts on the basis it is irrecoverable.

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

Main financial assumptions

	31 December 2022	31 December 2021
	%pa	%pa
RPI inflation	3.2	3.3
CPI inflation	2.4	2.5
Pension increases in payment (Pre 2030)	3.2	3.3
Pension increases in payment (Post 2030)	3	3.1
Discount rate for Scheme liabilities	4.9	1.95

Main demographic assumptions

	31 December 2022	31 December 2021
Mortality		
- Base table	100% of S3PxA_L	100% of S3PxA_L
- Scaling table	101%/104% M/F	None
- Future improvements	CMI 2021	CMI 2020
- Long term rate	1% pa	1% pa

Expected future lifetime from age 65

- Male currently aged 65	23 years	22.7 years
- Female currently aged 65	24.3 years	24.4 years
- Male currently aged 45	23.9 years	23.8 years
- Female currently aged 45	25.4 years	25.5 years

Scheme asset allocation:

	31 December 2022	31 December 2021
	£'000	£'000
Target return funds	1,288	4,070
Equities	-	-
Bonds (including insured pensioners)	5,024	9,404
Swaps/Gilts (including cash)	6,889	8,056
Closing fair value of scheme assets	<u>13,201</u>	<u>21,530</u>

The scheme has no investments in the Society or in the property occupied by the company

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

	2022	2021
	£'000	£'000
Opening defined benefit obligation (DBO)	18,558	20,212
Interest expense on DBO	359	281
Actuarial (gains) / losses on scheme liabilities	(6,263)	(1,632)
Net benefits paid	(261)	(303)
Closing defined benefit obligation	<u>12,393</u>	<u>18,558</u>

Pensions continued

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

	2022	2021
	£'000	£'000
Opening fair value of scheme assets	21,530	20,013
Interest income on scheme assets	420	283
Gain on scheme assets	(8,773)	853
Contributions by the employer	285	685
Net benefits paid out	(261)	(303)
Administration expenses	-	(1)
Closing fair value of scheme assets	<u>13,201</u>	<u>21,530</u>
Actual return on Scheme assets	(8,353)	1,136

Pensions continued

Reconciliation of funded status to Statement of Financial Position:

	2022	2021
	£'000	£'000
Fair value of assets	13,201	21,530
Present value of funded benefit obligations	<u>(12,393)</u>	<u>(18,558)</u>
Funded status	<u>808</u>	<u>2,972</u>
Liability recognized on the Statement of Financial Position	<u>-</u>	<u>-</u>

The pension scheme asset has not been recognised in the accounts on the basis it is irrecoverable

Amounts recognised in Statement of Financial Activities (SOFA):

	2022	2021
	£'000	£'000
Interest on defined benefit liability	(359)	(1)
Past service cost	-	-
Pension (credit) / expense recognized in the Statement of Financial Activities	<u>(359)</u>	<u>(1)</u>
	2022	2021
	£'000	£'000
Return less interest income on scheme assets	(8,773)	853
Actuarial gain / (loss) on liabilities	6,263	1,632
Irrecoverable surplus on pension scheme	2,164	(2,972)
Gain / (loss) arising in the Statement of Financial Activities	<u>(346)</u>	<u>(487)</u>

B. Universities Superannuation Scheme

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

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan with £1,282,000 (2021: £1,374,768) being recognised in the statement of financial position.

The Society employer contributions for the year ended 31st December 2022 amounted to £290,280 (2021: £273,049). There was neither a prepayment nor an accrual at the end of the financial year in respect of these contributions. The disclosures below represent the position from the scheme's financial statements.

Pensions continued

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

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

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

	2022	2021
Discount rate	5.00%	2.00%
Pensionable salary growth	n/a	n/a
Price inflation (CPI)	1.10%	2.11%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

Male members' mortality	101% of S2PMA "light"
Female members' mortality	95% of S3PFA

Use of these mortality tables reasonably reflects the actual USS experience. To allow for future improvements in mortality rates the CMI 2019 projections with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa (male) and 1.6% (female) were also adopted. The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 years	23.9	24.7
Females currently aged 65 years	25.5	26.1
Males currently aged 45 years	25.9	26.7
Females currently aged 45 years	27.3	27.9

15. Restricted Funds The Society and the Group	Balance	Movement in funds			Balance
	1 January	Incoming	Expenditure	Investment	31 December
	2022	Resources	& Transfers	Gains	2022
	£'000	£'000	£'000	£'000	£'000
Keilin Memorial Lecture Fund	65	1	-	(5)	61
Morton Memorial Lecture Fund	68	1	(2)	(5)	62
Harden Legacy Fund	208	3	(6)	(21)	184
Centenary Award Fund	134	1	(3)	(11)	121
Krebs Memorial Scholarship Fund	458	9	(21)	(66)	380
Eric Reid Fund for Methodology	347	4	(46)	(27)	278
Randle Lecture Fund	12	-	(4)	-	8
Synthetic Biology Fund	29	-	-	-	29
	1,321	19	(82)	(135)	1,123

Prior year analysis

Restricted Funds The Society and the Group	Balance	Movement in funds			Balance
	1 January	Incoming	Expenditure	Investment	31 December
	2021	Resources	& Transfers	Gains	2021
	£'000	£'000	£'000	£'000	£'000
Keilin Memorial Lecture Fund	59	1	-	5	65
Morton Memorial Lecture Fund	64	1	(2)	5	68
Harden Legacy Fund	183	3	-	22	208
Centenary Award Fund	122	1	-	11	134
Krebs Memorial Scholarship Fund	396	8	(14)	68	458
Eric Reid Fund for Methodology	316	3	-	28	347
Randle Lecture Fund	12	-	-	-	12
Synthetic Biology Fund	29	-	-	-	29
	1,181	17	(16)	139	1,321

Restricted Funds continued

Keilin Memorial Lecture Fund

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

Morton Memorial Lecture Fund

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

Harden Legacy Fund

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

Centenary Award Fund

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

Krebs Memorial Scholarship Fund

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

Eric Reid Fund for Methodology

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

Randle Lecture Fund

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

Synthetic Biology Fund

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

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

16. Unrestricted and Other Charitable Funds

The Society and the Group	Balance 01 Jan 2022 £'000	Net Utilised £'000	Transfer £'000	Balance 31 Dec 2022 £'000
Unrestricted Funds				
Fixed Asset Fund	9	(1)	-	8
Other Charitable Funds	9,641	(975)	(422)	8,244
Revaluation Reserve	2,645	-	(860)	1,785
Non-charitable trading funds	1	-	-	1
Pension Reserve	(1,282)	-	1,282	-
	11,014	(976)	-	10,038

The Revaluation Reserve represents the unrealized gains in Equity Investments (Unrestricted: £1,454,718 and restricted: £330,486).

The carried forward balance of Other Charitable Funds, now incorporates the Pension Reserve which was shown separately in the 2021 financial statements

Unrestricted and Other Charitable Funds continued

	Balance 01 Jan 2021 £'000	Net Utilised £'000	Transfer £'000	Balance 31 Dec 2021 £'000
Unrestricted Funds				
Fixed Asset Fund	9	-	-	9
Other Charitable Funds	10,191	308	(858)	9,641
Revaluation Reserve	1,787	-	858	2,645
Non-charitable trading funds	1	-	-	1
Pension Reserve	(792)	(490)	-	(1,282)
	<u>11,196</u>	<u>(182)</u>	<u>-</u>	<u>11,014</u>

The Revaluation Reserve represents the unrealized gains in Equity Investments (Unrestricted: £2,178,765 and restricted: £465,597)

The Pension Reserve represents the net pension scheme liability recognised in the statement of financial position (Biochemical Staff Pension scheme: £nil and Universities Superannuation Scheme: £1,282,000)

Analysis of Net Assets of the Group's Funds

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds £'000
Fund Balances at 31 December 2022 are represented by:			
Property Plant and Equipment	8	-	8
Investments	9,081	1,018	10,099
Intangible Assets	-	-	-
Current Assets	4,877	105	4,982
Current Liabilities	(2,553)	-	(2,553)
Provision for liabilities	(1,375)	-	(1,375)
Total net assets	<u>10,038</u>	<u>1,123</u>	<u>11,161</u>
Fund Balances at 31 December 2021 are represented by:			
Property Plant and Equipment	9	-	9
Investment Properties	-	-	-
Investments	5,926	1,153	7,079
Intangible Assets	2	-	2
Current Assets	9,093	168	9,261
Current Liabilities	(4,016)	-	(4,016)
Net pension liability	-	-	-
Total net assets	<u>11,014</u>	<u>1,321</u>	<u>12,335</u>

17. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.