

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT AND ACCOUNTS

For the Year Ended

31 March 2016

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

Company Registration No. 08553976

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 March 2016

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT

For the year ended 31 March 2016

The Board presents its Annual Report together with the Accounts of the Botanical Society of Britain and Ireland ("the Society", generally known as BSBI) for the year ended 31 March 2016. Since Charitable Trustees are also Directors, this Annual Report is also a Directors' Report as required by S417 of the Companies Act 2006.

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

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

1. Objectives and activities

Objectives

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

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

Activities

The Society meets these objectives in the following ways.

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

BSBI supports the botanical survey work carried out by its members as volunteers coordinated locally by its Vice-county Recorder network and nationally by the staff of the BSBI Science Unit. BSBI has the capacity to plan, implement and interpret surveys with particular regard to computer database systems. Members and staff are currently actively engaged in field work for the Society's third plant distribution Atlas (the Atlas 2020 project). A BSBI Recorders' conference is held every two years as part of this support and similar events are held in Wales, Scotland and Ireland.

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

BSBI is deeply concerned at the loss of opportunities for the study of whole-plant biology at schools and universities. BSBI's policies to counter this loss have three main strands. First, BSBI holds field meetings throughout Britain and Ireland to further its botanical survey programme while introducing new members to the Society, fostering the mentoring of individual's field identification skills and encouraging members to work together. Secondly, BSBI's Training and Education programme provides training grants, bursaries and conference grants and has participated in the development and promotion of Field Identification Skills Certificates at six levels of competence. BSBI works with partner organisations to deliver training courses. Thirdly, BSBI's annual conferences and exhibition meetings aim to bring together botanists of national and international standing to mix with the general membership and to pursue themes relevant to the day, and to publicise the results of recent research.

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ANNUAL REPORT (continued)

For the year ended 31 March 2016

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

2. Achievements and performance

The Society is now 180 years old, so that its principal achievement is in continuing to do what it has always done, acting as an information exchange for British and Irish botanists, whether in the field or indoors, and from one generation to the next. The Society and its members have always engaged themselves in the accurate recording of plant distributional data and this long tradition continues – as one member once put it, finality in field botany is fortunately unattainable. Reports of the 50 or so meetings held in 2015 are included in the Society's 2016 Yearbook.

Membership

The Society has adopted 31 March as its financial year-end whilst retaining the calendar year for membership purposes. As a result, it is considered more meaningful to present membership numbers at the latest practicable date (30 June) rather than at the balance sheet date.

Total membership as at 30 June 2016 was 2,677 (2015: 2,575) made up of 2,485 (2015: 2,395) members from the United Kingdom, the Isle of Man and the Channel Islands; 134 (2015: 123) from the Republic of Ireland and 58 (2015: 57) from elsewhere.

Public Benefit

The Trustees complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission (most recently in September 2013) when exercising any powers or duties to which the guidance is relevant. The Society's core activities are facilitating the recording of the distribution of plants in the wild in its area, and publication of expert works to aid accurate plant identification. The Society's website, refurbished in April 2016, contains a digital archive of botanical publications and offers much information on the Society's activities on a free-to-user basis. BSBI members and volunteers regularly present lectures to the public and support conservation projects, both locally and nationally.

During the year under review, the Society published two books. In June 2015 the encyclopaedic and ground-breaking *Hybrid Flora of the British Isles* was published to widespread acclaim. The initial print run of 500 was soon exhausted and the book has been reprinted. *Evening Primroses (Oenothera) of Britain and Ireland*, the latest in BSBI's plant identification handbook series (no 16), was published in March 2016.

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

BSBI Review

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

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT (continued)

For the year ended 31 March 2016

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

The third stage (currently underway) involves undertaking high-profile research such as the Atlas 2020 project and offering involvement for members of the Society in collaborative research. We are identifying new funding streams for our work to complement long-standing support from Central Government and its national agencies. We are also examining the Society's efficiency and effectiveness in service delivery as further explained in the financial review below. A Communications Officer was appointed early in the new financial year, expanding on the work hitherto done under the publicity banner. At the same time our website was updated to become more versatile and user friendly, and more accessible to the increasing proportion of the membership wanting mobile access to it, often when engaged in fieldwork.

3. Financial review

The year ended 31 March 2016 was the second full year of operations of the Botanical Society of Britain and Ireland, which took over the assets, liabilities and operations of the Botanical Society of the British Isles as from 1 November 2013. Our predecessor body was finally dissolved in December 2014. The comparative period reported on here is the year to 31 March 2015, with the result that the detailed results can be directly compared.

At the balance sheet date, the Society had net assets of £966,802 (2015: £1,168,339). These figures are stated after inclusion of a backdated accrual for leave earned but not taken in accordance with the new accounting standard - the Charities Statement of Recommended Practice based on Financial Reporting Standard 102 - adopted in these financial statements. This substantial balance sheet total represents 1.8 (2015: 2.3) years of current annual expenditure and has ensured that the Society's reserves are strong enough to invest significant amounts in our future. The Trustees expect over the next several years to move to, and stabilise reserves at one year's current expenditure.

For the year under review, the Society recorded a deficit of £128,422 (2015: £177,777) before investment losses (2015: gains). The Society drew down £190,000 (2015: £160,000) from its investment portfolio to fund its operations and to maintain its net working capital as shown in the cash flow statement.

The Society's net assets are held as managed investments of £948,522 and net current assets of £18,280. As they were at the current and prior year-ends, liquid funds (cash and cash equivalents) are generally held sufficient to cover one or two months of expenditure and working capital is managed at around break-even.

The Society recorded a net investment deficit of £41,819 (2015: return of £74,791), considered as the sum of income and gains less management fees. This was negative 3.9% (2015: positive 6.1%) of the average investment during the year. The markets continued to be volatile after the year-end and by the end of July 2016 the gross investment losses (revaluation deficit) for the year ended 31 March 2016 had more than been recovered. For this reason, the Trustees review financial performance whether quarterly or annual starting with the financial out-turn before investment gains or losses.

Subscriptions from members and the related Gift Aid in relation to those members who have completed mandates make up one fifth of our total annual income. With the subscription rate unchanged except to pass on a separate charge from the publishers of our journal for paper copies, membership numbers mid-year increased by 4.0% (2015 decreased by 6.5%). The Society continues to benefit from some generous legacies and donations and we are most grateful to the late Michael John Dyke for his five-figure unrestricted legacy to a Society he had joined in 1986.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT (continued)

For the year ended 31 March 2016

We are continuing to develop a closer understanding of the Society's capacity to derive income from its two principal assets, the botanical expertise of its volunteer network throughout Britain and Ireland, and the intellectual property entailed in the botanical records largely generated by those members and accumulated in the Society's Distribution Database.

Four national statutory agencies, Natural England, Natural Resources Wales, Scottish Natural Heritage and, for the Republic of Ireland, the National Parks and Wildlife Service, provided 29% (2015: 30%) of the Society's income, which contributes to supporting the Society's staff who are most closely engaged in the programmes and projects of mutual benefit. This percentage is always at risk when project renewals come up and the Society continues to take steps to limit the impact on its bottom line by seeking to diversify its sources of income. Through close relationships with the Biological Records Centre (part of the Natural Environment Research Council) and other organisations such as Kew Gardens and the National Trust, the Society receives additional income for projects involving staff and our network of volunteer botanists.

Expenditure is directed to support the Society's objectives, and is managed and monitored through an annual budget, in the year under review showing average expenditure of £44,000 (2015: £43,000) per month, of which 58% (2015: 61%) relates to the Society's staff payroll. Other expenses include the costs of the Society's Journal and Newsletters, internal administration and governance, and grants made to assist in the development of young botanists and for small botanical research projects, both in furtherance of the Society's objects.

About 50 field meetings were held in the year, some residential, and generally at no net cost to the Society. These meetings aim to accommodate members dispersed throughout Britain and Ireland, and to achieve a balance between scientific and training objectives. The Society is gearing itself up to produce its third plant distribution Atlas after 2020 and its resources are likely to be increasingly directed that way over the next six years or so. The Annual Exhibition Meeting and AGM took place in November 2015 at the Natural History Museum in London and other indoor conferences and workshops were held in England, Ireland, Scotland and Wales. The Society's website, Yearbook and Annual Report describe these meetings and activities in full detail.

As a result of additional project income, planned cost savings and a number of unexpected factors reducing or deferring our expenditure, the operating deficit for the current year was almost £50,000 below that of the previous year. Further deficit reductions are expected from the continuing search for new income sources and improvements in operational efficiency and effectiveness over the next few years.

Unrepresented in the Society's accounts is the value delivered and created by the voluntary activities of its members, whether applied to the business of the Society through membership of its Board of Trustees and other committees, or - to a much greater extent - in relation to recording the distribution of plants found in the wild throughout its geographical area of interest, such activities currently being highly focussed towards the Society's Atlas 2020 project.

As shown in the Society's Yearbook some 300 members (some in multiple roles) serve as committee members, Vice-county Recorders or Referees and many more actively support the plant recording activities led locally by the Vice-county Recorders. It would be difficult even to quantify the time input of such volunteers reliably but it has been estimated that the annual recording effort in Wales alone would cost in excess of £1m were it contracted out commercially, suggesting a figure in the region of £10 million for the annual voluntary effort which our Charity is able to call upon.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT (continued)

For the year ended 31 March 2016

4. Structure, governance and management

Constitution

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

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

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

Dissolution of predecessor body

The Botanical Society of the British Isles was effectively dissolved on 15 December 2014 when it was removed from the Register of Charities maintained by the Charity Commission and placed on the Commission's Register of Mergers. That merger ensures that any legacies made out to the Botanical Society of the British Isles become due to the Botanical Society of Britain and Ireland. In the transfer agreement, the Botanical Society of Britain and Ireland took over any liabilities of its predecessor body that may subsequently crystallise.

Board of Trustees (Directors)

In terms of its Articles of Association, the Society is governed by a Board of Directors, who are also Charitable Trustees. Directors are elected by the members of the Society in a General Meeting. The Board may also co-opt Directors, who then serve until the next AGM. There is a maximum number of 12 Directors. One third of the Directors (other than those currently co-opted) retire by rotation at the next AGM (26 November 2016) and may be re-elected for a renewable term of up to three years, up to a maximum of nine years.

The ten Directors of the Society who served during the year covered by these financial statements are set out below together with their initial dates of appointment and (where applicable) their dates of retirement (three directors). The seven Trustees in office as at 31 March 2016 are elected Trustees.

Dr A I Denholm (Chair)	Appointed 3 June 2013
Miss L Farrell	Appointed 3 June 2013, Retired 28 November 2015
Mr D A Pearman	Appointed 3 June 2013
Mr A G P Timmins	Appointed 3 June 2013, Retired 27 January 2016
Dr S Whild	Appointed 3 June 2013
Professor M J Crawley	Appointed 24 July 2013
Mr C Metherell	Appointed 24 July 2013
Mrs D Williams	Appointed 24 July 2013
Dr C Cheffings	Appointed 24 November 2014
Mr T Swainbank	Appointed 10 December 2014, Retired 28 November 2015

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ANNUAL REPORT (continued)

For the year ended 31 March 2016

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

The Board have developed a skills matrix to identify gaps in their group competencies so that selection, induction and training of future trustees can be targeted as effectively as possible. An eighth Trustee, Mr P R Bisson who has expertise and experience in targeted fundraising and project management was co-opted on 25 May 2016 and is eligible to stand for election at the next AGM.

Council

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

Officers

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

Details of other office bearers, including Vice-county Recorders and the panel of Referees and Specialists are to be found in BSBI Yearbook 2016, pages 6-31.

The Board, the Staff and the Society's Committees

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

As at 31 March 2016 the Society employed 10 staff equivalent to 8 full time posts to work with the principal honorary office bearers in co-ordinating and interpreting the work of its volunteers on which it almost entirely depends, and in the administration of the Society's affairs. There are three Country Officers, four Science staff (two specialising in data management), and three in general, financial and membership administration.

The BSBI Yearbook 2016 sets out full details of BSBI's Committees. Council advises the Board on the development and maintenance of the Society's scientific and social activities. The National Committees for Ireland (comprising in this context Northern Ireland and the Republic of Ireland), Scotland and Wales to give a more localised focus to the Society's work. There are four Permanent Working Committees, as follows:

- i. The Meetings and Communications Committee organises conferences and field meetings.
- ii. The Publications Committee has responsibility for the Society's journals and for BSBI publications, and for making grants to assist the publication of local Floras and similar works.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT (continued)

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- iii. The Recording and Research Committee has primary responsibility for BSBI's plant distribution studies, including maintaining the Vice-county Recorder network and the panel of plant referees and specialists. It is assisted by the staff of the BSBI Science Unit. Its Science and Research sub-Committee allocates research grants.
- iv. The Training and Education Committee co-ordinates these activities for the Society, and awards training, conference and plant study grants.

Investment Policy

The Society's investment powers are governed by the Trustee Act 2000. The Trustees have approved an investment policy statement and have delegated discretionary management of the Society's investments to its investment managers, with whom the responsible Trustees meet periodically.

BSBI's investment policy requires prudent diversification amongst shares, bonds and cash, capable of delivering income returns and portfolio growth combined at 2% over inflation in the long term after expenses. Investment income is initially accumulated but remains readily accessible through realisation of liquid investments. The policy requires at least 70% of the portfolio to be realisable within three months and precludes direct investment in property.

Grant-making Policy

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

Risk Management

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

- i. The Society has in place a comprehensive policy of Trustee Indemnity Insurance.
- ii. The Society maintains a balance sheet in which listed investments represent substantially all of its net assets. Consequently it is exposed to market risk which may materially affect its financial performance in any year of account. The risk is mitigated in a number of ways: the investment portfolio is diversified and is subject to the discretionary management of independent professional investment managers, who follow BSBI's investment policy and agreed investment risk profile, reporting to the Trustees in writing quarterly and in person annually; the Trustees review the financial performance arising from its operations and its investments separately and take a long-term view of investment performance against targets. Real-time investment valuations are accessible to mandated Trustees and the Society's relevant staff and are monitored at least monthly and more frequently in times of market volatility.
- iii. Exchange rate risk is managed by most of the investments being sterling designated, and in maintaining foreign currency designated accounts at the lowest levels possible commensurate with maintaining operations and minimising exchanges between currencies.
- iv. The Society is exposed to cash flow and liquidity risk as a result of running a deficit budget, whilst aiming to maintain its investment base from which it derives income and the capacity for gains. The Society's investment portfolio is managed on a discretionary basis. The individual investments are freely traded and so it is possible to withdraw funds with notice of less than two weeks. Accordingly, the Trustees and administrative and finance staff monitor bank balances and projected receipts and payments in order to ensure that at any time, the Society has in place sufficient liquid funds to meet its liabilities as they fall due.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

ANNUAL REPORT (continued)

For the year ended 31 March 2016

- v. As a result of the referendum held in June 2016, the United Kingdom is to leave the European Union. The Trustees do not consider this will have a material impact on the operations or finances of the Society. Funding from outside the UK represents less than 5% of the Society's income and is not specifically at risk as a result of the vote. BSBI will continue to carry on its activities throughout the biogeographical area loosely indicated by its name, the UK, (the Republic of) Ireland, the Isle of Man, Guernsey and Jersey, and to engage with botanists further afield.

Financial Reserves Policies

Two Endowment Funds have been established by the Trustees to ensure the availability of sufficient resources to continue its research and development activities should other sources prove unavailable in the short term. Legacies and other gifts primarily intended for such purposes are used to supplement the funds and are utilised against related expenditures. The income from the Funds is taken to the General Fund to support the on-going research and development activities.

The Society's policy is to maintain the capital in the two Endowment Funds in excess of £300,000.

Two Restricted Income Funds are maintained to provide for an annual award for outstanding contributions to botany, and for botanical publications relating to North Wales.

The General Fund represents income accumulations of the Society and is unrestricted. The General Fund is intended to provide working capital for the Society's activities and a buffer against fluctuations in income, to secure continuity in paid staff, to secure the issue of the Society's journals, necessary administration and the ability to promote BSBI and raise funds. £300,000 is currently considered an adequate fund and is currently exceeded.

5. Reference and administrative details

Founded	1836, as the Botanical Society of London (Present name adopted 2013)
Incorporation	Registered 3 June 2013 as a Company Limited by Guarantee in England and Wales No. 08553976, as the successor body to the Botanical Society of the British Isles
Registered Office	57 Walton Road Shirehampton BRISTOL, BS11 9TA
Registered Charity	England and Wales No. 1152954 Scotland No. SC038675
Bankers	CAF Bank Limited Kings Hill WEST MALLING Kent, ME19 4TA
Investment Managers	Brewin Dolphin 12 Smithfield Street LONDON EC1A 9BD
Independent Examiner	WMT 45 Grosvenor Road ST ALBANS Herts AL1 3AW

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ANNUAL REPORT (continued)

For the year ended 31 March 2016

Principal Officers

Chair of the Board of Trustees	Dr A I Denholm
Honorary General Secretary	Mr C Metherell
Honorary Treasurer	Vacant
President and Chair of Council	Dr J S Faulkner
Head of Operations	Ms J Houldsworth
Head of Science	Dr K A Walker
Finance Officer and Company Secretary	Dr C M Lovatt
Finance Officer (from 5 September 2016)	Ms J Etherington

Website

<http://bsbi.org/>

6. Statement of Trustees' Responsibilities

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

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

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

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

Approved by the Board of Trustees on 19 October 2016 and signed on its behalf by:



Dr A I Denholm
Chair of the Board of Trustees



Mr D A Pearman
Trustee

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

INDEPENDENT EXAMINER'S REPORT

To the Trustees of the Botanical Society of Britain and Ireland

I report on the accounts of the company for the year ended 31 March 2016 which comprise of the Statement of Financial Activities, the Balance Sheet, the statement of cash flows and the related notes numbered 1 to 20.

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

Respective responsibilities of charitable trustees and examiner

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

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

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

Basis of independent examiner's report

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

Independent examiner's statement

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

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



E E Irvine FCA

Dated 19 October 2016

WMT - Chartered Accountants

45 Grosvenor Road, ST ALBANS, Herts AL1 3AW

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2016

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Endowment Funds 2016 £	Total Funds 2016 £	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Endowment Funds 2015 £	Total Funds 2015 £
INCOME AND ENDOWMENTS FROM									
Donations and legacies	2	185,772	-	15,000	200,772	149,849	-	18,400	168,249
Charitable activities	3	156,254	-	-	156,254	129,216	-	-	129,216
Investments	4	41,130	-	-	41,130	43,450	-	-	43,450
Total		383,156	-	15,000	398,156	322,515	-	18,400	340,915
EXPENDITURE ON									
Raising funds	5	49,571	-	-	49,571	60,959	-	-	60,959
Charitable activities	6	461,757	250	15,000	477,007	438,378	955	18,400	457,733
Total		511,328	250	15,000	526,578	499,337	955	18,400	518,692
OTHER RECOGNISED (LOSSES)/GAINS									
Realised (losses)/gains on investments	9	(5,929)	-	(2,924)	(8,853)	1,330	9	537	1,876
Unrealised (losses)/gains on investments	9	(43,036)	-	(21,226)	(64,262)	28,507	183	11,499	40,189
Total (losses)/gains on investments		(48,965)	-	(24,150)	(73,115)	29,837	192	12,036	42,065
Net (expenditure)/income		(177,137)	(250)	(24,150)	(201,537)	(146,985)	(763)	12,036	(135,712)
RECONCILIATION OF FUNDS									
Total funds brought forward	19	775,697	5,221	387,421	1,168,339	922,682	5,984	375,385	1,304,051
Net movement in funds as above	19	(177,137)	(250)	(24,150)	(201,537)	(146,985)	(763)	12,036	(135,712)
Total funds carried forward		598,560	4,971	363,271	966,802	775,697	5,221	387,421	1,168,339

BOTANICAL SOCIETY OF BRITAIN AND IRELAND**Summary income and expenditure account****For the year ended 31 March 2016**

	Note	2016 £	2015 £
Income			
Donations and legacies	2	185,772	149,849
Charitable activities	3	156,254	129,216
Investment income	4	41,130	43,450
Realised gains on investments	ii	-	1,339
Unrealised gains on investments	ii	-	28,690
		<hr/>	<hr/>
Gross income in the year		383,156	352,544
		<hr/>	<hr/>
Expenditure			
Raising funds	5	49,571	60,959
Charitable activities	6	462,007	439,333
Realised losses on investments	ii	5,929	-
Unrealised losses on investments	ii	43,036	-
		<hr/>	<hr/>
Total expenditure in the year		560,543	500,292
		<hr/>	<hr/>
Net expenditure before tax for the year		(177,387)	(147,748)
Tax payable	iii	-	-
		<hr/>	<hr/>
Net expenditure for the financial year		(177,387)	(147,748)
		<hr/>	<hr/>

Notes to the Summary income and expenditure account

- i) The Summary Income and Expenditure Account is required to meet the accounting requirements of the Companies Act 2006 and presents in a different format amounts included in the Statement of Financial Activities, but excluding the endowment funds.
- ii) Losses and gains on investments as allocated to the different classes of funds are shown in the Statement of Financial Activities and in total in note 9 to the accounts.
- iii) The Society is a charitable company which does not engage in business subject to Corporation Tax. The Society holds a general exemption from Corporation Tax and is required to make tax returns only on the request of HMRC or in the event of receiving income subject to Corporation Tax. A nil return was made for the year ended 31 March 2015.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

BALANCE SHEET

As at 31 March 2016

	Note	2016		2015	
		£	£	£	£
Fixed Assets					
Investments	9		948,522		1,180,698
			<hr/>		<hr/>
Current Assets					
Stocks	10	30,351		12,993	
Debtors	11	47,188		53,569	
Cash at bank		69,499		69,840	
			<hr/>		<hr/>
		147,038		136,402	
Liabilities					
Creditors: Amounts falling due within one year	12	128,758		148,761	
			<hr/>		<hr/>
Net current assets/(liabilities)			18,280		(12,359)
			<hr/>		<hr/>
Net assets			966,802		1,168,339
			<hr/>		<hr/>
Funds					
Endowment funds	13	363,271		387,421	
Restricted income funds	14	4,971		5,221	
Unrestricted income fund	15	598,560		775,697	
			<hr/>		<hr/>
			966,802		1,168,339
			<hr/>		<hr/>

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

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

For the year ending 31 March 2016 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

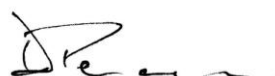
The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

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

Approved by the Board of Trustees on 19 October 2016 and signed on its behalf by:



Dr A I Denholm
Chair of the Board of Trustees



Mr D A Pearman
Trustee

Company registration number 08553976
Charity registration number 1152954 (England and Wales) and SC038675 (Scotland)

BOTANICAL SOCIETY OF BRITAIN AND IRELAND**STATEMENT OF CASH FLOWS**

For the year ended 31 March 2016

	Note	2016		2015	
		£	£	£	£
Cash flows from operating activities					
Cash used in operating activities	18	(190,388)		(149,855)	
Cash generated from interest on deposits		47		28	
		<hr/>		<hr/>	
Net cash used in operating activities			(190,341)		(149,827)
Cash flows from investing activities					
Proceeds from sale of investments	9	190,000		160,000	
		<hr/>		<hr/>	
Net cash provided by investing activities			190,000		160,000
			<hr/>		<hr/>
Change in cash and cash equivalents in the year			(341)		10,173
Cash and cash equivalents at the beginning of the year			69,840		59,667
			<hr/>		<hr/>
Cash and cash equivalents at the end of the year			69,499		69,840
			<hr/>		<hr/>

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS

For the year ended 31 March 2016

1. ACCOUNTING POLICIES

Basis of accounting

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

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

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 April 2014 and the last financial statements prepared under the previous reporting framework were for the year ended 31 March 2015.

In order to comply with the new Charities SORP (FRS 102) the following are the main changes which have been made to the current and comparative accounts.

- i. A liability has been recognised for short-term compensated absences where employees have accumulated a right to paid annual leave but had not used it at the balance sheet date. The initial liability at the transition date was £7,807. The effect of this change of accounting policy, applied retrospectively, on total funds and the net expenditure is shown in note 19.
- ii. Governance costs are no longer presented in the Statement of Financial Activities as a separate expense line but are combined with other expenditure on charitable activities.
- iii. Gains or losses arising from the revaluation to market value or sale of investments are under the new accounting framework included in net expenditure rather than being disclosed 'below the line' as was previously the case.
- iv. Enhanced disclosure of comparative amounts is now required, and is provided in the Statement of Financial Activities and in the notes to the accounts.
- v. Enhanced narrative is now required, including an expansion of the description of accounting policies, and to support the figures in the notes to the accounts.

Judgments in applying accounting policies and key sources of estimation uncertainty

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

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

Statement on Public Benefit

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

Recognition of Income

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

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

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

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

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

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

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

Expenditure

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

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

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

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

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

Fixed assets and depreciation

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

Investments

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

Stocks

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

Financial Instruments

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

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

Debtors, Cash at Bank and Creditors

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

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

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

Holiday pay accrual

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

Operating leases

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

Pensions

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

Foreign Currencies

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

Taxation

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

Fund accounting

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

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

Endowment funds are those set aside by the Trustees for specific purposes, including as a reserve to cover the continuity of operations.

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

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND**NOTES TO THE ACCOUNTS (continued)****For the year ended 31 March 2016**

2. DONATIONS AND LEGACIES	2016	2015
	£	£
Subscriptions and tax recoverable on Gift Aid	84,499	68,506
Donations and sundry income	1,122	1,854
Core grants	90,151	64,715
Legacies	10,000	14,774
	<hr/>	<hr/>
Total reported in income and expenditure account	185,772	149,849
Endowment fund donations (note 13)	15,000	18,400
	<hr/>	<hr/>
Total reported in Statement of Financial Activities	200,772	168,249
	<hr/>	<hr/>
3. INCOME FROM CHARITABLE ACTIVITIES		
Botanical survey and interpretation	89,171	94,225
Botanical Education		
Meetings, conferences and courses income	30,935	13,949
Botanical publications and website		
Publication sales	32,579	15,842
Journal support and royalties	3,569	5,200
	<hr/>	<hr/>
Total income from charitable activities	156,254	129,216
	<hr/>	<hr/>
4. INCOME FROM INVESTMENTS		
Investment income	41,083	43,422
Bank deposit interest	47	28
	<hr/>	<hr/>
Total income from investments	41,130	43,450
	<hr/>	<hr/>
5. EXPENDITURE ON RAISING FUNDS		
Membership administration	10,868	12,826
Staff costs and expenses	13,347	20,274
Publicity	15,569	17,163
Investment management costs	9,787	10,696
	<hr/>	<hr/>
Total expenditure on raising funds	49,571	60,959
	<hr/>	<hr/>

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

6. EXPENDITURE ON CHARITABLE ACTIVITIES	2016	2015
	£	£
Botanical Survey and Interpretation		
Project staff costs	171,728	174,877
Project staff overhead costs	7,794	8,579
Project direct costs	17,712	7,490
Grants awarded for scientific work	5,851	4,174
Support staff costs	73,793	75,966
Support staff overhead costs	<u>2,756</u>	<u>4,762</u>
	<u>279,634</u>	<u>275,848</u>
Botanical Education		
Meetings, conferences and courses	36,996	21,412
Grants awarded for training and education	<u>4,270</u>	<u>9,542</u>
	<u>41,266</u>	<u>30,954</u>
Botanical Publications and Website		
New Journal of Botany	22,113	27,475
BSBI News and other similar publications	21,758	19,805
Cost of publication sales	31,226	9,519
Grants awarded for botanical publications	1,250	3,650
Taxonomic database and website costs	<u>37,056</u>	<u>32,997</u>
	<u>113,403</u>	<u>93,446</u>
Governance costs		
Honorary officer expenses	3,674	3,283
Trustee indemnity insurance	910	914
Staff costs and expenses	21,307	30,355
Independent Examination	2,000	2,000
Payroll, HR and accounting support services	5,288	3,553
Restructuring costs	-	4,974
Committee costs and expenses	7,859	5,218
Movement in accrued holiday pay	(3,592)	1,937
Other governance costs and expenses	<u>5,258</u>	<u>5,251</u>
	<u>42,704</u>	<u>57,485</u>
Total expenditure on charitable activities	<u>477,007</u>	<u>457,733</u>

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

The total value of grants disbursed in the year was £11,371 (2015: £17,366). In the prior year one grant of £1,500 was made to another charity in support of their training programme for exceptional young field biologists. All other grants were awarded on the basis of applications made by individuals, 32 (2015: 47) of whom received grants in the year.

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

The endowment of £15,000 (2015: £18,400, note 2) was applied to project staff costs and direct overheads and direct project costs and (2015 only; £3,400) a publication grant.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

7. RELATED PARTY TRANSACTIONS

Trustees receive no remuneration for their services as Trustees or Board members. No trustees received fees for professional work commissioned by the Society. No transactions took place with parties connected to the Trustees. The following transactions took place with Trustees.

Amounts totalling £5,994 (2015: £3,630) were reimbursed to eight (2015: 8) Trustees who made expense claims for reimbursement of out-of-pocket travel, subsistence and communications costs.

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

One Trustee was awarded a further research grant of £1,000 towards the travel and subsistence expenses of the Trustee and a co-worker during the year ended 31 March 2016 (2015: £1,000). The research activities are expected to result in a new BSBI Plant Identification Handbook.

One Trustee gave unrestricted donations totalling £250 each year to the Society by monthly standing order.

8. STAFF COSTS

	2016 £	2015 £
Salaries	269,040	278,093
Social Security costs	23,390	24,892
Pension costs	12,718	13,709
Movement in accrued holiday pay	(3,592)	1,937
	<hr/>	<hr/>
Total staff costs	301,556	318,631
	<hr/>	<hr/>

No employee earned in excess of an annual equivalent of £60,000 during the year (2015: nil).

The average number of staff during the year was 11 (2015: 12). At the reporting date there were 10 (2015: 12) employees, in each case one resident outside UK.

During the year, two staff were made redundant (2015: nil), one on completion of a fixed-term maternity cover contract and the other by mutual agreement. Terminal dues are included in salaries and amounted to £9,707 of redundancy payments (whether statutory or *ex gratia*), £1,717 of pay in lieu of notice, and £2,177 of unused leave allowances. Additional Social security contributions amounting to £497 arose on these redundancies, making an additional staff cost of £14,098.

The Trustees consider two members of staff to be key management personnel and accordingly uses the designation 'Head' in their job titles. Their combined gross salaries, social security costs and employer's pension contributions constituted 28% (2015: 29%) of the totals above.

The Society has no group pension scheme and accordingly offers all permanent staff employer's contributions to their personal pension schemes (if any). Amounts are accrued whilst staff make the necessary arrangements (see note 12). The Society reimburses expenditure incurred by staff in the furtherance of their duties but does not provide any employment benefits.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

9. INVESTMENTS	2016	2015
	£	£
At Market Value		
At the beginning of the year	1,180,698	1,266,044
Investment income retained	41,083	43,422
Investment management charges deducted	(10,144)	(10,833)
Transfers to bank current account	(190,000)	(160,000)
Realised (loss)/gain in the year	(8,853)	1,876
Unrealised (loss)/gain in the year	(64,262)	40,189
	<hr/>	<hr/>
Market value at the end of the year	948,522	1,180,698
	<hr/>	<hr/>
At Original Cost	968,176	1,139,025
	<hr/>	<hr/>

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

Investment Trusts	28.50%	26.68%
Equity Collectives	17.33%	15.90%
Bonds	14.00%	10.66%
Banks, financial services and insurance	10.88%	13.57%
Oil and gas	6.56%	6.37%
Other sectors	22.62%	25.66%
Cash	0.11%	1.16%
	<hr/>	<hr/>
Total	100.00%	100.00%
	<hr/>	<hr/>

10. STOCKS AND WORK IN PROGRESS

Botanical Publications	30,351	12,993
	<hr/>	<hr/>

Stocks of botanical publications are held by the Society's sales agent, Summerfield Books (2007) Ltd. Provision is made for slow-moving stocks; (£1,429; 2015: £1,490). Stocks of a recent reprint of BSBI's Hybrid Flora of the British Isles are included at a net realisable value of £12,873.

The cost of publications sold (including the pre-publication offer for the Hybrid Flora) in the financial year was £31,226 (2015: £9,519). Sales proceeds are shown in note 3 to the accounts.

11. DEBTORS

Debtors	14,675	29,897
Accrued income	18,898	16,778
Prepayments	13,615	6,894
	<hr/>	<hr/>
Total debtors	47,188	53,569
	<hr/>	<hr/>

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

12. CREDITORS

	2016	2015
	£	£
Amounts falling due within one year		Restated
Creditors	12,102	14,905
Taxation and social security	8,815	5,968
Pensions – Employer contributions	13,807	20,088
Holiday pay accrual	6,152	9,744
Other accrued expenses	16,644	20,064
Deferred income	71,238	77,992
	<hr/>	<hr/>
Total creditors	128,758	148,761
	<hr/>	<hr/>

Employer pension contributions represent accrued amounts held over for four (2015: 6) members of staff pending the completion of monthly payment arrangements to the provider of the employee's choice. Subsequent to the year end, such arrangements had been completed for three of these staff and £11,624 of the accrued liability as at 31 March 2016 had been settled, with arrangements by one member of staff remaining.

As more fully described in the accounting policies and in note 19 to the accounts, a holiday pay accrual for leave earned but not taken is required under the new reporting framework adopted in these financial statements and is applied retrospectively.

Deferred income of £54,296 (2015: £46,521) relates to subscriptions received for the calendar year. 75% of such annual subscriptions relating to the remaining nine months of the calendar year after the balance sheet date is deferred. Deferred income also arises in a similar way from unearned grant or contract income and from advance bookings for field meetings and conferences. All deferred income is released in the succeeding financial year.

13. ENDOWMENT FUNDS

	Research	Development	Total	Total
	Fund	Fund	Funds	Funds
	2016	2016	2016	2015
	£	£	£	£
At the beginning of the year	232,341	155,080	387,421	375,385
Income from donations	-	15,000	15,000	(18,400)
Expenditure on charitable activities	-	(15,000)	(15,000)	(18,400)
Attributable investment (losses)/gains	(14,483)	(9,667)	(24,150)	12,036
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	217,858	145,413	363,271	387,421
	<hr/>	<hr/>	<hr/>	<hr/>

The Endowment Funds have been designated by the Trustees out of Expendable endowments arising from legacies and other gifts to the Society in order to maintain reserves for scientific and research purposes, and for the development of the Society. The Funds are held as shown in note 16 and investment gains or losses are allocated accordingly. Income returns on investments are reserved for the General Fund. Incoming resources represent donations made in financial support of the designated purpose and are currently utilised in the year of receipt as described in note 6. Income from the funds is unrestricted and is applied to the General Fund.

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

14. RESTRICTED INCOME FUNDS

	Presidents' Award Fund 2016 £	Welsh Flora Fund 2016 £	Total Funds 2016 £	Total Funds 2015 £
At the beginning of the year	3,742	1,479	5,221	5,984
Investment gains attributable to restricted funds	-	-	-	192
Expenditure on charitable activities	(250)	-	(250)	(955)
	<hr/>	<hr/>	<hr/>	<hr/>
At the end of the year	3,492	1,479	4,971	5,221
	<hr/>	<hr/>	<hr/>	<hr/>

The Presidents' Award Fund is an expendable fund to provide for an annual award of £250 made to an individual or individuals by the Presidents of BSBI and The Wild Flower Society for outstanding contributions to botany. The funds share in investment gains (but not losses). The Funds are held as shown in note 16.

The Welsh Flora Fund provides grants towards botanical publications relating to North Wales. No applications or disbursements were received during the year (2015: £705 disbursed).

15. UNRESTRICTED FUNDS

	2016 £	2015 £
General Fund		
At the beginning of the year as previously stated	785,441	930,489
Short-term compensated absences (note 19)	(9,744)	(7,807)
	<hr/>	<hr/>
At the beginning of the year as restated	775,697	922,682
Other incoming resources	383,156	322,515
Resources expended	(511,328)	(499,337)
Investment (losses)/gains attributable to fund	(48,965)	29,837
	<hr/>	<hr/>
At the end of the year	598,560	775,697
	<hr/>	<hr/>

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

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

16. ALLOCATION OF FUNDS AS AT 31 MARCH 2016

	Investments	Other Net	Total
	£	Assets	£
		£	
Endowment Funds			
Research Fund	217,858	-	217,858
Development Fund	145,413	-	145,413
Restricted Income Funds			
Presidents' Award Fund	3,492	-	3,492
Welsh Flora Fund	1,479	-	1,479
Unrestricted Income Funds			
General Fund	580,280	18,280	598,560
	<hr/>	<hr/>	<hr/>
	948,522	18,280	966,802
	<hr/>	<hr/>	<hr/>

Unrestricted funds comprising the General Fund include unrealised losses on investments amounting to £12,020 (2015: gain £27,815).

The allocation of funds as at 31 March 2015 followed the same pattern with net current liabilities as shown in the balance sheet being allocated to the General Fund.

17. COMMITMENTS

The Hybrid Project was completed in June 2015 with the publication of *The Hybrid Flora of the British Isles* (2015 commitment: £3,448).

The Society has signed a lease agreement commencing 6 April 2014 at £1,300 annually for office space for the Head of Science. The lease is for three years.

As at 31 March 2016, the Society had approved for disbursement in the next year 42 training or research grants totalling £11,127 (2015: 40 grants, £11,416). Grants are normally paid after the completion of the training course or research.

18. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£	£
Net expenditure for the year	(201,537)	(135,712)
Adjustments for:		
Losses/(gains) on investments	73,115	(42,065)
Dividends and interest from investments and deposits	(41,130)	(43,450)
Investment management charges	10,144	10,833
(Increase)/decrease in stocks	(17,358)	1,225
Decrease in debtors	6,381	35,508
(Decrease)/increase in creditors	(20,003)	23,806
	<hr/>	<hr/>
Cash used in operating activities	(190,388)	(149,855)
	<hr/>	<hr/>

BOTANICAL SOCIETY OF BRITAIN AND IRELAND

NOTES TO THE ACCOUNTS (continued)

For the year ended 31 March 2016

19. IMPACT OF TRANSITION TO FRS 102 AND SORP 2015

	31 March 2015 £	1 April 2014 £
Reconciliation of total funds		
Total funds as previously stated	1,178,083	1,311,858
Short-term compensated absences	(9,744)	(7,807)
	<hr/>	<hr/>
Total funds as restated	1,168,339	1,304,051
	<hr/>	<hr/>

**Year ended 31
March 2015
£**

Reconciliation of net expenditure	
Net expenditure for the year as previously stated	(133,775)
Short-term compensated absences	(1,937)
	<hr/>
Net expenditure for the year as restated	(135,712)
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Note to the reconciliations

Prior to applying FRS 102, the Botanical Society of Britain and Ireland did not make provision for leave pay (i.e. leave earned but not taken prior to the year-end). FRS 102 requires the cost of short-term compensated absences to be recognised when employees render the service that increases their entitlement to such paid leave. Consequently, an additional accrual of £ 7,807 as at 1 April 2014 has been made to reflect this. The additional provision at 31 March 2015 is £9,744 and the effect on the net expenditure for the year ended 31 March 2015 is an additional expense of £1,937.

This prior year adjustment arising from a change of accounting policy, retrospectively applied, affects only the Society's General Fund, an unrestricted fund (note 15).

20. Financial Instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value	948,522	1,180,698
Financial assets measured at amortised cost	14,675	29,897
	<hr/>	<hr/>
Financial liabilities		
Financial liabilities measured at amortised cost	25,909	34,993
	<hr/>	<hr/>

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