



The
Geological
Society

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2020

The Geological Society of London
Registered Charity Number 210161

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1. Report of the trustees

1.1 Objectives and activities

This report provides information intended to help the user understand:

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

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

1.1.1 Purpose and aims of the Society

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

“To investigate the mineral structure of the Earth”.

This is interpreted to mean:

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

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

These objectives are translated into long-term strategy and more immediate priorities and aims in a number of ways. Section 1.1.2 sets out the Society's current over-arching 10-year strategy and priorities; sections 1.2 and 1.4 explain how these are translated into the main ongoing activities of the Society and how these in turn support the charitable purpose and aims.

1.1.2 Strategies for achieving stated aims

Serving science, profession and society – a strategy for the Geological Society, 2017 - 2027

Council agreed a new 10-year strategy for the Society in January 2017, the key points of which are summarized as:

Our purpose:

- supporting the work of geoscientists;
- inspiring interest in the physical world; and
- connecting science, profession and society.

Our values:

All that we do is underpinned by scientific excellence, professional and ethical integrity, and quality of service. To that end:

- we strive to be impartial, authoritative, trustworthy and transparent;
- we promote diversity, equality, inclusion and respect for others across the geoscience community;
- we promote social and environmental sustainability, responsibility and stewardship;
- we seek opportunities to work collaboratively, and aim to be recognised as a valued partner.

Themes:

A home for geoscience: we will promote and support the geosciences and act as the scientific and professional home for an engaged, diverse and inclusive geoscience community.

Serving and supporting geoscientists: we will provide services and support for our Fellows and other geoscientists throughout their careers.

Maintaining standards: we will assure high professional standards in geoscience, for the public benefit.

Trusted voice: we will be the trusted voice of the geoscience community.

Education and outreach: we will promote geoscience education and share our science widely, to inform public debate and to inspire future geoscientists to address the challenges facing humanity.

Strengthening our organisation: we will ensure that the Geological Society remains a sustainable, resilient and thriving organisation over a generational timescale, in order to deliver our strategic aims and objectives.

Section 1.2 sets out how the Society has been implementing this strategy during the year. As part of this process, it has also developed a Business Plan to prioritize work towards strategic goals over a rolling three-year basis. This is further detailed in section 1.4.

1.1.3 The main activities of the Society

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

Charitable activities

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

Trading activities

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

Other activities

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

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

Social investments, grant-making activities and use of volunteers

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

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

1.2 Achievements and performance

1.2.1 Overall achievements and performance

The global pandemic and subsequent nationwide lockdowns had an unprecedented impact on the Society. The ability of the Society to meet its charitable objectives was curtailed by the restrictions imposed upon it but the Society managed to fulfil its objectives to varying degrees. Fellowship numbers continued to decline in 2020, whilst publishing continues to grow and offer relevant and varied content. The Society's scientific, professional and public events programme was necessarily curtailed during much of 2020 although virtual events organised in the latter part of 2020 proved to be popular. In respect of the Society's financial objectives, the reported 2020 surplus largely arises from unrealised changes in value of the Society's investment portfolio. The underlying financial and operational performance was impacted by the pandemic. Conference and event income were significantly reduced due to cancellation of much of the 2020 programme. Due to the closure of the Burlington House venue for much of the year, the ability to generate revenue from this asset ceased. Fellowship income was adversely impacted by lower renewals and an increased use of the fee concession scheme. In this regard, the Society felt it imperative to support the Fellowship where possible in times of financial stress and will continue to do so. The operational losses were somewhat mitigated by use of the furlough scheme. To ensure that the Society can better balance its cost base against anticipated lower future income, the Society reluctantly reduced the number of staff working in the Society. The costs of the redundancy programme were incurred in 2020 as an operational expense. Whilst the 2021 outlook remains uncertain, the Society has reduced its core costs and has the flexibility to react to changing events as they arise.

The Society's significant achievements against its objectives in 2020 are set out as follows.

1.2.2 Science and education

During 2020, the Society reacted to quickly move to virtual delivery of events and activities. The Society held five virtual public lectures, in addition to two in-person talks held in the first two months of the year. Other highlights include conferences on the sulfur cycle and mineral resources, and an international event on the future of geology, which saw over 1,000 attendees. This open event was followed by a closed summit of key stakeholders in the UK higher education community and employment sector, which resulted in the joint GSL-UGUK publication: *Enrolment in crisis: A UK-wide strategy for exciting, engaging and retaining students in the geosciences*.

The Society held five virtual meet a scientist events, which allowed secondary school students the chance to hear from a practicing geologist and ask them questions about their career. A virtual Careers Day in October was also a success, with 800 university students registered to attend 20 events over four days.

The Society launched a number of activities around the theme of energy transition, beginning with the inception of the Decarbonisation Working Group at the start of the year and the appointment of a theme leader in the second half of the year. The working group is preparing resources on the role of geoscience in energy transition including briefing notes and responses to government consultations. A briefing note on geological disposal of radioactive waste was published ahead of the UK government's new siting process.

Our LinkedIn, Twitter and Facebook followings continue to grow, as did the Society's Instagram account. Whilst a lack of key baking supplies in many shops threatened a cancellation of the popular Geo-bakeoff, a quick change of rules allowed for baked and crafted entries, resulting in a wealth of creative projects.

1.2.3 Professional and academic standards

Total 2020 membership was 11,691 (2019 – 11,952) across all categories, which is slightly down on the previous year. This modest reduction is consistent with trends within membership organizations and reflects the challenge to maintain relevance to those working and studying in geology and associated fields. The Society's Fellow grade membership (as measured at mid-2020) was 10,962 with its Candidate and Junior grade membership at 729. The number of Chartered Geologists stood at 2,734.

The Society is currently in the process of reviewing its membership categories and benefits to ensure these are still fit for purpose and meet the needs of its Fellows. This process will conclude in June 2021. Regional and Specialist Group activity was significantly impacted by the pandemic and whilst some virtual events took place during the year, little in the way of field trips and student and public engagement was possible.

1.2.4 Scholarly publishing

The Society's publishing programme continues to generate a significant proportion of the revenues required to fund Society activities, whilst simultaneously fulfilling our charitable objectives. Despite the disruption Covid-19 caused, an ambitious programme of work was undertaken through 2020 to adapt to a quickly changing publishing landscape, meet the needs of the community and future-proof the portfolio responsibly.

As a result, we entered 2021 with the launch of the Society's first fully Open Access journal, *Earth Science, Systems and Society* (ES³); negotiated our first transformative agreements, which combine read and publish services, with two major library consortia; and moved the Society's owned and co-owned journals to electronic-only. This work is underpinned by our focus on excellent customer service to all of our communities and strong collaborations with our partners.

1.2.5 Library and archives

Covid-19 and the subsequent closure of Burlington House provided significant challenges for the provision of library and information services. Innovative remote solutions such as 'click and collect' loans were available alongside usual remote services and for a short period in-person services resumed where government guidance allowed.

Through 2020 a Library Review was conducted by a Working Group who examined existing evidence, interviewed expert witnesses and conducted a Fellowship survey. The final report and recommendations were approved by Council on 25 November 2020 and communicated to Fellows in March 2021 ahead of an implementation plan being formulated.

1.3 Financial review

1.3.1 Financial position and performance

Funds

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

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

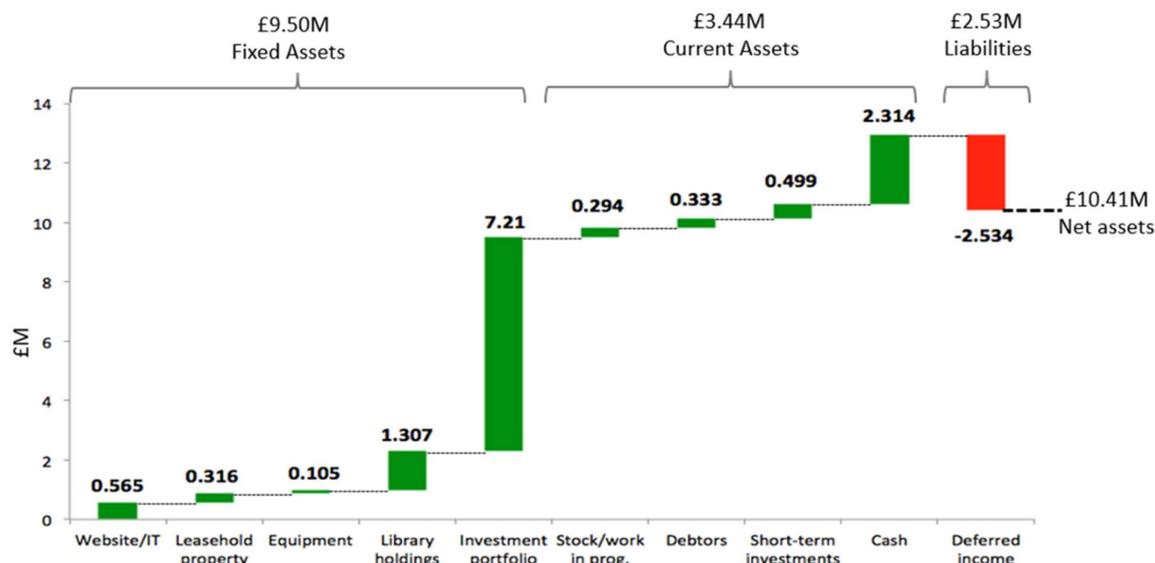
Total Society funds and reserves at the end of 2020 were £10,410,001 (2019 - £9,972,106). This is analysed over the three categories defined above as follows:

Analysis of Funds

	2020
Unrestricted	£7,235k
Restricted	£881k
Endowment	£2,294k
	<hr/> <hr/> £10,410k

Unrestricted income funds represent the primary operation and activities of the Society and increase or decrease depending upon operating surpluses or deficits made each year. Restricted income funds and endowment funds support specific activities but are primarily dependent upon performance of the Society’s investments for growth or the provision of new legacies. Approximately £7.2m of the Society’s funds are placed in an investment portfolio and are subject to wider market variations. 2020 was a volatile year in the investment markets but active management by the Society’s investment managers led to an appreciable overall unrealised increase in the value of the investment portfolio. The portfolio strategic objective was modified during 2019 to a ‘total return’ objective rather than an emphasis on income generation. This change protected the Society from some of the market downturn and led to value growth in excess of expectations. Note 19 to the Financial Statements provides further information on investments. Notes 26 to 29 set out material funds by category, showing significant movements in those funds during the reporting year and their position at year-end. Note 31 explains the proportion of total funds available as free reserves – see also section 1.3.2.

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



Principal sources of funding

Total consolidated income, excluding gains and losses from investments and foreign exchange, was £5.30m in the year ending 31 December 2020 (201 - £5.58m). The Society's principal sources of funding remain closely linked to its charitable activities and these are set out below:

The Society had a challenging year during 2020 with overall income levels below 2019. Reduced activity led to a reduction in operating costs and charges totalling £5.51m (2019 - £6.15m) resulted in a deficit of income over expenditure of £0.21m (2019 - £0.57m). Unrealised gains in the year from movements in the value of investments and both realised and unrealised currency differences resulted in an increase in funds for 2020 of £0.65m (2019 - £0.69m). The value of the Society's investment portfolio increased from £6.6m at 31 December 2019 to £7.2m at the end of 2020.

	2020			2019		
	Source	Reallocation	Statements	Source	Reallocation	Statements
	£k	£k	£k	£k	£k	£k
Donations	48	-	48	47	-	47
Events (Science & Education)	161	26	187	351	25	376
Membership Fees (Professional and Academic)	1,997	(1,356)	641	2,078	(1,400)	678
Publishing	2,748	703	3,451	2,604	729	3,333
Library	6	610	616	20	632	652
Trading	35	17	52	256	14	270
Investments	142	-	142	228	-	228
Other	166	-	166	-	-	-
	5,303	-	5,303	5,584	-	5,584

Expenditure of funds

The Society's total expenditure for the year ending 31 December 2020 was £5.51m (2019: £6.15m). Society expenditure has been in line with its charitable objectives and principal sources of funding. Note 8 to the accounts sets out expenditure for the year in further detail, including analysis of direct and support costs across each charitable activity. The following tables summarize expenditure by activity and type for the current and previous years:

Analysis of Expenditure: by activity		
	2020	2019
Trading	£72k	£190k
Investments	£55k	£50k
Science	£1,109k	£1,378k
Professional	£582k	£698k
Publishing	£2,583k	£2,717k
Library	£1,114k	£1,116k
Total	£5,515k	£6,149k

Analysis of Expenditure: by type		
	2020	2019
Charitable Activity	£3,237k	£3,957k
Trading	£72k	£190k
Investment	£55k	£50k
Support	£2,151k	£1,952k
Total	£5,515k	£6,149k

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

Investments

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

During 2020, the Society adopted a Responsible Investment Policy to ensure that investments are consistent with the Society's values and ethos and do not conflict with the Society's aims. The policy considers environmental, social and governance criteria in prioritising investments and employs a number of exclusions in respect of tobacco, alcohol, arms, etc. Companies with material involvement in extraction/combustion of certain high emissions fossil fuels are also excluded, subject to possible mitigations. Details of this policy can be found on the Society's website.

The Society maintains an investment portfolio of around £7.2m, managed by professional advisors who make regular, quarterly reports to the Treasurer's Investment Committee. The primary purpose of the portfolio is to provide income through returns and growth in capital to support the current and future charitable activities of the Society. To achieve this, professional advisors are set performance targets against which the Investment Committee (IC) measures performance. Investment income in 2020 was £142k (2019: £228k). The reduction in investment income is reflective of the change of portfolio strategy mentioned earlier, namely, to focus on total returns rather than income generation, and the adverse impact of the pandemic on corporations' ability or willingness to pay dividends. Note 5 to the Financial Statements provides further detail.

Investment management charges comprise the advisor's annual fees plus a share of support staff and other overhead charges to reflect internal management of this activity. These charges are apportioned to individual funds within the investment pool on the basis of the value that each fund has invested within the pool. Year on year total investment management charges were £55k in 2020 and £50k in 2019.

Investment valuations are further explained in note 19.

Trading activities

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

During 2020, the activity of GTL was significantly impacted by the Covid pandemic and the subsequent and enduring lockdown. Its revenue is predominantly derived from in-person events including meetings, conferences and room hire. The limited trading activity provided income of £2.9k (£64.5k in 2019) against costs of sales of £1.6k (£17.0k in 2019). When administration costs are also taken into account to cover use of the Society's staff and facilities, the net profit for the year is £0.7k (2019: £31.6k). The Board entered into a Deed of Covenant during 2019 whereby profits generated by GTL are donated to the Society. The 2020 profits have now been donated in accordance with this Deed.

Fundraising

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

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

1.3.2 Reserves

The Society's reserves policy is to maintain a contingency sufficient to cover 9 months (75%) of core operational expenditure (within a range of 20% above or below this value, i.e. within a 55%-95% range). Core operational expenditure is defined as the full cost of undertaking the Society's charitable activities (including support and administration overheads), as identified in the Statement of Financial Activities.

Under the Charities SORP 2019 free reserves are calculated as the total of investments and net current assets classified as unrestricted funds, less any assigned to designated funds. At 31 December 2020 free reserves stood at £4.17m (2019: £4.0m) against core operational costs of £5.4m (2019: £5.9m). This represents 77.4% of the target (2019: 67.8%) and is, therefore, within the range set out above.

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

1.3.3 Principal risks and uncertainties

The Society receives no funding from central government or public bodies. It is dependent, therefore, upon its own initiatives to generate the income required to carry out its charitable activities. With an annual turnover of £5.5m - £6.0m it is not financially a large organization and, whilst it enjoys reasonably healthy revenues at present from its various income streams, these streams are not many and are not immune to change. For these reasons financial control and decision-making is given a high priority in the Society's affairs.

The Society cannot and does not assume that individuals and corporate bodies within the geoscience community will automatically wish to become and remain members: it must keep its membership offering relevant and communicate its activities in a coherent manner. At present individual Fellowship and Chartership income and numbers and corporate membership via the Corporate Affiliate programme are declining overall.

Publishing is a competitive activity and in order to remain successful the Society must manage this activity with a view to market changes and uncertainties. The Society faces significant revenue challenges arising from the growth of Open Access publishing and is responding to these challenges with a view to expanding the Society's Open Access offering whilst maintaining careful control on cost. Competition within the sector remains strong and the Society is alert to the variability of customer demand and the need to maintain investment in technology; all without eroding the high standards of service and quality of content associated with the Society's publishing activities.

Conference and events activity is also subject to volatility, that is mitigated by providing a varied events programme and adapting, where possible, to take account of likely demand peaks and troughs. During 2020, a more focused events marketing strategy was initiated but due to the Covid-19 pandemic, the value of this was impacted. Focused marketing will continue during 2021 as originally envisaged.

Whilst some uncertainty remains over the affordability of future lease costs in respect of Burlington House, discussions with the Landlord and their agents continue along with other measures including the assessment of alternative locations.

The ongoing impact of the Covid-19 pandemic continues to affect the Society's ability to continue fulfilling its charitable objectives. The Society has adapted well to remote working and objectives continue to be effectively fulfilled in many areas. Journals, books and the updated Geoscientist publication continues and events and conferences that were impacted by Covid-19 have either successfully been rescheduled to a virtual platform or continue to be deferred. Forward detailed financial planning and forecasting is frequently updated and reported to the Finance & Planning Committee and costs, wherever possible have been and continue to be mitigated. The Society has evolved to be more agile and adaptable and is now better capable of reacting to changes as the country emerges from the pandemic. Management and Trustees continue to monitor events and financial performance take the appropriate action to ensure the ongoing impact of the pandemic is minimised.

1.4 Plans for future periods

1.4.1 Summary of future plans

Business Plan 2021

In order to achieve the objectives of the Society's 2017-2027 Strategy (see section 1.1.2), Council approved a 2021 Business Plan in November 2020. This sets priorities for achieving strategic objectives on a three-year rolling basis and is divided into themes that are tied back directly to the Strategy. Operational objectives and deliverables are defined, together with timescales, resources and responsibilities.

Priorities identified in the 2021 Business Plan are as follows.

Advance multidisciplinary Earth science to inform global issues

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

Support professional development, careers and education in Earth science

- Support the professional development of Earth scientists including full support for career pathways towards CGeol
- Measurably improve the Society's relationships with academic institutions
- To communicate the importance and societal relevance of Earth science to STEM students to foster future generations of Earth scientists
- Review and revise Chartership Development Plan with objective of increasing Chartership uptake in targeted sectors

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

- Provide a clear commitment and pathways to improved diversity, equality and inclusion within the organisation and across our science
- Undertake stakeholder mapping exercise as a basis for an outcome-centred prioritisation of engagement with external organisations and joint activities
- Support and deliver the degree course accreditation review
- Deploy an equitable, accessible membership model which targets under-represented demographics

Become a dynamic and responsive organisation with a strong digital identity

- Overhaul the Society's purpose and vision statements, and values
- Develop a 5 year digital strategy
- Transform the culture of the Society to instil greater agility, accountability, responsiveness, productivity, improved customer care and commercial awareness

Publishing

- Launch EScubed in line with proposal, publish first content and establish a development plan
- Deliver 26-28 accepted book proposals within calendar year, including two Geoscience in Practice titles
- Achieve sustained and measurable improvement in standard publication metrics of journal titles and book series

Library and information services

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

1.5 Structure, governance and management

1.5.1 Governing instrument

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

1.5.2 Organizational structure of the Society

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

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

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



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

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

1.5.3 Governance and decision making

Governance structure

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

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

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

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

Decision making

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

- (i) ***Council Officers Group*** – the President, Vice-Presidents, Secretaries and Treasurer meet prior to each meeting of Council and are responsible for ensuring the efficient management of the Society. Chaired by the President. The Officers group met 4 times during 2020.
- (ii) ***Finance and Planning Committee*** – responsible for the financial health of the Society through effective control and transparency of the accounting processes, timely financial planning and investment management. Chaired by the Treasurer. The FPC met 5 times during 2020.

- (iii) **Professional & Chartership Committee** – responsible for promoting professional excellence and ethical standards in the Earth sciences for the public good. Chaired by the Secretary, Professional Matters. The PC met 5 times during 2020.
- (iv) **Science Committee** – responsible for maintaining and implementing a science strategy for the Society that reflects its charitable aims and objectives, including through the Society’s conference programme. Chaired by the Secretary, Science. The SC met 3 times during 2020.
- (v) **External Relations Committee** – responsible for setting the Society’s approach to policy, education and outreach, communications, media relations, international matters and links with other organizations. Chaired by the Secretary for Foreign and External Affairs. The ERC met 3 times during 2020.
- (vi) **Publications and Information Committee** – responsible for the publication and distribution of high-quality, peer-reviewed Earth science literature in accordance with the Society’s charitable aims, and maintaining a library of physical and electronic resources for the Earth science and wider community. Chaired by the Secretary, Publications. The PIC met 3 times during 2020.
- (vii) **Audit Committee** – responsible for reviewing accounting procedures, internal control and financial risk, as well as for conducting a detailed examination of the Society’s draft annual financial statements. Chaired by a Fellow of the Society. The Audit Committee met twice during 2020.
- (viii) **Awards Committee** – responsible for consideration of nominations received from the Fellowship for the Society’s awards and medals. Chaired by the President. The Awards Committee met twice during 2020.
- (ix) **Elections Committee** – responsible for ensuring the proper conduct of elections to Council, including the nomination and election of officers. Chaired by the President. The EC met twice during 2020.

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

Executive Secretary and Senior Leadership Team

The Executive Secretary is the senior executive of the Geological Society. He is responsible to the President for operational management of the Society’s affairs and successful delivery of strategy and business plans. The Executive Secretary assists Council in determining strategic objectives and ensures these are achieved through effective deployment of resources, strong relationships with key partners, and leadership of the Society’s staff.

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

Risk management

The Trustees and Senior Leadership Team actively review the major risks to which the charity is exposed on a regular basis. Systems and procedures have been put in place to manage those risks. These include a formal Risk Register that is reviewed regularly by the Senior Leadership Team, standing committees and Council. The Finance and Planning Committee also carries out an annual review of all risks. In late 2020, the Society licenced improved software to facilitate tracking of risks and mitigatory actions, and this product was implemented in early 2021.

1.5.4 Subsidiary company

Geological Trading Limited, registered in England as Company number 3522033, is a wholly-owned trading subsidiary of the Geological Society of London, offering room hire and associated catering services to the limited extent that is

permitted under the lease. The company's results are consolidated into the Society's Financial Statements and further details are provided in notes 1 and 32 to the Financial Statements. The company also produces separate accounts in accordance with the Companies Act 2006.

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

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

1.5.5 Related parties and wider networks

Interests in other bodies

The Society has a $\frac{1}{3}$ interest in Petroleum Geology Conferences Ltd, a joint venture with the Energy Institute and the Petroleum Exploration Society of Great Britain, for the purpose of organizing, promoting and running a series of petroleum geology events which took place at intervals of four to six years. To date, 8 events have been organised since 1974. During 2020, the dissolution by way of a member's voluntary liquidation commenced and was gazetted in March 2021. The dissolution will conclude mid-2021.

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

Collaborations

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

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

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

now recognised through its Associated Societies scheme. The Society is the UK adhering body to the International Union of Geological Sciences.

1.5.6 Pay policy for senior staff

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

1.6 Reference and administrative details

1.6.1 Legal and administrative information

Charity details

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

Subsidiary company details

Name of company:	Geological Trading Limited
Company registration number:	03522033
Registered office:	Burlington House, Piccadilly, London W1J 0BG

1.6.2 Trustees

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

Honorary Officers -

President:	Dr Michael Daly
Vice Presidents:	Mr John Booth Mr Nicholas Reynolds Ms Jessica Smith

Secretaries:	Prof. James Griffiths Dr Joel Gill Prof. Robin Strachan Dr Alexander Whittaker
Treasurer:	Mr Graham Goffey (Dr Keith Myers – Treasurer designate)

Other members of Council

Ms Joanna Alexander, Mr Thomas Backhouse, Mr Andrew Bloodworth, Dr Jennie Gilbert, Dr Kathryn Goodenough, Dr Michael Kehinde, Prof Chris King, Mr Andrew Moore, Prof Bryne Ngwenya, Dr John Perry, Ms Gemma Sherwood, Dr Helen Smyth and Mrs Lucy Williams.

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

Lesley Dunlop, Sarah Gordon, Nick Rogers, Kate Royse, John Talbot

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

1.6.3 Senior Leadership Team

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

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

1.6.4 Professional advisors and other relevant organizations

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

Bankers:	Coutts & Co, 440 Strand, London WC2R 0QS
Solicitors:	Bristows, 100, Victoria Embankment, London EC4Y 0DH
Auditors:	RSM UK Audit LLP, 25 Farringdon Street, London, EC4A 4AB
Investment advisors:	Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London EC4M 8BU

2. Reports of the President, Treasurer and Executive Secretary

2.1 President's report

From the President, Dr Mike Daly

Foundations for the future

In the midst of the challenging times of 2020 the Geological Society (GSL) laid some new foundations for its future. Covid-19 provoked an accelerated move to virtual communications making the Society more accessible to its membership and the science community at large. The Society also made significant strides in the matter of strategy, degree accreditation, our view of climate and environmental change and the long running issue of the Burlington House lease. In addition, it sanctioned a new Open Access journal and a redesign of the Geoscientist magazine.

With respect to the Covid pandemic, I would like to acknowledge and thank Richard Hughes and the GSL team, both in the Publishing House and Burlington House, for their pragmatism and resilience throughout the pandemic. The Society responded quickly and good use was made of the opportunity to move to virtual meetings, be they our science programme, early career events or Council meetings. This change was rapid and welcome and now represents an enhanced capability in the Society.

As the Society was 'locking down' in March, it was also beginning a strategic review to set the direction for the next decade. The Strategic Options Project engaged with Fellows and other stakeholders ranging from students to CEOs across the UK and overseas. The project identified four priorities to guide our activities over the coming decade:

1. Advance fundamental, multidisciplinary Earth and Planetary science to inform global issues
2. Support professional development, careers and education in Earth sciences
3. Be the inclusive home for UK Earth scientists, and increase our international collaboration
4. Become a more dynamic and responsive organisation with a strong digital identity

The launch of five scientific themes under priority one is central to the strategic aims. The first of these, the Energy Transition, was launched at the end of 2020 and will be steered by Nick Gardiner of St Andrews University. Activities within the remaining four themes: Planetary Science; Geohazards; Environmental and Climate Change; and Advanced Computing and Big Data will ramp up in 2021.

These themes augment the deep expertise of the Society's Specialist Groups and will also feature in the GSL's recently launched Open Access, online journal – Earth Science Systems and Society (ES³). As the journal grows it will position the Society well in the growth of Open Access publishing.

The refresh of the degree accreditation process began with the appointment of Mark Anderson of Plymouth University. Mark has already added significant energy and direction to the long needed updating of the requirements for Earth Science qualifications. It is particularly timely given the recent decline of the numbers of students applying to read Earth Sciences at British Universities.

Throughout 2020, the GSL and its Burlington House neighbours continued to engage with the Government on the long-running problem of escalating rents and restrictions on how we can use the Burlington House premises. Discussions have resulted in the Society being presented with a fixed annual rent increase of 8% per annum for the next 5 years. These terms mean that our rent will become unaffordable over the same time period.

Given the lack of progress on this issue Council decided to increase its Government-focussed lobbying effort and, as a contingency plan, set up a working group to assess the needs of a modern scientific society and what a future beyond Burlington House could look like for the GSL. Ex-President David Shilston is leading the New Premises Project and has gathered an impressive team to support him. Together with the Society of Antiquaries, the Astronomical Society and the Linnaean Society we have also engaged 'April Sixth', a PR company, to support the final campaign to engage Government in a resolution of the Burlington House rental issue.

This has not been the year I was expecting as President. Whilst more time consuming, it has also been far more varied and interesting. It has caused me to learn much about the history of our Society and its relationship with Britain's past¹. It has also clarified the relevance and role of the Geological Society for the future: in the medium term developing the underlying science required to deliver the energy transition; and in the longer term, underpin planetary exploration and the ever increasing geohazard, tectonic and crustal monitoring of our environment. It has also brought into sharp focus that we should be more active in ensuring the preservation and accessibility of geological data such as our unique map collection.

I would like to end this by thanking you, the membership, for your continued support for the Society. As ever we are only as good, and as relevant, as our membership makes us.

2.2 Treasurer's report

From the Treasurer, Mr Graham Goffey

A challenging year for staff but much achieved...

2020 was a challenging year for the Society, with a financial outturn that reflects two major themes. COVID constrained much of the Society's output, thereby reducing expenditure on subsidised activities such as education, policy and science. In parallel, and benefitting from a deliberate 2019 shift in investment strategy, the investment portfolio recovered from market falls to end with a substantial gain. Both income of £5.3m (2019 £5.6m) and expenditure of £5.5m (2019 £6.1m) were well below budget. The income figure includes £0.16m of furlough grant, reflecting the number of staff furloughed due to COVID. Investment and foreign exchange gains of £0.65m lead to an overall positive outturn of £0.44m. These largely unrealised, 'paper' gains dominate the financial outturn and obscure the deficit of expenditure over income at the operating level.

The pre-COVID receipt of most Fellowship dues limited the impact on this income stream and the Society was able to respond flexibly to Fellows experiencing COVID-related financial challenges. Publishing House revenues were inevitably reduced, with modest expectations for any near term recovery. During 2020 the Society's planned response to the shifting publishing environment included the launch of two fully open access journals; Lithosphere (through Geoscience World) and new Society journal Earth Science, Systems and Society (ES³). It is important and gratifying that the Publishing House has introduced a comprehensive open access journal offer although open access provides very limited revenue relative to our hybrid (mixed open access and free-for-author) publications. Concerns persist as to the income impact of open access on learned society publishers such as ours, without the scale benefits of the large commercial publishers. Since publishing provides some 50% of Society income, reduction in this income stream will be a significant challenge for the Society.

¹ Reference Caroline Lam, 2020, Report on The Geological Society's Archives and Special collections.

To ensure that the Society lives within its means and reflecting a multi-year trend of falling income, in early 2020 a target was set to reduce annual outgoings by around £0.5m (c.10%) from 2021. A reduction of around 16% in headcount was achieved through the removal of several unfilled posts and most regrettably via a staff redundancy programme in Q4. Such programmes are difficult for all involved and especially for those losing employment, some of whom had long service with the Society and all of whom leave with our sincere thanks and best wishes for the future. Redundancy costs of £0.14m were paid in 2020.

After considerable benchmarking and analysis, a modernised Fellowship fees structure is proposed for 2022; ending the age-based scheme that had become both an anachronism and deterrent to new Fellows. The replacement scheme aims as far as possible to avoid fees increases and to minimise likely income losses for the Society. Additionally, the recommendations of the 2020 library review were accepted by Council. Having served on the review's steering group I would highlight the shift to greater emphasis on digital delivery of science in order to broaden and simplify Fellows' access. The review reaffirmed the importance of the Society's map and core historic collections supported by the specialist expertise of key library staff. With falling visitor numbers and rising costs, some cost-savings have been made, including reduced library staffing and ending subscription to infrequently read and unread journals. Also approved by Council in 2020 was the long overdue Responsible Investment Policy, aiming to align our investments with Paris Accord goals within a framework reflecting the Society's deep understanding of the extractive sector.

After seven years on Council, I step down this year, confident that the Society is in the capable hands of my successor, Keith Myers. It has been a rewarding experience to collaborate with many highly motivated volunteers on numerous committees and working groups, to work with the Society's capable staff, to whom I express my sincere thanks, and to see the Society clearly onto a modernising path. Despite long-running Burlington House interactions with HMG, rapidly rising rent valuations have been the continuing theme of my tenure. Seven years of service allows one to really appreciate the deep reach of the Society within our science and to see beyond the potential impacts of departing our historic apartments. I urge Fellows to support Council in making decisions first and foremost for the long term future of the Society, and to recognise, as I wrote last year, that there is also opportunity in a move should it become necessary.

2.3 Report of the Executive Secretary

From Dr Richard Hughes

When I wrote to you at this time last year the country was in the grip of the first lockdown related to the Covid-19 pandemic. As a consequence the Society's Burlington House premises were closed to staff, Fellows and visitors for large parts of 2020, with only a limited re-opening of the Library possible in the early autumn.

An unexpected, but positive, impact of the pandemic was its acceleration of digital working practises. A rapid transition to virtual meetings enabled a much more inclusive attendance at lectures and events, making it possible for people to join from far-flung locations. Our Annual General Meeting, for example, was attended by Fellows joining this webinar-style event from Hong Kong and South America. A highlight of our events was the half-day panel discussion on the 'Future of Geoscience', attended by over 1,000 participants from around the world. This was followed by a

Society's 'summit' on student enrolment at UK universities, from which a joint action plan with University Geoscience UK has been developed for implementation.

In 2018 the Society appointed its first Head of Development with the objective of increasing income from philanthropic sources. Strong progress has been made in laying down the foundations for growth, our former 'Corporate Patrons' scheme has been completely overhauled, and a legacy framework will soon be rolled-out. Corporate support can take different forms, and a successful bid into the JP Morgan 'Force for Good' programme has resulted in substantial *pro bono* expertise to implement the digital infrastructure to host the Society's 'Geoscience Education and Outreach Network'. When the network launches in 2021 it will provide a forum for all those interested in education and outreach to share resources and connect with volunteers, providing a digital platform to underpin our aspiration to inspire the next generation of Earth scientists.

Our Geoscience Education and Outreach Network work is not the only initiative to benefit from digital transformation. From the start of 2021, the Geoscientist will move to reduced frequency of hard-copy publication and a much-enhanced online presence with a new website optimised for mobile devices.

In late 2019 Council requested an in-depth review of the Society's Library and Information Services. The review began in early 2020 and was undertaken by an independent expert panel, led by Professor Hazel Rymer. The review's recommendations were accepted by Council in November 2020, and their implementation will result in an increased shift towards digital delivery of resources while emphasising the importance of our unique maps, heritage and science collections. The review also made recommendations which anticipate a possible re-location from Burlington House to smaller premises.

Neal Marriott stood down from his role as Director of Publishing in January 2020 and has been replaced by Maggie Simmons. Neal made an enormous contribution to the Society over the years, leaving behind a highly accomplished scholarly publishing operation highly regarded on the international stage. The transformation of the Society's publishing operations in response to a rapidly changing landscape continued with the launch of new, online open access journal Earth Science Systems and Society (ES³).

The review of current Fellowship categories, fees and benefits gathered pace in the second half of 2020. It is recognised that current, largely age-based fee structure, has been in place a long time, is unpopular, and seen by some as unaffordable and discriminatory. A consultation to gather Fellows' and non-Fellows' views on current and potential new structures and benefits ran in December 2020, and your feedback will be incorporated into new proposals that will be tabled at our 2021 Annual General Meeting.

2020 was an extraordinary year for the Society, with many highs and lows. In addition to the many highlights described above an important 'Strategic Options' Review was accomplished under entirely remote working conditions. On the 'down side' the Society's financial position led to a small number of unavoidable and regrettable redundancies. I am very grateful to the staff affected for their service and dedication to the Society over the years, and wish them every future success.

Finally, it gives me enormous pleasure to thank all the Society's staff, both at Burlington House and Bath, for their exceptional adaptability and resilience throughout the difficult circumstances created by the continuing pandemic. It is entirely due to them that the Society was able to migrate rapidly and seamlessly to remote working patterns, so

avoiding significant disruption to most Fellowship services and activities, and allowing us to look forward in 2021 with renewed optimism.

3. Responsibilities of the trustees

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities Statement Of Recommended Practice ('SORP') 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

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

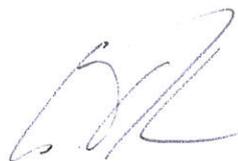
Signed on behalf of the Trustees:



Dr Michael Daly

President

Date: **7 April 2021**



Mr Graham Goffey

Treasurer

Date: **7 April 2021**

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

Opinion

We have audited the financial statements of the Geological Society of London (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Charity only Statement of Financial Activities, the Consolidated and Charity only (Parent Charity) Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2020 and of their incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees' Report and Consolidated Financial Statements other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report and Consolidated Financial Statements. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be

materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on pages 24 and 25, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK AUDIT LLP

Statutory Auditor

25 Farringdon Street

London

EC4A 4AB

Date: *17 June 2021*

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

5. Statements of Financial Activities

5.1 Consolidated Statement of Financial Activities as at 31 December 2020

	Note	2020				2019			
		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Income and endowments from:									
Donations and legacies	2	27,643	20,000	-	47,643	46,592	-	-	46,592
Charitable activities									
- Science & education	3.a	187,425	-	-	187,425	376,335	-	-	376,335
- Professional & academic standards	3.b	641,019	-	-	641,019	677,920	-	-	677,920
- Scholarly publishing	3.c	3,451,579	-	-	3,451,579	3,332,840	-	-	3,332,840
- Library & archives	3.d	616,089	-	-	616,089	651,962	-	-	651,962
Other trading activities									
- Room hire & catering	4	51,897	-	-	51,897	270,003	-	-	270,003
Investments	5	131,770	9,852	-	141,622	211,496	16,619	-	228,115
Other Income	6	165,996	-	-	165,996	-	-	-	-
Total income		5,273,418	29,852	-	5,303,270	5,567,148	16,619	-	5,583,767
Expenditure on:									
Raising funds									
- Room hire & catering	7.a	71,750	-	-	71,750	189,638	-	-	189,638
- Investment management costs	7.b	37,847	3,512	13,335	54,694	46,546	653	2,740	49,939
Charitable activities									
- Science & education	8.a	1,081,375	26,504	1,511	1,109,390	1,340,849	34,327	2,350	1,377,526
- Professional & academic standards	8.b	582,053	-	-	582,053	696,393	1,884	-	698,277
- Scholarly publishing	8.c	2,582,503	-	-	2,582,503	2,678,931	27,804	10,456	2,717,191
- Library & archives	8.d	1,113,986	-	-	1,113,986	1,115,895	543	-	1,116,438
Total expenditure		5,469,514	30,016	14,846	5,514,376	6,068,252	65,211	15,546	6,149,009
(Deficit) of income over expenditure		(196,096)	(164)	(14,846)	(211,106)	(501,104)	(48,592)	(15,546)	(565,242)
Net gains / (losses) on investments	19	427,219	46,410	176,238	649,867	451,740	55,507	232,854	740,101
Net income/(expenditure)		231,123	46,246	161,392	438,761	(49,364)	6,915	217,308	174,859
Transfers between Funds		-	-	-	-	(7,012)	7,012	-	-
Other gains / (losses) in year	20	7,454	(1,734)	(6,586)	(866)	(42,098)	(754)	(3,162)	(46,014)
Tax Payable	36	-	-	-	-	(903)	-	-	(903)
Net movement in funds		238,577	44,512	154,806	437,895	(99,377)	13,173	214,146	127,942
Reconciliation of funds:									
Total funds brought forward		6,996,026	837,016	2,139,064	9,972,106	7,095,403	823,843	1,924,918	9,844,164
Total funds carried forward		7,234,603	881,528	2,293,870	10,410,001	6,996,026	837,016	2,139,064	9,972,106

The notes on pages 32-58 form an integral part of these Financial Statements.

5.2 Charity only Statement of Financial Activities as at 31 December 2020

	Note	2020				2019			
		Unrestricted	Restricted	Endowment	Total	Unrestricted	Restricted	Endowment	Total
		Funds	Funds	Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	2	59,940	20,000	-	79,940	46,592	-	-	46,592
Charitable activities									
- Science & education	3.a	187,425	-	-	187,425	376,335	-	-	376,335
- Professional & academic standards	3.b	641,019	-	-	641,019	677,920	-	-	677,920
- Scholarly publishing	3.c	3,451,579	-	-	3,451,579	3,332,840	-	-	3,332,840
- Library & archives	3.d	616,089	-	-	616,089	651,962	-	-	651,962
Other trading activities									
- Room hire & catering	4	49,023	-	-	49,023	205,461	-	-	205,461
Investments	5	131,770	9,852	-	141,622	211,496	16,619	-	228,115
Other Income	6	165,996	-	-	165,996	-	-	-	-
Total income		5,302,841	29,852	-	5,332,693	5,502,606	16,619	-	5,519,225
Expenditure on:									
Raising funds									
- Room hire & catering	7.a	70,194	-	-	70,194	157,636	-	-	157,636
- Investment management costs	7.b	37,847	3,512	13,335	54,694	46,546	653	2,740	49,939
Charitable activities									
- Science & education	8.a	1,080,717	26,504	1,511	1,108,732	1,340,849	34,327	2,350	1,377,526
- Professional & academic standards	8.b	582,053	-	-	582,053	696,393	1,884	-	698,277
- Scholarly publishing	8.c	2,582,503	-	-	2,582,503	2,678,931	27,804	10,456	2,717,191
- Library & archives	8.d	1,113,986	-	-	1,113,986	1,115,895	543	-	1,116,438
Total expenditure		5,467,300	30,016	14,846	5,512,162	6,036,250	65,211	15,546	6,117,007
(Deficit) / Surplus of income over expenditure		(164,459)	(164)	(14,846)	(179,469)	(533,644)	(48,592)	(15,546)	(597,782)
Net gains / (losses) on investments	19	427,219	46,410	176,238	649,867	451,740	55,507	232,854	740,101
Net income/(expenditure)		262,760	46,246	161,392	470,398	(81,904)	6,915	217,308	142,319
Transfers between Funds		-	-	-	-	(7,012)	7,012	-	-
Other gains / (losses) in year	20	7,454	(1,734)	(6,586)	(866)	(42,098)	(754)	(3,162)	(46,014)
Tax Payable	36	-	-	-	-	-	-	-	-
Net movement in funds		270,214	44,512	154,806	469,532	(131,014)	13,173	214,146	96,305
Reconciliation of funds:									
Total funds brought forward		6,959,636	837,016	2,139,064	9,935,716	7,090,650	823,843	1,924,918	9,839,411
Total funds carried forward		7,229,850	881,528	2,293,870	10,405,248	6,959,636	837,016	2,139,064	9,935,716

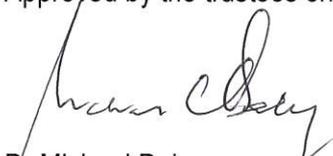
The notes on pages 32-58 form an integral part of these Financial Statements.

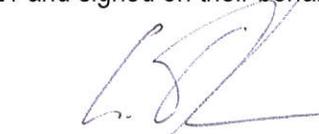
6. Balance Sheets at 31 December 2020

	Note	Consolidated Balance Sheet				Charity Only Balance Sheet			
		2020		2019		2020		2019	
		£	£	£	£	£	£	£	£
Fixed assets:									
Intangible assets									
- website development	16	3,777		7,388		3,777		7,388	
- IT systems development	16	561,075	564,852	666,695	674,083	561,075	564,852	666,695	674,083
Tangible assets									
- leasehold property	17	316,282		397,338		316,282		397,338	
- equipment, fixtures & fittings	17	52,895		77,525		52,895		77,525	
- computer equipment	17	52,749	421,926	68,125	542,988	52,749	421,926	68,125	542,988
Heritage assets									
- library holdings	18		1,306,790		1,257,996		1,306,790		1,257,996
Investments									
- listed and traded investments	19	7,029,972		6,530,135		7,029,972		6,530,135	
- portfolio cash	19	180,686	7,210,658	118,572	6,648,707	180,686	7,210,658	118,572	6,648,707
Total fixed assets:			9,504,226		9,123,774		9,504,226		9,123,774
Current assets									
Stocks	21								
- finished stock		243,775		198,390		243,775		198,390	
- work in progress		49,860		45,047		49,860		45,047	
Debtors	22	333,383		312,524		356,576		384,833	
Investments	23	498,826		1,231,618		498,826		1,231,618	
Cash at bank and in hand		2,314,486		1,810,418		2,286,540		1,699,177	
Total current assets			3,440,330		3,597,997		3,435,577		3,559,065
Liabilities									
Creditors									
- amounts falling due within 1 year	24	(2,534,555)		(2,749,665)		(2,534,555)		(2,747,123)	
Net current assets			905,775		848,332		901,022		811,942
Total net assets or liabilities			10,410,001		9,972,106		10,405,248		9,935,716
The funds of the charity:	26								
Unrestricted funds	27	7,234,603		6,996,026		7,229,850		6,959,636	
Restricted income funds	28	881,528		837,016		881,528		837,016	
Endowment funds	29	2,293,870		2,139,064		2,293,870		2,139,064	
Total funds			10,410,001		9,972,106		10,405,248		9,935,716

The notes on pages 32-58 form an integral part of these Financial Statements.

Approved by the trustees on 7th April 2021 and signed on their behalf by:


 Dr Michael Daly
 President


 Mr. Graham Goffey
 Treasurer

7. Consolidated Cash Flow Statement for the year ended 31 December 2020

	Note	2020		2019	
		£	£	£	£
Cash flows from operating activities:					
<i>Net cash provided by operating activities:</i>	33		(269,766)		(770,441)
<i>Tax paid</i>	36		-		(903)
Cash flows from investing activities:					
Dividends and interest from investments:	5	141,622		228,115	
Purchase of property, plant and equipment	16,17,18	(187,630)		(250,346)	
Proceeds from sale of investments:	19	2,210,638		4,808,161	
Purchase of investments:	19	(2,122,722)		(4,808,161)	
<i>Net cash provided by investing activities:</i>			41,908		(22,231)
Cash flows from financing activities:					
<i>Net cash provided by financing activities:</i>			-		-
Change in cash and cash equivalents in the reporting period:					
			(227,858)		(793,575)
Cash and cash equivalents at the beginning of the reporting period:	34		3,042,036		3,881,625
Change in cash and cash equivalents due to exchange rate movements:	20		(866)		(46,014)
Cash and cash equivalents at the end of the reporting period:	34		2,813,312		3,042,036

The notes on pages 32-57 form an integral part of these Financial Statements.

8. Notes forming part of the Financial Statements

1 Accounting policies

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

(a) Basis of preparation

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

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

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

The Trustees confirm that at the time of approving the financial statements, and based on their forecasts until 31 May 2022, there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Society's reserves position. At 31 December 2020, the Society held unrestricted cash balances of £2.8m and unrestricted investments of £4.7m.

(b) Changes in accounting policy

There were no changes to accounting policies in the 2020 financial year.

(c) Consolidated accounts

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

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

(d) Income

Income is recognised and accounted for on an accruals basis. This means that it is attributed to the reporting year to which it relates rather than the year in which it may be received. For example, income received which relates to activities and benefits that occur in the following year is excluded from the Statement of Financial Activities and is

included as deferred income in the Balance Sheet. All income of this nature will be released to the Statement of Financial Activities in the financial year that the activities and benefits occur.

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

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

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

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

(e) Expenditure

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

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

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

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

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

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

(f) Accounting estimates and judgements

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

- (i) *Income recognition of legacies* – income may be recognized prior to receipt of all funds from a legacy. Where this is the case an estimate of the likely benefit will be made based upon information available from the donor's estate.

- (ii) *Provisions for bad debt* – the Society provides in full for all debt that is over 12 months old. This is based upon experience and ongoing review of debt recovery. Any debt adjudged unrecoverable is fully written off.
- (iii) *Provisions for lease payments due* – provisions are included in creditors for the sums calculated as due under the lease but not yet billed by the landlord's agent.
- (iv) *Reserves* – the Society's reserves policy is set out at Section 1.3.2 and is based upon covering expenditure for up to nine months.

(g) Foreign currencies

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

(h) Fixed assets

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

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

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

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

(i) Current assets

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

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

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

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

(j) Current liabilities

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

(k) Funds and reserves

The Society recognizes the following classifications of funds and reserves:

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

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

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

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

(l) Cash flow statement

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

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

2 Donations and legacies

During the year the Society received a number of donations totalling £47.6k (2019: £46.6k). These include two significant anonymous donations and a number of smaller equally generous donations. These have been recorded as donations in the Statement of Financial Activities. The Directors of Geological Trading Ltd (GTL) have entered into a Deed of Covenant whereby profits are automatically donated to the Society. These profits will be included in the financial statements. In 2020, GTL donated £32k to its parent.

3 Income from charitable activities

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

Allocation of Fellowship fee and Corporate Patron income:

Activity	Core Fellowship Fee Income				Corporate Patron Fee Income			
	2020		2019		2020		2019	
	%	£	%	£	%	£	%	£
Science & education	1.1%	17,154	1.1%	17,803	6.3%	9,051	6.3%	6,993
Professional & academic	18.1%	293,016	18.1%	304,108	79.9%	114,786	79.9%	88,689
Publishing	43.4%	702,648	43.4%	729,247	0.0%	-	0.0%	-
Library & archives	37.4%	607,480	37.4%	630,477	1.5%	2,155	1.5%	1,665
Trading	0.0%	-	0.0%	-	12.3%	17,670	12.3%	13,653
	100.0%	1,620,298	100.0%	1,681,635	100.0%	143,662	100.0%	111,000

Analysis of charitable income:

Analysis of Charitable activity	2020				2019			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
3.a Science & Education								
Flagship meetings & events	30,179	-	-	30,179	88,257	-	-	88,257
Energy Group meetings	123,626	-	-	123,626	256,965	-	-	256,965
Other meetings & events	500	-	-	500	24	-	-	24
Grants & other direct funding	-	-	-	-	-	-	-	-
Friends of the GSL	-	-	-	-	292	-	-	292
Other Income	6,915	-	-	6,915	6,001	-	-	6,001
Membership fees redistributed	26,205	-	-	26,205	24,796	-	-	24,796
Sub-total:	187,425	-	-	187,425	376,335	-	-	376,335
3.b Professional & academic standards								
Fellowship & Chartership fees	452,250	-	-	452,250	441,442	-	-	441,442
Corporate Patrons fees	148,662	-	-	148,662	111,000	-	-	111,000
Accreditation	20,350	-	-	20,350	17,791	-	-	17,791
Specialist & Regional Groups	19,469	-	-	19,469	107,125	-	-	107,125
Other Fellowship Income	288	-	-	288	562	-	-	562
Sub-total:	641,019	-	-	641,019	677,920	-	-	677,920
3.c Scholarly publishing								
Book sales & distribution	212,630	-	-	212,630	237,849	-	-	237,849
Lyell Collection	1,646,365	-	-	1,646,365	1,552,755	-	-	1,552,755
GSL journals	525,086	-	-	525,086	474,431	-	-	474,431
Non-GSL Journals	35,583	-	-	35,583	38,387	-	-	38,387
Geology Today	13,472	-	-	13,472	12,886	-	-	12,886
Geofacets	30,109	-	-	30,109	38,464	-	-	38,464
Geoscientist	4,537	-	-	4,537	11,096	-	-	11,096
GSW Ebooks	67,389	-	-	67,389	78,472	-	-	78,472
Royalties & copying income	213,090	-	-	213,090	158,974	-	-	158,974
Other Publishing Income	670	-	-	670	279	-	-	279
Membership fees redistributed	702,648	-	-	702,648	729,247	-	-	729,247
Sub-total:	3,451,579	-	-	3,451,579	3,332,840	-	-	3,332,840
3.d Library & Archives								
Library Income	6,454	-	-	6,454	19,820	-	-	19,820
Membership fees redistributed	609,635	-	-	609,635	632,142	-	-	632,142
Sub-total:	616,089	-	-	616,089	651,962	-	-	651,962
Grand total:	4,896,112	-	-	4,896,112	5,039,057	-	-	5,039,057

4 Other trading activities

Consolidated Income Analysis of Other trading activities	2020				2019			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Room hire: Fellows & associates	14,937	-	-	14,937	74,219	-	-	74,219
Room hire: subsidiary company	-	-	-	-	38,298	-	-	38,298
Catering: Fellows & associates	28,132	-	-	28,132	101,951	-	-	101,951
Catering: subsidiary company	-	-	-	-	26,244	-	-	26,244
Other activities	(8,842)	-	-	(8,842)	15,638	-	-	15,638
Membership fees redistributed	17,670	-	-	17,670	13,653	-	-	13,653
Grand total:	51,897	-	-	51,897	270,003	-	-	270,003

Charity-only Income Analysis of Other trading activities	2020				2019			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Room hire: Fellows & associates	24,808	-	-	24,808	85,219	-	-	85,219
Catering: Fellows & associates	26,772	-	-	26,772	101,951	-	-	101,951
Other activities	(20,227)	-	-	(20,227)	4,638	-	-	4,638
Membership fees redistributed	17,670	-	-	17,670	13,653	-	-	13,653
Grand total:	49,023	-	-	49,023	205,461	-	-	205,461

5 Investment income

Analysis of Investment income	2020				2019			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Investment income received	126,673	9,852	-	136,525	204,063	16,619	-	220,682
Bank interest on funds held	5,097	-	-	5,097	7,433	-	-	7,433
Grand total:	131,770	9,852	-	141,622	211,496	16,619	-	228,115

6 Other income

Analysis of Other income	2020				2019			
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Grant Income (Furlough grants)	163,779	-	-	163,779	-	-	-	-
Other Income	2,217	-	-	2,217	-	-	-	-
Grand total:	165,996	-	-	165,996	-	-	-	-

7 Expenditure on raising funds

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

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

7.a Room hire and catering

Analysis of Consolidated Room hire & catering costs	2020				2019			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
Room hire costs	9,748	-	-	9,748	36,306	-	-	36,306
Catering costs	22,779	-	-	22,779	110,021	-	-	110,021
Overheads recharged	39,223	-	-	39,223	43,311	-	-	43,311
Grand total:	71,750	-	-	71,750	189,638	-	-	189,638

Analysis of Charity Only Room hire & catering costs	2020				2019			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
Room hire costs	9,748	-	-	9,748	18,145	-	-	18,145
Catering costs	21,223	-	-	21,223	96,180	-	-	96,180
Overheads recharged	39,223	-	-	39,223	43,311	-	-	43,311
Grand total:	70,194	-	-	70,194	157,636	-	-	157,636

7.b Investment management

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

Management costs for the year amounted to :

Analysis of Investment Management Costs	2020 Total Costs	2019 Total Costs
	£	£
Management Fee	49,172	42,585
Overheads recharged	5,522	7,354
	-	-
Grand total:	54,694	49,939

8 Expenditure on charitable activities

Analysis of charitable expenditure:

Analysis of Charitable activity	2020				2019			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£	£	£	£
8.a Science & education								
Flagship meetings & events	27,797	-	-	27,797	59,643	-	-	59,643
Energy Group meetings	7,728	-	-	7,728	187,848	-	-	187,848
Other scientific & educational events	7,581	-	-	7,581	27,723	-	-	27,723
Science & Education Committee	18,911	26,504	1,511	46,926	28,019	34,327	2,350	64,696
Direct staff costs	454,640	-	-	454,640	531,462	-	-	531,462
Overheads recharged	564,718	-	-	564,718	506,154	-	-	506,154
Sub-total:	1,081,375	26,504	1,511	1,109,390	1,340,849	34,327	2,350	1,377,526
8.b Professional & academic standards								
Fellowship support	77,067	-	-	77,067	77,151	1,884	-	79,035
Corporate Patrons	-	-	-	-	-	-	-	-
Accreditation	-	-	-	-	1,762	-	-	1,762
Professional Committee	1,315	-	-	1,315	8,375	-	-	8,375
Specialist & Regional Groups	51,808	-	-	51,808	146,590	-	-	146,590
Direct staff costs	221,567	-	-	221,567	252,668	-	-	252,668
Overheads recharged	230,296	-	-	230,296	209,847	-	-	209,847
Sub-total:	582,053	-	-	582,053	696,393	1,884	-	698,277
8.c Scholarly publishing								
Book sales & distribution	217,336	-	-	217,336	243,256	27,804	10,456	281,516
Lyell Collection	162,588	-	-	162,588	180,143	-	-	180,143
GSL journals	231,122	-	-	231,122	213,871	-	-	213,871
Non-GSL Journals	23,650	-	-	23,650	20,993	-	-	20,993
Geoscientist	167,469	-	-	167,469	167,105	-	-	167,105
GSW E-books	359	-	-	359	1,744	-	-	1,744
Publishing House running costs	223,123	-	-	223,123	357,529	-	-	357,529
Direct staff costs	874,204	-	-	874,204	880,927	-	-	880,927
Overheads recharged	682,652	-	-	682,652	613,363	-	-	613,363
Sub-total:	2,582,503	-	-	2,582,503	2,678,931	27,804	10,456	2,717,191
8.d Library & Archives								
Library running costs	147,865	-	-	147,865	153,302	543	-	153,845
Direct staff costs	293,001	-	-	293,001	339,765	-	-	339,765
Overheads recharged	673,120	-	-	673,120	622,828	-	-	622,828
Sub-total:	1,113,986	-	-	1,113,986	1,115,895	543	-	1,116,438
Grand total:	5,359,917	26,504	1,511	5,387,932	5,832,068	64,558	12,806	5,909,432

9 Support, facilities and governance costs

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

(i) Facilities overheads

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

Analysis of Facilities overheads	2020 Total Costs £	2019 Total Costs £
Burlington House running & maintenance costs	622,986	631,552
Facilities manager staff cost	68,078	45,460
Grand total:	691,064	677,012

Note: £131,632 of the above total in 2020 (2019: £128,955) is allocated to support staff and governance costs before being re-allocated as part of those costs.

(ii) Support staff overheads

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

Analysis of Support overheads	2020 Total Costs £	2019 Total Costs £
Executive	325,942	380,987
Finance	412,402	301,575
HR Support	124,933	122,403
IT Support	436,545	438,937
Marketing	-	12,335
Other Projects	31,787	-
Restructuring Costs	141,454	-
Business Development	89,120	80,725
Grand total:	1,562,183	1,336,962

(iii) Governance costs

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

Analysis of Governance overheads	2020 Total Costs £	2019 Total Costs £
Audit fees	22,261	50,987
Annual report	849	6,580
Council elections	5,508	5,469
Trustees' expenses	1,651	13,509
Share of Facilities overhead recharged	43,646	41,293
Grand total:	73,915	117,838

(iv) Allocation of overhead costs

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

Overhead Allocation	2020				2019			
	Facilities £	Support Staff £	Governance £	Total Costs £	Facilities £	Support Staff £	Governance £	Total Costs £
Charitable activities								
Science & education	153,116	403,778	7,824	564,718	141,154	354,072	10,928	506,154
Professional & academic standards	26,554	195,051	8,691	230,296	26,014	169,996	13,837	209,847
Scholarly publishing	8,667	629,484	44,501	682,652	8,491	533,442	71,430	613,363
Library & archives	346,373	319,175	7,572	673,120	339,330	271,675	11,823	622,828
Other activities								
Trading	24,332	12,922	1,969	39,223	32,686	6,267	4,358	43,311
Investments	390	1,773	3,358	5,521	382	1,510	5,462	7,354
	559,432	1,562,183	73,915	2,195,530	548,057	1,336,962	117,838	2,002,857

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

10 Trustees' remuneration and expenses

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

Analysis of Trustees' expenses	2020 Totals	2019 Totals
	£	£
Total value of expenses paid	1,651	13,509
Total number of trustees paid	11	24

11 Transactions with related parties

Given the impact of the pandemic, The Society elected not to recharge costs to its trading company, Geological Trading Limited. The charge was therefore £0 (2019: £14,145).

12 Staff costs and employee benefits

Total staff costs for the Society are set out below:

Analysis of Staff costs	2020 Total Costs £	2019 Total Costs £
Wages and salaries	2,080,447	2,147,736
Social security costs	226,532	215,495
Pension contributions	190,819	186,767
Redundancy Costs	141,454	-
Sub-total:	2,639,252	2,549,998
Temps & agency staff	258,984	219,026
Staff insurance	24,519	18,101
Recruitment costs	15,397	11,306
Sub-total:	298,900	248,433
Grand total:	2,938,152	2,798,431

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

The Society underwent a staff reduction programme in 2020 and made redundancy payments in line with statutory requirements, subject to a minimum payment level in situations where staff had short service periods.

13 Staff numbers

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

Analysis of Staff numbers (average FTE equivalent headcount)	2020 Totals	2019 Totals
Charitable activities		
Science & education	10.5	10.8
Professional & academic standards	3.9	4.7
Scholarly publishing	19.4	16.9
Library & archives	6.1	6.5
Other activities		
Trading	0.2	0.5
Investments	0.1	0.1
Support		
Support staff	9.2	9.1
Grand total:	49.4	48.6

14 Remuneration of higher paid staff

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

	2020 Number	2019 Number
£130,000 - £139,999	1	1
£90,000 - £99,999	1	1
£80,000 - £89,999	-	1
£70,000 - £79,999	1	-
£60,000 - £69,999	1	1
	4	4

15 Remuneration of key management personnel

The total employee benefits of the 4 (2019:4) key management personnel during the year, which comprised salary and pension benefits, were £409,729 (2019: £412,837) and Employer's National Insurance of £46,664 (2019: £48,315).

16 Intangible assets: website and systems development

Major redevelopment of the Society's website and business systems is capitalized at cost and amortized at a rate of 25% per annum with the expectation of a four-year life-cycle. This policy is reviewed and amended from time to time as is appropriate. Costs of running and maintaining the website are charged directly to income and expenditure accounts, together with amortization charges on the capitalized sum. IT Systems includes membership, finance and publishing systems. Implementation of the membership system based on the Microsoft Dynamics 365 platform, is being amortised over a 10-year period.

Analysis of Intangible assets	Website		IT Systems		Total Intangible Assets	
	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £
Cost or valuation brought forward:	211,405	211,405	894,412	894,412	1,105,817	1,105,817
- Acquisitions in year:	-	-	-	-	-	-
- Disposals in year:	-	-	-	-	-	-
- Revaluations in year:	-	-	-	-	-	-
- Write Offs	-	-	-	-	-	-
- Transfers in year:	-	-	-	-	-	-
Cost or valuation carried forward:	211,405	211,405	894,412	894,412	1,105,817	1,105,817
Cumulative amortization b/fwd:	(204,017)	(187,004)	(227,717)	(128,892)	(431,734)	(315,896)
- Adjustments on disposal:	-	-	-	-	-	-
- Amortization charged:	(3,611)	(17,013)	(105,620)	(98,825)	(109,231)	(115,838)
- Impairment provisions	-	-	-	-	-	-
- Write Offs	-	-	-	-	-	-
Cumulative amortization c/fwd:	(207,628)	(204,017)	(333,337)	(227,717)	(540,965)	(431,734)
Net book value brought forward:	7,388	24,401	666,695	765,520	674,083	789,921
Total movements in year:	(3,611)	(17,013)	(105,620)	(98,825)	(109,231)	(115,838)
Net book value carried forward:	3,777	7,388	561,075	666,695	564,852	674,083

17 Tangible assets

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

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

Analysis of Tangible assets	Property		Equipment		Computers		Total Tangible Assets	
	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £
Cost or valuation brought forward:	1,551,051	1,497,600	853,015	840,280	1,944,845	1,932,379	4,348,911	4,270,259
- Acquisitions in year:	-	53,451	-	12,735	16,273	12,466	16,273	78,652
- Disposals in year:	-	-	-	-	-	-	-	-
- Revaluations in year:	-	-	-	-	-	-	-	-
- Write Offs	(47,560)	-	-	-	-	-	(47,560)	-
- Transfers in year:	-	-	-	-	-	-	-	-
Cost or valuation carried forward:	1,503,491	1,551,051	853,015	853,015	1,961,118	1,944,845	4,317,624	4,348,911
Cumulative depreciation b/fwd:	(1,153,713)	(1,119,595)	(775,490)	(744,965)	(1,876,720)	(1,841,131)	(3,805,923)	(3,705,691)
- Adjustments on disposal/write-off:	-	-	-	-	-	-	-	-
- Depreciation charged:	(33,496)	(34,118)	(24,630)	(30,525)	(31,649)	(35,589)	(89,775)	(100,232)
- Impairment provisions	-	-	-	-	-	-	-	-
- Transfers:	-	-	-	-	-	-	-	-
Cumulative depreciation c/fwd:	(1,187,209)	(1,153,713)	(800,120)	(775,490)	(1,908,369)	(1,876,720)	(3,895,698)	(3,805,923)
Net book value brought forward:	397,338	378,005	77,525	95,315	68,125	91,248	542,988	564,568
Total movements in year:	(81,056)	19,333	(24,630)	(17,790)	(15,376)	(23,123)	(121,062)	(21,580)
Net book value carried forward:	316,282	397,338	52,895	77,525	52,749	68,125	421,926	542,988

18 Heritage assets

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

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

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

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

The Society only disposes of heritage assets in the event that there is a duplicate surplus to requirements or if an asset has reached the end of its useful life and does not warrant preservation. Library holdings, portraits and busts

acquired prior to 2001 are not shown in the balance sheet as their cost value is unknown and alternative forms of valuation would not reliably reflect the economic value at a reasonable cost.

Analysis of Heritage assets	Heritage Assets	
	2020 Totals £	2019 Totals £
Cost or valuation brought forward:	2,275,995	2,104,301
- Acquisitions in year:	171,357	171,694
- Disposals in year:	-	-
- Revaluations in year:	-	-
- Transfers in year:	-	-
Cost or valuation carried forward:	2,447,352	2,275,995
Cumulative depreciation brought forward:	(1,017,999)	(904,199)
- Adjustments on disposal:	-	-
- Depreciation charged:	(122,563)	(113,800)
- Impairment provisions	-	-
- Transfers:	-	-
Cumulative depreciation carried forward:	(1,140,562)	(1,017,999)
Net book value brought forward:	1,257,996	1,200,102
Total movements in year:	48,794	57,894
Net book value carried forward:	1,306,790	1,257,996

Analysis of Net Book Value by class of assets	2020	2019
	Totals £	Totals £
(i) General holdings	0	4,000
(ii) Books	31,952	35,258
(iii) Bindings	55,294	61,238
(iv) Maps	25,856	29,213
(v) Periodicals	1,193,688	1,128,287
Grand total:	1,306,790	1,257,996

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

Five-year summary of Heritage asset transactions	2016 £	2017 £	2018 £	2019 £	2020 £
Cost of acquisition:					
(i) General holdings	-	-	-	-	-
(ii) Books	4,766	3,119	3,934	615	809
(iii) Bindings	6,148	6,585	6,713	6,609	-
(iv) Maps	6,072	699	2,002	1,320	-
(v) Periodicals	153,151	135,570	151,998	163,150	170,548
	170,137	145,973	164,647	171,694	171,357

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

19 Fixed asset investments

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

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

Summary of Fixed asset investment totals	2020	2019
	Total £	Total £
Listed and traded investments	7,029,972	6,530,135
Portfolio cash	180,686	118,572
Grand total:	7,210,658	6,648,707

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

Analysis of Fixed asset investments	Listed & Traded		Portfolio Cash	
	2020 Totals £	2019 Totals £	2020 Totals £	2019 Totals £
Market valuation brought forward:	6,530,135	5,763,243	118,572	145,363
- Purchases in year at cost	2,122,722	5,207,003	(2,122,722)	(5,207,003)
- Sales in year at cost	(2,225,905)	(4,808,161)	2,225,905	4,808,161
- Changes in market value of assets:	620,059	426,407	29,808	313,694
- Foreign Exchange movements	(2,704)	(10,765)	(21,581)	-
- Other charges and adjustments:	(14,335)	(47,592)	(49,296)	58,357
Market valuation carried forward:	7,029,972	6,530,135	180,686	118,572

FRS 102 requires that material amounts held within investment classes must be individually identified. The table below sets out all individual holdings with a market valuation of £150,000 or greater as at 31 December 2020:

Analysis of Significant investments held	Market value at 31 Dec 2020 £
Bonds:-	
SARASIN RESPONSIBLE CORPORATE BOND - I INC	582,526
	582,526
Property & Other funds:-	
ASML HOLDING NV	176,855
ORSTED A/S	185,718
MICROSOFT CORP	167,413
NEXTERA ENERGY INC	156,288
TAIWAN SEMICONDUCTOR-SP ADR	177,071
MAYFAIR CAPITAL PROPERTY INCOME TRUST CHARITIES GBP	165,138
THE CHARITIES PROPERTY FUND	416,974
	1,445,457

20 Other gains/(losses) in year

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

	2020 £	2019 £
Total value of US Dollar cash at bank included in balance sheet:	549,726	1,287,913
Foreign currency exchange rate gains/(losses) in year:	(866)	(46,014)

21 Stocks

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

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

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

Analysis of Stock	2020 Total £	2019 Total £
Geological Society finished stock:	240,196	191,019
Geological Society Work In Progress:	49,860	45,047
Third-party sale stock:	3,579	7,371
Total:	293,635	243,437
Total finished stock:	243,775	198,390
Total work in progress:	49,860	45,047
Total:	293,635	243,437

22 Debtors

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

Analysis of Debtors	Group		Charity	
	2020 Total £	2019 Total £	2020 Total £	2019 Total £
Amounts falling due within one year				
Trade debtors:	50,751	123,090	42,969	96,559
Group and associated undertakings:	-	-	30,975	98,840
Prepayments and accrued income:	262,631	154,536	262,631	154,536
Other debtors:	20,001	34,898	20,001	34,898
Grand total:	333,383	312,524	356,576	384,833

23 Current asset investments

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

Analysis of Current asset investments	2020 Total £	2019 Total £
Money market account:	498,826	1,231,618
Grand total:	498,826	1,231,618

24 Creditors

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

	Group		Charity	
	2020 Total £	2019 Total £	2020 Total £	2019 Total £
Analysis of Creditors				
Amounts falling due within one year				
Trade creditors:	(215,206)	(207,974)	(215,206)	(205,776)
Group and associated undertakings:	-	-	(1,322)	(559)
Accruals:	(362,379)	(184,841)	(362,379)	(184,841)
Deferred income:	(1,833,795)	(2,250,350)	(1,833,795)	(2,250,350)
Taxation and social security:	(47,295)	(57,557)	(47,295)	(56,654)
Other creditors:	(75,880)	(48,943)	(75,880)	(48,943)
Grand total:	(2,534,555)	(2,749,665)	(2,535,877)	(2,747,123)

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

25 Financial instruments

Analysis of Financial Instruments	Group		Charity	
	2020 Total £	2019 Total £	2020 Total £	2019 Total £
Carrying amount of financial assets				
Equity instruments measured at cost less impairment	7,029,972	6,530,135	7,029,972	6,530,135
Debt instruments measured at amortized cost	70,752	157,988	62,970	230,297
<i>being: -</i>				
Trade debtors	50,751	123,090	42,969	96,559
Group undertakings	-	-	-	98,840
Prepayments and accrued income	262,631	154,536	262,631	154,536
Less prepayments and accrued income	(262,631)	(154,536)	(262,631)	(154,536)
Other debtors	20,001	34,898	20,001	34,898
Total carrying amount of financial assets	7,100,724	6,688,123	7,092,942	6,760,432
Carrying amount of financial liabilities				
Liability instruments measured at amortized cost	338,381	314,474	339,703	311,932
<i>being: -</i>				
Trade creditors	215,206	207,974	215,206	205,776
Group undertakings	-	-	1,322	559
Accruals and deferred income	2,196,174	2,435,191	2,196,174	2,435,191
Less accruals and deferred income	(2,196,174)	(2,435,191)	(2,196,174)	(2,435,191)
Taxation and social security	47,295	57,557	47,295	56,654
Other creditors	75,880	48,943	75,880	48,943

26 Funds summary

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

Summary of Funds	Unrestricted		Restricted		Endowment		Total Funds	
	2020 Total £	2019 Total £	2020 Total £	2019 Total £	2020 Total £	2019 Total £	2020 Total £	2019 Total £
Balance brought forward:	6,996,026	7,095,403	837,016	823,843	2,139,064	1,924,918	9,972,106	9,844,164
Income in year:	5,273,418	5,567,148	29,852	16,619	-	-	5,303,270	5,583,767
Expenditure in year:	(5,469,514)	(6,068,252)	(30,016)	(65,211)	(14,846)	(15,546)	(5,514,376)	(6,149,009)
Transfers in year:	-	(7,012)	-	7,012	-	-	-	-
Corporation Tax	-	(903)	-	-	-	-	-	(903)
Gains and losses:	434,673	409,642	44,676	54,753	169,652	229,692	649,001	694,087
Balance carried forward:	7,234,603	6,996,026	881,528	837,016	2,293,870	2,139,064	10,410,001	9,972,106

27 Unrestricted funds

The Society holds the following unrestricted funds:

General funds: -

a. General Fund

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

b. Albert & Dennis Curry Funds

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

c. Stephen John Mills Fund

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

d. Coke Fund

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

Designated funds: -

e. Constituted Specialist and Regional Groups

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

f. Burlington House Buildings Fund

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

g. Other Designated Funds

Consolidated Analysis of Unrestricted income funds	Balance					Balance C/fwd £
	B/fwd £	Income £	Expenditure £	Transfers £	Gains £	
General funds -						
a. General Fund	37,374	5,182,728	(5,434,809)	-	7,541	(207,166)
b. Curry Funds	3,073,438	53,754	(19,384)	-	253,220	3,361,028
c. Mills Fund	280,818	4,911	(1,772)	-	23,137	307,094
d. Coke Fund	1,802,545	31,526	(13,369)	-	148,512	1,969,214
e. Other General Funds	48,323	-	-	-	-	48,323
Sub-total:	5,242,498	5,272,919	(5,469,334)	-	432,410	5,478,493
Designated funds -						
f. Constituted groups	136,320	499	(180)	-	2,263	138,902
g. Buildings Fund	1,617,208	-	-	-	-	1,617,208
Sub-total:	1,753,528	499	(180)	-	2,263	1,756,110
Grand Total:	6,996,026	5,273,418	(5,469,514)	-	434,673	7,234,603

Charity Only Analysis of Unrestricted income funds	Balance					Balance C/fwd £
	B/fwd £	Income £	Expenditure £	Transfers £	Gains £	
General funds -						
a. General Fund	984	5,212,151	(5,434,106)	-	7,541	(213,430)
b. Curry Funds	3,073,438	53,754	(19,384)	-	253,220	3,361,028
c. Mills Fund	280,818	4,911	(1,772)	-	23,137	307,094
d. Coke Fund	1,802,545	31,526	(13,369)	-	148,512	1,969,214
e. Other General Funds	48,323	-	-	-	-	48,323
Sub-total:	5,206,108	5,302,342	(5,468,631)	-	432,410	5,472,229
Designated funds -						
f. Constituted groups	136,320	499	(180)	-	2,263	138,902
g. Buildings Fund	1,617,208	-	-	-	-	1,617,208
Sub-total:	1,753,528	499	(180)	-	2,263	1,756,110
Grand Total:	6,959,636	5,302,841	(5,468,811)	-	434,673	7,228,339

28 Restricted income funds

The Society holds the following restricted income funds:

a. Henry Woods Fund

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

b. Alan and Charlotte Welch Fund

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

c. Other Restricted Income Funds

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

Analysis of Restricted income funds	Balance	Income	Expenditure	Transfers	Gains	Balance
	B/fwd					C/fwd
	£	£	£	£	£	£
a. Henry Woods Fund	208,051	4,572	(1,649)	-	20,731	231,705
b. Alan & Charlotte Welch Fund	261,388	3,639	(6,022)	-	16,501	275,506
c. Other Restricted Income Funds	367,577	21,641	(22,345)	-	7,444	374,317
Grand Total:	837,016	29,852	(30,016)	-	44,676	881,528

29 Endowment funds

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

a. Fermor fund

The Fermor Fund is an expendable endowment to further research into the principles governing ore deposition, the occurrence of minerals and of mineral-bearing rocks, and fundamental research into the origins of Pre-Cambrian rocks, including extra-terrestrial occurrence. At present the majority of this fund is invested, although amounts are also drawn down each year against the publication costs of books and journals that satisfy the terms of this fund.

b. Robert Scott

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

Analysis of Endowment funds	Balance	Income	Expenditure	Transfers	Gains	Balance
	B/fwd					C/fwd
	£	£	£	£	£	£
a. Fermor	2,077,092	-	(13,101)	-	164,736	2,228,727
b. Robert Scott	61,972	-	(1,745)	-	4,916	65,143
Grand Total:	2,139,064	-	(14,846)	-	169,652	2,293,870

30 Summary of net assets by funds category

Summary of Net assets by funds category		2020 Total £	2019 Total £
Unrestricted funds	Fixed assets	2,168,669	2,335,630
	Investments	4,740,256	3,959,419
	Net current assets	325,678	700,977
	Sub-total:	7,234,603	6,996,026
Restricted funds	Fixed assets	124,899	139,437
	Investments	514,945	517,656
	Net current assets	241,684	179,923
	Sub-total:	881,528	837,016
Endowment funds	Fixed assets	-	-
	Investments	1,955,457	2,171,632
	Net current assets	338,413	(32,568)
	Sub-total:	2,293,870	2,139,064
Grand Total:		10,410,001	9,972,106

31 Reserves

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

Calculation of Free reserves		2020 Total £	2019 Total £
Investments held in unrestricted funds		4,740,256	3,959,419
Net current assets held in unrestricted funds*		1,405,407	1,798,087
		6,145,663	5,757,506
Less investments and assets held in designated funds		(1,756,110)	(1,753,528)
*adjusted for deferred income			
	Free Reserves:	4,389,553	4,003,978

In 2016 Council set a free reserves target equivalent to 75% of annual core operational expenditure (i.e. 9 months), within a range of tolerance of +/- 20% of target. In practical terms, this sets the free reserves target at no lower than 60% of core operational expenditure, which is defined as the sum expended on charitable activities during the year, as reported on the Statement of Financial Activities.

Calculation of Free reserves achieved against target		2020 Total £	2019 Total £
Free reserves as calculated above:		4,389,553	4,003,978
Total core operational expenditure for year:		5,387,274	5,909,432
75% of core operational expenditure for year (Reserves Target):		4,040,456	4,432,074
Free Reserves expressed as a percentage of Core Operational Expenditure:		81.5%	67.8%

32 Geological Trading Limited

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

	2020 Total £	2019 Total £
Geological Trading Limited		
Summary balance sheet		
Assets		
- debtors:	7,784	27,090
- cash at bank and in hand:	27,949	111,245
Liabilities		
- creditors falling due within one year:	(30,977)	(101,942)
Total net assets or liabilities:	4,756	36,393
Funds		
- retained profit / (losses):	4,754	36,391
- share capital:	2	2
Total funds:	4,756	36,393

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

	2020 Total £	2019 Total £
Geological Trading Limited		
Summary statement of income, expenditure and retained earnings		
Turnover:	2,874	64,542
Cost of sales:	-	(31,134)
Administrative expenses:	(2,214)	(868)
Operating profit before taxation	660	32,540
Tax liability	-	(903)
Charitable donation to parent	(32,297)	-
Retained profit for financial year	(31,637)	31,637
Funds brought forward	31,637	-
Funds carried forward	-	31,637

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

	2020 Total £	2019 Total £
Reconciliation of		
Net income to net cash flow from operating activities		
Net income for the reporting period as per Statement of Financial Activities:	438,761	174,859
Adjusted for -		
Depreciation charges:	321,569	329,870
(Gains) / losses on investments:	(649,867)	(740,101)
(Profit)/Loss on disposal of fixed assets	47,560	-
Dividends and interest from investments:	(141,622)	(228,115)
(increase) in stocks:	(50,198)	48,603
(increase) in debtors:	(20,859)	(24,634)
(decrease) in creditors:	(215,110)	(330,923)
Net cash provided by operating activities:	(269,766)	(770,441)

34 Analysis of cash and cash equivalents

Analysis of Cash and cash equivalents	2020 Total £	2019 Total £
Cash in hand:	2,314,486	1,810,418
Notice deposits (less than 3 months):	498,826	1,231,618
Total cash and cash equivalents:	2,813,312	3,042,036

Analysis of changes in net debt	Balance B/fwd £	Cashflows £	Other non-cash changes £	Balance C/fwd £
Cash and cash equivalents				
Cash	3,042,036	(228,724)	-	2,813,312
Cash equivalents	-	-	-	-
	3,042,036	(228,724)	-	2,813,312
Borrowings	-	-	-	-
Total	3,042,036	(228,724)	-	2,813,312

35 Operating Lease Commitments

Operating Lease Commitments	2020 Total £	2019 Total £
Payments due:		
Not later than one year	11,711	11,711
Later than one year and not later than five years	18,747	30,188
Later than five years	-	-
Total operating lease commitments:	30,458	41,899

36 Taxation

Taxation	2020 Total £	2019 Total £
The tax charge on the profit for the period was as follows:		
UK Corporation Tax at 19%	-	903
Tax on Profit	-	903
This is tax on GTL profit arising from 2018		

37 Related Party Transactions

During 2020, a director of GTL, Dr Iain Bartholomew, donated £20k to GSL for the purpose of supporting the Society's building appeal.