

**THE BRITISH SOCIOLOGICAL ASSOCIATION
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)**

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

Company Number: 03890729

Charity Number: 1080235

THE BRITISH SOCIOLOGICAL ASSOCIATION

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THE BRITISH SOCIOLOGICAL ASSOCIATION

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees present their annual trustees' report together with the consolidated financial statements of the charity and its subsidiary for the year ended 31 December 2018 which are also prepared to meet the requirements of a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

OBJECTIVES AND ACTIVITIES

The objects for which the Association was established as a charitable company are set out in its Articles of Association as the advancement of public education by the promotion and diffusion of the knowledge of sociology by lectures, publications, the promotion and publication of research and encouragement of contact between workers in all relevant fields of enquiry, and by undertaking such other activities as shall be conducive to the attainment of these objects provided that the same shall be legally charitable according to the law of England and Wales, but not otherwise. The Charity Commission's guidance on public benefit has been referred to in reviewing the BSA's objectives and planning future activities.

The Memorandum and Articles of Association were reviewed in 2017 to reflect the changes in requirements in line with Companies Act 2006 and 2010 with advice from the Association's solicitor and were formally accepted at the March 2018 board meeting. Points of change to note were:

- The notice period for all meetings is now 14 days
- There are no longer EGMs. All meetings are general meetings unless the charity elects to have an AGM
- There is no requirement to have an AGM, although all the business conducted at an AGM needs to be carried out
- There is no legal requirement to have a company secretary, although someone needs to remain responsible for the duties of the company secretary ie Companies House filings
- The format has changed. All content is now in the Articles. The Memorandum is simply a record of the first subscribers and does not need to be amended beyond that point
- The trustees decided the minimum number of trustees will remain at three with no maximum number

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In 2018 our aims and objectives have been to undertake activities and work towards achieving the strategic priorities detailed in the Strategic Plan 2017 – 2019. These activities include:

- To increase the number of academic sociologists in membership through raising the public profile of the BSA through events, special publications, branding, marketing and the updated website
- To increase the number of senior academics in membership through raising the public profile of the BSA through events, special publications, branding, marketing and the updated website
- To broaden the membership base beyond academia, in particular by putting more resources into promoting sociology to the next generation of students currently at 'A' level stage
- To develop and implement a database of sociologists to champion sociology within schools and colleges
- To develop regional mentoring cafes for early career researchers
- To develop and implement strategy to address diversity within the BSA firstly by establishing an equality and diversity committee and then undertaking surveys and analysis amongst membership and volunteer groups
- Public engagement including social media through the recruitment of a dedicated member of staff and taking part in consultations which affect sociologists professional lives, the lives of diverse social groups, and the making of public policy across a range of areas
- To develop journals success through supporting the editors and boards and specifically giving further support to Cultural Sociology and Sociological Research Online to bring them more in line with that offered to Sociology and Work, Employment and Society and continuing to monitor developments in open access publishing
- To finalise the fit out of the property to house the BSA office staff and further strengthen the sustainability and financial position of the Association maintaining the Association's assets
- To promote and facilitate legacies and donations through the BSA website

Public benefit

The British Sociological Association has a clear educational public benefit: to promote the knowledge of sociology as an academic subject and discipline which aims to improve understanding of society and social processes. The BSA publishes journals and books which are publicly available, including a new trade book series (Twentieth Century Standpoints) launched in 2017, and seeks to encourage sociologists to take part in debates and make an impact where appropriate on important societal issues. The Association also works to support the continuation of public education through the teaching of sociology, providing a range of member benefits, including financial support for postgraduates and early career academics and facilitating a variety of forums in which to discuss sociological research and teaching. The BSA's conferences and study groups are open to anyone without restriction. Forty free places are available at our annual conference to assist the attendance of students with no or low incomes.

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ACTIVITIES AND ACHIEVEMENTS

1. Strengthening the Financial Position of the Association

The viability of the Association relies on maintaining a healthy financial position in the short, medium and long term. The association has been keen to invest in a property in the North East to house the office staff and provide additional space for membership to hold events for a number of years. A property purchase was successfully completed at the beginning of December 2017 and the staff have now been there for 12 months and a new events space has been created, offering cost savings for Board members, study group and specialist forum events in the North of England. Efforts have continued to focus on setting the conditions for income growth and on protecting our investments with long-term financial stability in mind. Membership subscriptions, income from conferences and events and publications have been targeted.

Growing membership

Membership is open to all who consider Sociology to be part of their intellectual underpinning, in any professional setting, including in non-academic settings. The final figure for 2018 is 2,698 which is lower than the last period due to a reduction in UK members and UK teachers. Supporting existing members and growing our membership base, while raising the public profile of our discipline, remain key objectives of the organisation. This also involves engaging with the changing profile and needs of members, which are being created by changes in both the teaching of sociology in schools and the contexts of sociology in academia. Teachers in schools see significant value in what the BSA can provide as tools to support keeping the curriculum current and in raising the profile and value of the discipline to pupils. The primary resource we provide for this group is the 'Discover Sociology' website - with many resources for teachers to use in the classroom and we are receiving excellent feedback from teachers and we are continuing to focus on supporting A level/6th Form Sociology Teacher members.

We know that the employment contexts of early career researchers as they move through PhD and beyond remains incredibly challenging, so introduced mentoring sessions at their events that can be useful in their career development and also ensure they can remain members during times of significant financial constraint. We also continue to offer a concessionary membership category for early career researchers (3 years from PhD, not in permanent, full time work) to recognise the challenges of getting into the profession, introduced in 2017. We also want to ensure that we maximise benefits for all members and to better understand the value they place on these benefits and the Association as a whole, while we continue to support and grow the study groups as a core value that members recognise (there are now 58 study groups). To this end we have sought feedback from our members in a variety of ways, including surveys when membership ends, recording their reasons for joining and asking various constituencies for their specific needs.

Publications

Our publications are essential to the Association's financial stability, its disciplinary mission and its national and international visibility.

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Journals Publishing

The BSA has three print and online journals, *Sociology*, *Work, Employment and Society (WES)* and, since 2007, *Cultural Sociology*, in its publications portfolio. Two of these journals, *Sociology* and *WES*, through gift aid from the BSA's trading subsidiary (BSA Publications Ltd) provide an important and substantial income stream for the Association, helping to ensure its financial stability.

A fourth journal – Sociological Research Online – was brought more in house to the BSA in partnership with SAGE Publications in 2017. The 2018 year has seen the bedding in of the administration of the journal and a solidifying of the arrangement between SAGE and the BSA. The journal performance indicators are generally positive: we are seeing a growth in downloads on the journal's new platform, a continuation of submissions to the journal and excellent renewal of subscriptions. This journal requires investment from both the BSA and SAGE and at the moment does not provide an income. This journal is a valuable asset and a lower risk platform for working through changes to the journal publishing industry.

We continue to be aware that the world of publishing is changing and that the income-generation potential of academic journals may change in the medium term with the introduction of open access publishing. In September 2018, a new European policy requiring open access publication was launched. This policy has created no change yet in our income and publishing practices; however, it has the potential to have a very significant effect. We have been assessing the impact and will engage with policy makers in the coming year to fully understand the changes and make suitable plans to mitigate our risk.

Our journal social media activity continues to grow. In 2018 we put a focus on growing journal 'followers' to increase the reach of the research and awareness of the journals. The additional administrative support for these activities has been appreciated and of value to the Editors and the journals.

All BSA journals continue to be in a strong position with excellent Journal Citation Reports® and *Sociology*, *Work, Employment and Society (WES)*, *Cultural Sociology (CUS)* and *Sociological Research Online* with impact factors of 2.537, 2.195, 0.904 and 0.575 respectively. This confirms that BSA journals are exceptionally well placed to develop and promote sociological agendas. In a publishing landscape dominated by various metrics however, it is no less important that BSA publications are able to support distinctive and experimental intellectual work across sustained contributions. One of the ways we are able to reinforce this is by continuing to value special issues and themed sections, and further supporting BSA journals to push novel sociological lines of inquiry.

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Book Publishing

The BSA-Routledge (Taylor and Francis) book series, Sociological Futures, goes from strength to strength with a further two books published in 2018, bringing the collection to eight, with the first titles published in 2015. We also had a healthy number of titles in development throughout 2018 which will be published in 2019 and 2020.

The Association's newest cross-over trade series with Policy Press called *21st Century Standpoints* published two further titles in 2018: *Brexit* and *Snobbery*. The aim is to offer another publishing outlet for sociology and to help sociological research and thinking reach a mainstream audience. Further books have been commissioned and we expect the publication of three further titles in 2019.

Both book series include a small royalty percentage for the Association. The income is not expected to be high but is an additional income stream that is not reliant on academic journal publishing.

The Publications Directors, along with the Association's President, continued to act as judges for the Philip Abrams Prize, the 2018 competition saw 14 high quality entrants.

Conferences and Events

The Association's conferences have been identified as the third arm in our income generation strategy after several periods of modest financial performance. Tighter budgeting procedures have been introduced and the format of the conference was changed in 2009. This has been a significant factor in the success of the recent conferences with more delegate participation and more involvement by the numerous study groups.

In 2018 the BSA Annual Conference was held at Northumbria University, with a topical theme of 'Identity, Community, and Social Solidarity'. There were 16 individual streams specialising in specific areas of sociological studies. Numbers remained high with 716 delegates, down by 120 on the previous year but around the 2016 numbers at Aston. There were three plenary speakers Kimberlé Crenshaw (University of California, Los Angeles) 'From Shattered Ceilings to a Broken Democracy: The Post-Racial Condition of Trump's America: Dr Omar Khan (Runnymede Trust Director) 'Analysing and Responding to Race Inequality: Why Sociological Theory Matters Civil Society Action' and Professor Gregor McLennan (University of Bristol) 'Postsecularism?'.

The 50th Annual Medical Sociology Conference 'Celebrating the Legacy – Medical Sociology: The Next 50 years.' was held at Glasgow Caledonian University and attracted 319 delegates. Plenary speakers were Professor Lesley Doyal (University of Bristol) 'Reconfiguring the HIV Pandemic: Power, Politics and Paradigms', Professor Jonathan Gabe (Royal Holloway, University of London) 'Researching Pharmaceuticals and Society: Past, Present and Future', and an additional plenary session to celebrate the 50th anniversary with a panel discussion on the key medical sociology issues of inequalities. Panel speakers were Professor Ellen Annandale (University of York), Hannah Brady (Uppsala University) and Professor Graham Scambler (Emeritus Professor University College London). In 2018 there were 9 special events and symposia and Mentoring Comer was continued for a third year following its success in previous years.

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The BSA also held the eighth of its Equality Lectures, in partnership with the British Library. Professor Kalwant Bhopal (University of Birmingham) discussed 'Social Justice, Exclusion and White Privilege in Universities'. The BSA held its first Youth Assembly in Newcastle, which brought together young people from a number of schools across the region with sociologists working on research related to their lives in areas such as crime, music, gender inequalities, sexual diversity and other topics. This added to the portfolio of events aimed for 'A' level students, which started with the Feminism event held in December for the last four years in London.

After another successful year in 2018 with 51 events, BSA conferences and events will continue to stay high on the Association's agenda and priorities in 2019.

2. Improving Membership Services

Although the membership of the Association fell slightly in 2018 the Association continued to provide a range of services to members and the discipline (and to wider and public audiences) throughout the year. The BSA has continued to improve its public profile. Of note, we have:

- Continue to support specialist interest and study groups, with closer links with the office, the use of the London property and regular meetings with study group convenors. We are pleased to report that study group seminars, mailing lists and networking continue as a significant component of BSA activities. One BSA study group closed in 2018 (Weber) and three opened (New Materialisms and MedSoc-Ethnic and Minorities Health) so the BSA is currently supporting 41 study groups and 17 Medical Sociology sub-groups. The study groups continue to be very involved in the organisation of the Annual Conference. The "grassroots" activity and intellectual interest generated and sustained by study groups is important in itself and also functions as a means of recruitment to the wider association.
- Revised the tone and format of outgoing communications so that they are more engaging and customer-focussed.
- Continued to develop an active social media presence on Facebook, Twitter and LinkedIn.
- Developed the format and content of the members' monthly e-newsletter so that it is more attractive, engaging and accessible.
- Continued to promote the use of the BSA's London Meeting Room. The property, located at Imperial Wharf is available to use by BSA study groups and is therefore an additional membership benefit. The venue continues to be used to host important BSA events designed to consolidate the Association's public profile in the wider discipline and beyond.
- Invited members to input feedback to be provided for external consultations.

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3. Improving the Visibility of the Association, Sociology and Sociologists

In order to thrive, the Association needs to have good visibility. A range of activities help to deliver this need including our online presence, PR activities and consultations.

The Association's website, Facebook and Twitter accounts and its magazine *Network* continue to provide valuable communications tools, connecting the Association to a number of audiences: members, students, media and the general public. The BSA continues to develop and strengthen the online social media presence of our journals. Our journal *Work, Employment and Society* now has a Twitter account to accompany that for our journal *Sociology* and as one measure of improving visibility. Our combined journals Twitter following has now reached over 33,000 for *Sociology* and *Work, Employment & Society* during 2018 and over 19,000 following *BritSoc*.

The BSA was pleased to continue to be associated with the BBC Thinking Allowed Ethnography Award for a fifth year. The programme has an average listening audience of one million over the course of each week plus 200,000 via podcast.

Our first event in the history of the BSA was held at Whitehall. BSA President, Professor Susan Halford, working closely with the Cabinet Office's Open Innovation Team, teamed up with a group of eminent academics in the field to discuss 'Digital Futures?'. It was a great opportunity for sociologists to network with civil servants and have an impact.

Our members' magazine, *Network* is published by BSA Publications Ltd and mailed to members three times a year (Spring, Summer and Autumn). Members consistently cite *Network* as one of the Association services they most value. Regular features include interviews with leading figures in the field, professional news, book reviews and reports on specialist activities and study groups within the BSA. *Network* also provides an informal vehicle for members to express views on issues relevant to the profession, discipline and future of their Association. Production is contracted out; however editorial control remains firmly in-house.

The BSA launched its redesigned website, www.britsoc.co.uk, in July 2017. The site is easier to navigate with key information highlighted throughout the site. A range of new features have been introduced: the resource library, allows users to search for key resources, such as conference programmes, videos, consultations responses and annual reports; members can now submit details of their events, call for papers, funding and grants and awards/prizes via the website; and the sociological community is being encouraged to submit news pieces online.

Microsites for each study group, medical sociology and special interest groups have been created. In 2017, convenors were given the ability to manage their own sites – giving them more autonomy and a place to encourage collaboration within their specific area of research.

The BSA continues to update the Discover Sociology website, www.discoversociology.co.uk, which includes teaching material for secondary schools, covering areas such as the sociology of religion, health, media, crime, work and other areas as well as links to external sources.

A members' area of the website, accessed by password, contains an electronic version of the magazine, and privileged access to the electronic back catalogue of three of the Association's lead journals – *Cultural Sociology*, *Sociology* and *Work, Employment and Society*. The Association contracts out the hosting of the site and continuing technical support; content management continues to be organised in-house.

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Communication with and through the media is, increasingly, important to the public understanding and profile of the discipline. Accordingly, we continue to employ the services of a freelance journalist (Tony Trueman) to assist us with publicising all conferences and events, edit *Network*, the Association's magazine, and advise us on how to communicate with the press. The impact is clear: press interest in and coverage of research presented at our conference has been maintained.

BSA Public Engagement

In 2018 it was agreed to appoint a second trustee to lead on public engagement activities. The Public Engagement Directors work with a Public Engagement Sub Committee comprising of other trustees, our President and key representatives from the discipline including the Chair of the Council of Heads and Professors of Sociology and past BSA Presidents. The committee is supported by our Media Consultant.

The Board proposed that in order to better meet key aspects of our mission, notably to "seek to influence policies affecting sociology within the wider social sciences remit" we would devote time and resources to organising events and activities, as well as responding to consultations. The goal was to engage with diverse audiences across the membership, academic, government and general public to listen to and engage with concerns and ideas, whilst engaging with debates and policy changes as these impact on sociology. Work was specifically undertaken during 2018 with young people in schools and colleges and a 'Sociology Youth Assembly' took place in Newcastle.

Work has commenced and will continue on all aspects of the Research Excellence Framework REF 2021 exercise, including the nomination of reviewers and assessors. In 2018 the BSA supported the government Vote 100 initiative which marked 100 years since Parliament passed a law which allowed the first woman, and all men, to vote for the first time.

4. London Property

The Association has been building on its purchase of a property at Imperial Wharf near Chelsea Harbour in London back in 2009. The property is easily accessible by tube, train and bus. It is therefore well connected to all of London's main train stations and airports. As well as being a sound, long term investment, the property is of course a resource for the conduct of the Association's business as well as a membership benefit. Advisory Forum meetings, Board of Trustees meetings, forum and study group events are regularly held there.

5. Durham Property

The BSA has rented property in the North East since 1992 and the BSA Trustees have for some time wanted to purchase a property in the North East to house the office staff and offer space for members to hold events. In December 2017 this objective was finally achieved following the purchase of a modern 8,000 square foot two storey building. The property is 25% occupied by tenants, the staff are situated on the entire top floor and the other half of the ground floor is to be made available for meetings and events space in 2018. This generates an income of £26,798 per annum. The current lease expires in July 2020 so during the course of 2019 discussions will be had regarding its extension.

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FINANCIAL REVIEW

Annual budget, income and expenditure

In 2017, the Trustees approved a small surplus budget for 2018, assuming limited growth in membership, conference and publication income due to continuing global fiscal difficulties and risk review predicted cuts in Higher Education and library budgets. In the event, the annual conference generated a greater surplus but more significantly royalties within publications performed above expectation resulting in a healthy consolidated surplus of £55,160. The BSA has yet to see any impact on a reduction in royalties since open access was introduced in April 2015 which it was concerned would have a detrimental impact in the reserves of the Association. However, with 'Plan S', we are aware that income from journals may alter.

The main sources of income for the Association are identified under the following headings in the financial accounts:

- Membership subscriptions
- Conferences
- Publication and sale of sociological journals
- Other income (bank interest, rental income, investment income, etc)

Expenditure in the year has supported the Association's key objectives through funding the following activities:- publications, conferences and events, communication and consultations. Expenditure on the central overheads of the staff and office costs is essential to the continuing work of the BSA. Sage 200 continues to be the financial software package utilised for all financial controls. This enables the production of accounts for Trustee review, detailing budgeted values and actual spend in the year to date.

Reserves

The Charity Commission requires Trustees to review reserves and to disclose their policies on these matters in an annual report, included in the year-end financial statements. This should cover the level of reserves held at the balance sheet date, and the needs and opportunities that are anticipated. Policy statements, activities and annual reporting must follow the 'Accounting and Reporting by Charities – Statement of Recommended Practice', now known as "SORP (FRS 102)". The term 'reserves' has a variety of technical and ordinary meanings, depending on the context in which it is used. As in SORP (FRS 102), the Association uses the term 'reserves' (unless otherwise indicated) to describe that part of income that is freely available for general purposes. 'Reserves' are therefore the resources the charitable company has or can make available to spend for any or all the charitable company's purposes once it has met its commitments and covered its other planned expenditure. The Association's reserves at year-end 2018 stood at £2,023,298 including £1,025,825 tied up in the London and Durham properties and £479,533 in investment funds with Ruffer. Cash in the bank at year end is back to normal levels at £227,711 with it being considerably higher than the previous year due to the timing of £440,000 due to be paid to HMRC relating to VAT on royalties and the surplus cash released from Ruffer investments as a contingency for the purchase of the new property.

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The Association's reserves policy is derived from a risk assessment of the annual income and expenditure. This assessment specifies the minimum level of readily available reserves required to cover employer-related costs, such as redundancies, and other commitments during an unforeseen period of difficulty (such as, a sudden and unexpected decline in membership). Specifically, Trustees are charged with retaining a sufficient reserve of funds to enable the running down of the Association over a period of one year should members vote to discontinue the Association or it proves no longer (financially or otherwise) viable. A minimum fund of £602k should be set aside to cover staff, office and related services over one year. This follows the recommended good practice for charitable companies to keep a minimum in reserve for this purpose equivalent to 12 months' worth of expenditure for the Group (the BSA and BSA Publications Limited). In the current financial climate the Trustees consider it prudent to retain above the recommended minimum reserves. Free reserves at 31 December 2018 were £2,068k of which £1,329 relates to designated funds. Further details can be found in note 17.

The Association's reserves can also be considered for use to meet the costs of one-off planned expenditure on specified projects and any unforeseen contingencies.

Investment policy

The Trustees have the power to invest in such investment, securities or property as they see fit, subject to any restrictions imposed by law. The Association took a decision in March 1994 to maintain an ethical investment portfolio. This was further reviewed in 2002 with some additional consideration in 2004/05. A more recent review was undertaken in May 2017 where the trustees reconsidered the criteria of companies to invest with. The Trustees were unanimous that any company associated with armaments, nuclear power generation and pornography should be completely avoided, whilst uranium mining and construction of nuclear power should be restricted to where no more than 10% of revenue/profit criteria can be applied. It was also agreed that the human rights and environmental records of companies should be taken into consideration. The Association has stipulated a range of concerns on these matters as well as the ethics of general employment and investment practices of companies and these have been communicated to the Association's investment advisors.

The net unrealised loss in investments for the year ended 31 December 2018 was £31,305.

Fixed asset policy

The Association's policy on capitalisation of fixed assets is that items deemed suitable for capitalisation shall only be capitalised if they exceed £250 in value.

Contracted and management services

During the year the services of the following external professional and specialist advisors were contracted:

Acamedia [Media Specialist Services]

DMWM [Digital Designer]

Ellis Whitham [Health & Safety regulation compliance support]

Haines Watts [Audit and Payroll Services]

National Westminster Bank [Banking]

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Contracted and management services *(Continued)*

Policy Press [Book publisher]
Protech [CRM IT Support]
Routledge [Book publisher]
Ruffer Investments [Investment Portfolio Management]
SAGE Publications [Journal publisher]
The Access Group [IT Systems Support]
TPT [Pension managers]
TSG [IT Systems Support]
UK Engage [Election Services]
VAT Quest Ltd [VAT specialist]
Ward Hadaway [Legal Services]
Waterstones [Website Hosting and Technical Support]

PLANS FOR FUTURE YEARS

The trustees are working to their current three-year strategic cycle plans which run to the end of December 2019. Within that framework (see 'Objectives and Activities' page 2), they intend to continue to:

- Review and improve regional activities with pre-tertiary teachers of sociology to increase membership from this sector and encourage the flow of students into sociology degree courses. This will include continuing to support and develop the Discover Sociology website as a source of resources for pre-tertiary teachers and students alike;
- Develop services for undergraduates to increase membership from this sector and enhance their sense of professional identity as sociologists irrespective of their ultimate career path beyond university. Explore ways of increasing undergraduate membership;
- Review and refocus support for postgraduates and early careers researchers with a view to making positive changes to meet current needs and encouraging membership from this sector;
- Further develop activities with sociologists outside academia to broaden the BSA network of contacts, improve BSA knowledge of careers outside academia and increase membership from this sector;
- Support activities that provide high profile platforms for demonstrating the value and worth of sociology such as the BBC Thinking Allowed Ethnography Award and the BSA/British Library Annual Equality Lecture;
- Carry out a broad assessment of the range of activities and their contribution to the charitable aims of the Association;
- Carefully monitor developments in publishing to keep abreast of key changes in policy and shifts in patterns of academic paper submissions to inform ongoing internal strategic discussions;
- Work with the Heads and Professors of Sociology to monitor and respond to developments in academia that may affect members as individuals, membership of the Association and the health of the discipline as a whole. In particular, to identify practical ways to support members with advice for REF 2021 and promote a better understanding of the contribution sociological research makes across a broad range of applied areas;
- Review the events portfolio, and especially the Annual Conference to ensure that the BSA provides the best possible experience for participants without overstretching current resources and whilst minimising costs.

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REFERENCE AND ADMINISTRATIVE DETAILS

Company Number	03890729
Charity Number	1080235
Registered Office	Bailey Suite, Palatine House, Belmont Business Park, Belmont, Durham, DH1 1TN

Our advisors

Bankers	National Westminster Bank, 12 Market Place, Durham, DH1 3NG
Solicitors/Legal issues	Ward Hadaway Law Firm, Sandgate House, 102 Quayside, Newcastle upon Tyne, NE1 3DX
Auditors	Haines Watts, Floor 11, Cale Cross House, 156 Pilgrim Street, Newcastle upon Tyne, NE1 6SU
Investment Advisers	Ruffer LLP, 80 Victoria Street, London, SW1E 5JL

Directors and Trustees

The directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Management Trustees.

The members of the board during and after the year were as follows:-

Dr Aminu Musa Audu	
Professor John Bone	
Professor Shona Hilton	(Resigned 14 th May 2018)
Professor John Home	(Resigned 18 th July 2018)
Professor Stephanie Jackson	
Dr Jieyu Liu	(Appointed 14 th May 2018)
Professor Jane McCarthy	(Resigned 14 th May 2018)
Professor Linda McKie	
Professor Janice McLaughlin	
Professor Abdul Nasar Meer	
Professor Henrietta O'Connor	(Appointed 14 th May 2018)
Professor Louise Ryan	
Professor Michael Savage	(Appointed 14 th May 2018)
Dr Richard Waller	
Dr Aaron Winter	
Dr Christopher Yuill	

Key management

Chief Executive	Mrs Judith Mudd
Company Secretary	Mrs Kerry Collins
Publications and Membership Services Manager	Mrs Alison Danforth

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing documents

The British Sociological Association (BSA) is an incorporated Association and is registered as a Company Limited by Guarantee and not having a Share Capital under company registration number 03890729. The Association obtained charitable status in April 2000 under registration number 1080235.

BSA Publications

As a charity, the Association controls a trading subsidiary BSA Publications Limited. BSA Publications Limited publishes sociological journals on behalf of the parent body, The British Sociological Association.

Trustees and the Advisory Forum

The activities of the BSA are overseen by an elected Board of Trustees made up from ordinary members of the Association; election to the Board proceeds on a rolling basis with new members elected in the spring of each year. Elected members of the Board are the legal Trustees of the Association, and have overall responsibility for ensuring the Association has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that the charitable company is operating efficiently and effectively, that its assets are safeguarded against unauthorised use or disposition, that proper records are maintained and financial information used within the charitable company or for its trading subsidiary is reliable, and that the charitable company complies with relevant laws and regulations. The Board of Trustees comprises up to 13 elected Trustees (nominated and elected by wider membership). The President of the Association and non-voting representatives from each of the four journals with which the BSA is associated, plus a number of people who are co-opted onto the Advisory Forum to ensure that constituent members of the Association are appropriately represented and informed.

The strategic agenda of the Association and current activities in any given year are driven and directed by the Board of Trustees to the following positions; Chair, Vice Chair, Treasurer, Publications Directors (4), Membership Services Directors (4) and Public Engagement Directors (2). Joining these elected Trustees on the Board are the BSA Chief Executive, Company Secretary and Publications Manager.

Key management personnel salaries

There is an annual review for staff salaries commencing in June with the Chair, Vice Chair, Treasurer and one other trustee looking at RPI, average pay rise over last 5 years and the financial health of the association. On a five yearly basis an external consultant is contracted to give advice on the pay scheme and to undertake a benchmarking exercise against similar organisations in the sector and other employers in the region. This was last undertaken in 2017.

THE BRITISH SOCIOLOGICAL ASSOCIATION

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

The BSA office

The work of the Board is supported by a dedicated staff team, based at the Association's registered office in Durham. The BSA employs fourteen staff on a permanent basis all of whom are subject to an annual professional development review. Other paid support includes temporary office assistance as required and contracted services (see below). Office staff members are responsible for the day to day administration of the business of the Association. The Senior Management Team for the Association is the Chief Executive, Judith Mudd, Company Secretary, Kerry Collins and Publications and Membership Services Manager, Alison Danforth. The Chief Executive is in overall charge of the BSA office and is ultimate line manager for all staff.

Organisational review

In 2015 the Trustees of the BSA reviewed the structure and functioning of governance of the Association. The purpose of the review was twofold: to ensure BSA (i) met the expectations of good charity governance (within and across UK borders) and (ii) worked effectively as a membership organisation.

The review followed four themes:

- Updating the legal documentation;
- Consolidating the role and responsibilities of the Trustees and making certain their role was understood and related to by others in the Association;
- Devising a structure for the involvement of the BSA membership that was rooted in robust consultation (internal and external) and consistent with what the Association could sustain;
- Ensuring the governance of professional services was 'fit for purpose'.

Of the 34 recommendations made in the report the board identified that 17 were already in practice, 12 were actioned during 2017 and the remaining 5 actioned in 2018. All recommendations have now been or are being undertaken. The recommendations introduced / actioned include:

- Introduce the strategic plan as an integral part of all board meetings and staff meetings
- Achieve greater diversity at Board and active membership level: An Equality and Diversity Working Group was formed in 2017. The Group has subsequently been established as a standing sub-committee of the Board of Trustees. In 2018 equality and diversity audits continued with an audit of people in positions of power within the BSA. A further piece of work is to be undertaken in 2019 to take this analysis further.
- Implement a governance code of conduct at all BSA board, Advisory Forum and study group meetings
- The present group of Trustees (and staff) responsible for carrying out the work of the Board were converted into formal sub-committees with clear remits, powers and expectations about accountability to the Board. The formal sub-committees include: Membership, Publications and Public Engagement. Ad hoc committees and work groups will be established as deemed necessary

THE BRITISH SOCIOLOGICAL ASSOCIATION

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

Risk management

Trustees review the Association's objectives and identify the major risks (within and beyond the Association's direct control) to which the charitable company may be exposed on an annual basis. The financial Period under review saw a review undertaken in November 2018 with discussions around a range of risks, positive and negative, facing the Association. As well as meeting the requirements of Charity Law, the review provides an excellent way in which to plan and prioritise the work of the Board of Trustees and staff. Agreed priorities, ranked according to acuteness and (potential) severity are detailed in a Risk Review Report and can be summarised as follows:

BSA Risk Register 2018

Scope	Risk	Likelihood	Level
Short-term	• IT infrastructure including cybersecurity	High	High
	• Overseeing contractors e.g. IT, journals, media	High	High
	• Social media/ press coverage	High	High
	• Diversity within the BSA	Medium	High
	• Reserves of the Association	Medium	High
	• Socio/ Political Climate	Medium	High
	• General Data Protection Regulation (GDPR)	Medium	High
	• Conference Performance	Medium	High
	• Website functionality	Medium	High
	• Employee retention/recruitment/performance/ sickness/relationships	Medium	Medium
Medium-term	• Impact of changes to publishing	High	High
	• Management of journals including recruitment of editorial teams, citation rates, publisher relationships, peer reviewer exhaustion	Medium	Medium
	• Availability of trustees and Advisory Forum representatives	Medium	Medium
Long-term	• Changes in education policy and funding/ Government policy re fees	High	High
	• Membership retention and recruitment	Medium	High
	• Durham Office property purchase	Low	High
	• Public face of sociology and the BSA	Medium	Medium
	• Appointment of teams of editors for journals	Medium	Medium
	• Trustee succession planning	Medium	Medium
	• Study Groups	Medium	Medium
	• Positive working relationships within the BSA governance	Low	Low

THE BRITISH SOCIOLOGICAL ASSOCIATION

TRUSTEES' ANNUAL REPORT (INCLUDING DIRECTORS' REPORT) *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of The British Sociological Association for the purposes of company law) 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).

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRS 102);
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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


In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware and;
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution proposing that Haines Watts be re-appointed as auditors of the charitable company will be put to the Annual General Meeting.

Approved by the trustees on 10 May 2019 and signed on their behalf by:



.....
Dr Christopher Yuill
BSA Treasurer

THE BRITISH SOCIOLOGICAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH SOCIOLOGICAL ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018

Opinion

We have audited the financial statements of The British Sociological Association (the 'parent charitable company') and its subsidiary (the 'group') for the year 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 parent charitable company's affairs as at 31 December 2018, and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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 Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE BRITISH SOCIOLOGICAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH SOCIOLOGICAL ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018 (Continued)

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 15, the trustees are responsible for the preparation of the financial statements which 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 and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

THE BRITISH SOCIOLOGICAL ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH SOCIOLOGICAL ASSOCIATION FOR THE YEAR ENDED 31 DECEMBER 2018 *(Continued)*

Auditor's responsibilities for the audit of the financial statements

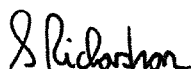
We have been appointed auditor under the companies Act 2006 and we report in accordance with this Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Richardson FCA (Senior Statutory Auditor)
For and on behalf of Haines Watts

6/6/19

Statutory Auditors

Floor 11, Cale Cross House
156 Pilgrim Street
Newcastle upon Tyne
NE1 6SU

THE BRITISH SOCIOLOGICAL ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds £	Designated Funds £	2018 £	2017 £
Income from:					
Charitable activities	3	422,293	285,737	708,030	629,370
Other trading activities	5	703,348	-	703,348	673,262
Investments	4	304	-	304	30,395
Other		9,127	-	9,127	8,708
Total income		1,135,072	285,737	1,420,809	1,341,735
Expenditure on:					
Raising funds					
Investment management costs		-	-	-	10,577
Other trading activities	6.2	141,375	-	141,375	153,865
Charitable activities	6.1	838,289	354,680	1,192,969	1,036,982
Total expenditure		979,664	354,680	1,334,344	1,201,424
Net income/(expenditure) before gain/(loss) on investment		155,408	(68,943)	86,465	140,311
Net gain/(losses) on investments	12	(31,305)	-	(31,305)	(24,078)
Net income/ (expenditure)		124,103	(68,943)	55,160	116,233
Transfers between funds	17	67,105	(67,105)	-	-
Net movement in funds		191,208	(136,048)	55,160	116,233
Reconciliation of funds:					
Total funds brought forward		503,475	1,464,663	1,968,138	1,851,905
Total funds carried forward		694,683	1,328,615	2,023,298	1,968,138

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses recognised during the year.

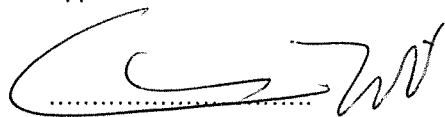
THE BRITISH SOCIOLOGICAL ASSOCIATION

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018	Group 2017	2018	Charity 2017
		£	£	As restated £	£
Fixed assets					
Tangible assets	11	926,586	905,232	926,586	905,232
Investments	12	664,533	502,523	664,533	502,523
		<u>1,591,119</u>	<u>1,407,755</u>	<u>1,591,119</u>	<u>1,407,755</u>
Current assets					
Debtors	13	512,972	509,571	57,847	58,259
Cash at bank and in hand		227,711	1,028,718	198,729	551,876
		<u>740,683</u>	<u>1,538,289</u>	<u>256,576</u>	<u>610,135</u>
Creditors: amounts due within one year	14	(264,229)	(927,374)	(267,104)	(476,972)
Net current assets		<u>476,454</u>	<u>610,915</u>	<u>(10,529)</u>	<u>133,163</u>
Total assets less current liabilities		2,067,573	2,018,670	1,580,590	1,540,918
Creditors: amounts due more than one year	15	(44,275)	(50,532)	(44,275)	(50,532)
Net assets		<u>2,023,298</u>	<u>1,968,138</u>	<u>1,536,315</u>	<u>1,490,386</u>
Charity funds					
Unrestricted funds		694,683	503,475	207,700	25,723
Designated funds		1,328,615	1,464,663	1,328,615	1,464,663
	17	<u>2,023,298</u>	<u>1,968,138</u>	<u>1,536,315</u>	<u>1,490,386</u>

These financial statements have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime.

Approved and authorised for issue by the board on 10 May 2019 and signed on its behalf by:



Dr Christopher Yuill
BSA Treasurer

Company Registration No: 03890729

THE BRITISH SOCIOLOGICAL ASSOCIATION

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Cash flow from operating activities	21	(521,923)	825,858
Net cash flow from operating activities		<u>(521,923)</u>	<u>825,858</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(86,073)	(587,982)
Payments to acquire investments		(204,638)	(591,073)
Receipts from sale of investments		11,323	984,911
Dividends received		-	30,308
Interest received		304	87
Net cash flow from investing activities		<u>(279,084)</u>	<u>(163,749)</u>
Net decrease in cash and cash equivalents		(801,007)	662,109
Cash and cash equivalents at the beginning of the year		1,028,718	366,609
Cash and cash equivalents carried at the end of the year		<u>227,711</u>	<u>1,028,718</u>
Cash and cash equivalents consist of:			
Cash at bank and in hand		<u>227,711</u>	<u>1,028,718</u>

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

1.1 General information and Basis of preparation of accounts

The British Sociological Association is a Company Limited by Guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. The address of the registered office is detailed on page 12 within the Trustees Annual Report. The nature of the charity's operations and principal activities is the advancement of public education by the promotion and publication of research and encouragement of contact between workers in all relevant fields of enquiry.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2017), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Basis of consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary BSA Publications Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

1.3 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

1.4 Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

1.4 Income recognition *(continued)*

Membership subscriptions, conference income and income in respect of sociological journals are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred.

Income from trading activities includes income earned from trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest. Interest and dividend income are recognised when receivable.

1.5 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Raising funds expenditure relates to investment management costs and other trading activities includes expenditure of the trading subsidiary.
- Expenditure on charitable activities includes all direct and support costs incurred in attracting membership, subscriptions and conference income.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

1.6 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Long leasehold	50 years straight line
IT Equipment	3 years straight line
Office equipment	5 years straight line

Development and software costs are written off on acquisition

The trustees have reviewed the value of the property at the year end and believe that the current net book value is in line with the market value of the property.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

1.8 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

1.9 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.10 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

1.11 Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

1.12 Employee benefits

BSA operates two pension schemes both held with The Pension Trust; a defined contribution scheme relating to series 4 and a defined benefit scheme relating to Series 1, 2 and 3.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. The Plan is a multi-employer scheme where the assets are co-mingled for investment purposes, and benefits are paid out of the plan's total assets. Accordingly, due to the nature of the plan, the liability recognised for the period under FRS 102 represents the present value of the contributions payable arising from the deficit recovery agreement.

1.13 Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

2. Financial performance of the charity

The Consolidated Statement of Financial Activities includes the results of the wholly owned subsidiary.

The summary financial performance of the charity alone is;

	2018	2017
	£	As restated £
Income	829,572	747,239
Gift aid from subsidiary company	440,631	389,948
	<u>1,270,203</u>	<u>1,137,187</u>
Expenditure	(1,192,969)	(1,047,559)
Net gains/(losses) on investments	(31,305)	(24,078)
	<u>45,929</u>	<u>65,550</u>
Net income/(expenditure)	<u><u>45,929</u></u>	<u><u>65,550</u></u>

3. Income from charitable activities

	2018	2017
	£	£
Membership income	245,904	244,967
Conference income		
BSA Annual Conference	182,335	211,533
Medical Sociological Conference	91,540	104,895
WES Conference	110,894	-
Other study group income	77,357	67,975
	<u>708,030</u>	<u>629,370</u>

4. Investment income

	2018	2017
	£	£
Bank interest	304	87
Dividends received	-	30,308
	<u>304</u>	<u>30,395</u>

5. Other trading income

	2018	2017
	£	£
Publications	676,550	673,262
Rental income	26,798	-
	<u>703,348</u>	<u>673,262</u>

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

6. Analysis of total expenditure

6.1 Analysis of expenditure on charitable activities

	Membership	Conference/ Events	Support Costs	2018	2017
	£	£	£	£	£
Staff costs	261,837	173,402	-	435,239	404,254
Membership service training	12,237	-	-	12,237	10,168
Travel and subsistence	16,778	80,957	-	97,735	12,420
Office costs	100,457	-	-	100,457	94,908
Support fund	3,121	-	-	3,121	12,266
Supplying <i>Network</i> to members	-	-	18,724	18,724	13,420
Philip Abrahams prize	-	-	1,249	1,249	1,162
Venue costs	-	186,180	-	186,180	204,835
Study group expenditure	-	78,134	-	78,134	71,657
Recruitment and training costs	-	-	449	449	2,734
Special interest groups	-	-	-	-	(6,776)
Marketing	-	-	19,303	19,303	18,826
Miscellaneous	-	-	18,560	18,560	9,588
Subscriptions	-	-	5,190	5,190	5,782
Legal and professional	-	-	46,176	46,176	37,203
Public relations	-	-	24,363	24,363	13,572
Depreciation	-	-	64,719	64,719	49,657
Irrecoverable VAT	-	-	36,459	36,459	16,179
Property purchase costs	-	-	17,958	17,958	35,345
Governance	-	-	26,716	26,716	29,782
	<u>394,430</u>	<u>518,673</u>	<u>279,866</u>	<u>1,192,969</u>	<u>1,036,982</u>

6.2 Analysis of expenditure on other trading activities

	2018	2017
	£	£
Staff costs	47,337	42,116
Rent, rates and water	1,984	20,003
Committee meetings and travel	16,722	22,476
Direct purchase of member copies	43,367	38,564
Office costs	19,456	18,806
IT costs	6,874	4,333
Legal and professional fees	5,520	9,229
Other costs	115	(1,662)
	<u>141,375</u>	<u>153,865</u>

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

6.3 Governance costs

	2018	2017
	£	£
Trustee expenses	20,716	23,782
Audit	6,000	6,000
	<u>26,716</u>	<u>29,782</u>

7. Net income for the year

Net income is stated after charging(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	64,719	49,657
(Gain)/loss on fair value movement in investments	31,305	24,078
	<u></u>	<u></u>

8. Auditor's remuneration

	2018	2017
	£	£
Fees payable to the charity's auditors for the audit of the charity's annual accounts	6,000	6,000
	<u></u>	<u></u>

9. Trustees' and key management personnel remuneration and expenses

No remuneration was paid to any person as a director during the period (2017 - none)

The key management personnel of the parent charity comprise the trustees, the Chief Executive and the Company Secretary. The total employee benefits of the key management personnel of the charity were £97,353 (2017 - £94,978).

The reimbursement of trustee expenses was as follows:

	2018 Number	2017 Number	2018 £	2017 £
Travel	13	13	20,716	23,782
	<u></u>	<u></u>	<u></u>	<u></u>

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Staff costs and employee benefits

The average number of employees and full time equivalents (FTE) during the period was as follows:

	2018 Number	2018 FTE	2017 Number	2017 FTE
Charitable activities	13	12	11	11
Other trading activities	3	3	4	3
	<u>16</u>	<u>15</u>	<u>15</u>	<u>14</u>

The total staff costs and employee benefits was as follows:

	2018 £	2017 £
Wages and salaries	425,356	391,207
Social security costs	40,814	38,109
Pension costs	23,307	22,219
	<u>489,477</u>	<u>451,535</u>

No employees had employee benefits in excess of £60,000 (2017 - none).

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 31 DECEMBER 2018

11. Tangible fixed assets

Group	Long Leasehold £	Equipment £	Total £
Cost			
At 1 January 2018	962,076	236,115	1,198,191
Additions	-	86,073	86,073
Disposals	-	(174,256)	(174,256)
At 31 December 2018	962,076	147,932	1,110,008
Depreciation			
At 1 January 2018	98,957	194,002	292,959
Charge for the period	22,294	42,425	64,719
Disposal	-	(174,256)	(174,256)
At 31 December 2018	121,251	62,171	183,422
Net Book Values			
At 31 December 2018	840,825	85,761	926,586
At 31 December 2017	863,119	42,113	905,232
Charity			
	Long Leasehold £	Equipment £	Total £
Cost			
At 1 January 2018	962,076	228,222	1,190,298
Additions	-	86,073	86,073
Disposals	-	(174,256)	(174,256)
At 31 December 2018	962,076	140,039	1,102,115
Depreciation			
At 1 January 2018	98,957	186,109	285,066
Charge for the period	22,294	42,425	64,719
Disposals	-	(174,256)	(174,256)
At 31 December 2018	121,251	54,278	175,529
Net Book Values			
At 31 December 2018	840,825	85,761	926,586
At 31 December 2017	863,119	42,113	905,232

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

12. Fixed asset investments

Group and Company

	Listed Investments	Investment property	Total
	£	£	£
Market value 1 January 2018	317,523	185,000	502,523
Additions	204,638	-	204,638
Disposals	(11,323)	-	(11,323)
Net unrealised gain	(31,305)	-	(31,305)
Market value 31 December 2018	479,533	185,000	664,533
Historical cost 31 December 2018	510,667	185,000	695,667

Listed investments

Equity investments that are traded on a quoted market are held at fair value determined by reference to the quoted price for identical assets in an active market at the balance sheet date.

Most holdings are not held in quoted companies, and these are held at cost, or the sterling equivalent where cost is in a foreign currency, less impairment on the basis that they represent shares in equities that are not publicly traded, and the fair value cannot otherwise be measured reliably. Where such companies have been traded at arms length the valuation is stuck at the last transaction.

Investment property

In December 2017, the charity purchased offices for their own use. Part of the property is tenanted and so a portion of the property value is shown as an investment property.

The property has been initially shown at cost and subsequently revalued to fair value. As the property was purchased a few days before the year end the revalued amount is in line with cost.

Company

The charity has one wholly owned trading subsidiary which is registered in England and Wales, BSA Publications Limited.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 31 DECEMBER 2018

12. Fixed asset investments *(continued)*

A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

	2018	2017
	£	As restated £
Turnover	665,837	673,262
Costs	(212,285)	(232,631)
Profit for the financial year	453,552	440,631
Gift aid payment to parent	440,631	389,948
Net assets	486,983	477,752

13. Debtors

	2018	Group 2017	2018	Charity 2017
	£	£	£	As restated £
Trade debtors	31,895	15,989	32,652	17,316
Prepayments and accrued income	477,446	488,118	25,159	35,479
Other debtors	3,631	5,464	36	5,464
	512,972	509,571	57,847	58,259

14. Creditors: Amounts falling due within one year

	2018	Group 2017	2018	Charity 2017
	£	£	£	As restated £
Trade creditors	30,777	78,622	23,156	35,516
Accruals and deferred income	138,284	354,804	138,284	161,224
Taxation and social security costs	1,526	430,842	1,526	9,130
Other creditors	93,642	63,106	13,935	4,539
Amounts due from subsidiary	-	-	90,203	266,563
	264,229	927,374	267,104	476,972

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

14. Creditors: Amounts falling due within one year *(continued)*

Deferred Income	£
At 1 January 2018	120,024
Released	(120,024)
Deferred income from new sources	86,320
	<hr/>
At 31 December 2018	86,320
	<hr/>

15. Creditors: Amounts falling due after more than one year

	2018	Group 2017	2018	Charity 2017
	£	£	£	£
Pension liability	44,275	50,532	44,275	50,532
	<hr/>	<hr/>	<hr/>	<hr/>

16. Pension assets and liabilities

BSA operates two pension schemes both held with The Pension Trust; a defined contribution scheme relating to Series 4 and a defined benefit scheme relating to Series 1, 2 and 3.

Defined contribution scheme

The charity operates a defined contribution plan for its employees. The amount recognised as an expense in the period was £23,307 (2017 - £22,219).

Defined benefit scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards by the Financial Reporting Council, set out in the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustees have asked the participating employers to pay additional contributions to the scheme as follows:

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

16. Pension assets and liabilities *(continued)*

Deficit contributions

From 1 April 2013 to 31 March 2023: £13.9m per annum
(payable monthly and increasing by 3% each year on 1 April)

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustees have asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2018 to 30 September 2025: £12,945,440 per annum
(payable monthly and increasing by 3% each year on 1 April)

From 1 April 2018 to 30 September 2028: £54,560 per annum
(payable monthly and increasing by 3% each year on 1 April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provisions

	31 December 2018	31 December 2017	31 December 2016
	£	£	£
Present value of provision	44,275	50,532	55,517

Reconciliation of opening and closing provisions

	Period Ending 31 December 2018	Period Ending 31 December 2017
	£	£
Provision at start of period	50,352	55,517
Unwinding of the discount factor (interest expense)	653	753
Deficit contribution paid	(6,195)	(6,015)
Remeasurements – impact of any change in assumptions	(535)	97
Remeasurements – amendments to the contribution schedule	-	-
Provision at end of period	44,275	50,352

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*
FOR THE YEAR ENDED 31 DECEMBER 2018

16. Pension assets and liabilities *(continued)*

Income and expenditure impact

	Period Ending 31 December 2018	Period Ending 31 December 2017
	£	£
Interest expense	653	753
Remeasurements – impact of any change in assumptions	(535)	97
Remeasurements – amendments to the contribution schedule	-	-
	<hr/>	<hr/>

Assumptions

	31 December 2018 % per annum	31 December 2017 % per annum	31 December 2016 % per annum
Rate of discount	1.75	1.39	1.44

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

17. Statement of funds

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfer/ Investment (loss)/gain £	Balance at 31 December 2018 £
Unrestricted funds	503,475	1,135,072	(979,664)	35,800	694,683
Designated funds					
Study groups					
Ageing, Body & Society	3,877	925	(517)	-	4,285
Animal/Human	1,005	-	-	-	1,005
Auto Biography	14,338	14,199	(16,605)	-	11,932
Bourdieu Study Group	5,767	37,009	(28,469)	-	14,307
Childhood	151	-	-	-	151
Climate Change	1,937	-	-	-	1,937
Digital Sociology	347	-	-	-	347
Disability	76	-	-	-	76
Disapora, Migration, Transnationalism	985	-	(150)	-	835
Education	867	-	(105)	-	762
Emotions	517	2,443	(2,471)	-	489
Family and Relationships	405	-	-	-	405
Food	6,678	510	(321)	-	6,867
Gender Study Group	456	-	-	-	456
Happiness	587	370	(64)	-	893
Historical and Comparative Sociology	205	-	-	-	205
Human Reproduction	1,949	1,553	(747)	-	2,755
Leisure & Recreation	-	75	-	-	75
Medical Sociological (Main)	99,190	95,318	(101,302)	-	93,206
Medical Sociological (Bristol & South West)	371	140	-	-	511
Medical Sociological (London)	-	-	(111)	-	(111)
Medical Sociological (Mental Health)	-	185	(265)	-	(80)
Medical Sociological (North East)	1,043	-	-	-	1,043
Medical Sociological (East Midlands)	316	50	(113)	-	253
Medical Sociological (North West)	394	-	-	-	394
Medical Sociological (Wales)	-	-	-	-	-
Medical Sociological (Wes Midlands)	494	-	-	-	494
Medical Sociological (Yorkshire)	1,618	-	-	-	1,618
Medical Sociological (Scotland)	812	875	-	-	1,687
Medical Sociological (South Coast)	-	-	(164)	-	(164)
Medical Sociological (Environmental & Health)	1,179	-	-	-	1,179
Medical Sociological (Deconstruction Donation)	1,673	-	(456)	-	1,217
Medical Sociological (Applied Qualitative Health Research)	368	-	-	-	368
Media	763	-	-	-	763
Museums	75	-	(75)	-	-
Sociological, Psychoanalysis & Psychosocial	2,145	1,112	-	-	3,257
Balance carried forward	150,588	154,764	(151,935)	-	153,417

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

17. Statement of funds *(continued)*

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfer/ Investment (loss)/gain £	Balance at 31 December 2018 £
Balance brought forward	150,588	154,764	(151,935)	-	153,417
Race and Ethnicity	1,211	-	(820)	-	391
Religion	45,122	18,552	(26,092)	-	37,582
New Materialisms	-	-	-	200	200
Risk	961	-	(334)	-	627
Science and Technology Studies	80	-	-	-	80
Scottish Studies	161	-	-	-	161
Sexual Division	64	-	-	(64)	-
Sociology of the Arts	95	-	-	-	95
Sociology of Rights	326	-	-	-	326
Social Aspects of Death, Dying & Bereavement	2,861	-	-	-	2,861
Social Network Analysis Study Group (SNAG)	282	-	-	-	282
Sociology of Alcohol	2,173	-	-	-	2,173
Sport	163	1,165	-	-	1,328
CITIES	309	245	(446)	-	108
Violence against Women	1,428	118	-	-	1,546
Visual Study Group	80	-	-	-	80
Work Employment & Economic Life	424	-	-	-	424
Youth	1,922	-	-	-	1,922
Social Statistics	-	-	-	200	200
Weber	696	-	-	(696)	-
WES Conference	29,596	110,894	(99,824)	-	40,666
	<u>238,542</u>	<u>285,738</u>	<u>(279,451)</u>	<u>(360)</u>	<u>244,469</u>
Property fund - London	308,119	-	(7,494)	-	300,625
Property fund - Durham	740,000	-	(14,800)	-	725,200
Strategic plan fund – SP8	38,000	-	(23,336)	-	14,664
CRM system	140,000	-	(29,600)	(66,745)	43,655
Total designated funds	<u>1,464,661</u>	<u>285,738</u>	<u>(354,681)</u>	<u>(67,105)</u>	<u>1,328,613</u>
	<u>1,968,136</u>	<u>1,420,810</u>	<u>(1,334,345)</u>	<u>(31,305)</u>	<u>2,023,296</u>

Study groups

The BSA currently operates a network of more than 50 varied study groups, each focusing on a specific area of interest within Sociology. They provide members the opportunity to get together and share ideas whether it be for feedback on research or simply looking to engage with like minded individuals.

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)* FOR THE YEAR ENDED 31 DECEMBER 2018

17. Statement of funds *(continued)*

Property fund - London

The value of the fund is equal to the net book value of the London property.

Property fund - Durham

The value of the fund is equal to the net book value of the Durham property purchased during December 2017.

Strategic plan SP8

The fund relates to developing the journals that are published by the BSA to enhance the impact factor of the publications.

CRM system

The fund relates to the investment required in the new management system, which went live on 22 January 2019.

18. Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Total £
Tangible fixed assets	85,761	840,825	926,586
Investments	479,533	185,000	664,533
Net current assets	173,664	302,790	476,454
Creditors due more than one year	(44,275)	-	(44,275)
	<u>694,683</u>	<u>1,328,615</u>	<u>2,023,298</u>

19. Commitments under operating leases

Lessee: Total future minimum lease payments under non-cancellable operating leases are as follows:

	Buildings		Other
	2018	2017	2018
	£	£	£
Not later than one year	-	-	780
Later than one and not later than five years	-	-	-
	<u>-</u>	<u>-</u>	<u>780</u>

THE BRITISH SOCIOLOGICAL ASSOCIATION

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

19. Commitments under operating leases (continued)

Lessor: Total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Not later than one year	25,425	25,425
Later than one and not later than five years	6,339	31,764
	<u>31,764</u>	<u>57,189</u>

20. Related party transactions

There have been no related party transactions during the period.

21. Reconciliation of net income to net cash inflow from operating activities

	2018	2017
	£	£
Net income for period	55,160	116,233
Dividends received	-	(30,308)
Interest receivable	(304)	(87)
Depreciation of tangible fixed assets	64,719	49,657
(Gains)/losses on investments	31,305	24,078
(Increase) in debtors	(3,401)	(24,913)
(Decrease)/increase in creditors	(669,402)	691,198
Net cash flow from operating activities	<u>(521,923)</u>	<u>825,858</u>