

Society for Applied Microbiology

ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

2020 Annual Report



Company information

for the year ended 31 December 2020

TRUSTEES

VICE-PRESIDENT:
(appointed 16 July 2020)

Prof. Brendan Gilmore

GENERAL SECRETARY:
Dr Clare Taylor

SCIENTIFIC PROGRAMMES
SECRETARY:

Prof. Ian Feavers

TREASURER:

Mr Oern Greif

Dr Tim Aldsworth
(until 16 July 2020)

Dr Linda Thomas
(until 16 July 2020)

Mrs Claire Hill
(until 4 January 2021)

Dr Michael Dempsey

Prof. Stephen Forsythe

Prof. Sally Cutler

Dr Elaine Cloutman-Green

Dr Marcela Hernandez Garcia

Dr Catherine Ludden

Dr Emmanuel Adukwu
(appointed 16 July 2020)

Dr Suzy Moody
(appointed 16 July 2020)

COMPANY REGISTERED NUMBER

06462427

CHARITY REGISTERED NUMBER

1123044

REGISTERED OFFICE

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CB1 2LA

COMPANY SECRETARY and CHIEF EXECUTIVE

Dr Lucy Harper

INDEPENDENT AUDITORS

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

SOLICITORS

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London
EC4R 9AT

BANKERS

Bank of Scotland
Teviot House
41 South Gyle Crescent
Edinburgh
EH12 9DR

INVESTMENT MANAGERS

Brewin Dolphin Securities
12 Smithfield Street
London
EC1A 9BD

Cazenove Capital
1 London Wall Place
London
EC2Y 5AU

The Officers and Ordinary Committee Members are the Trustees of the Charity and Directors of the Company Limited by Guarantee



Trustees' report

for the year ended 31 December 2020

The Trustees present their Annual Report together with the audited financial statements of the company for the year 1 January 2020 to 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (SORP (FRS 102) effective January 2019, second edition October 2019).

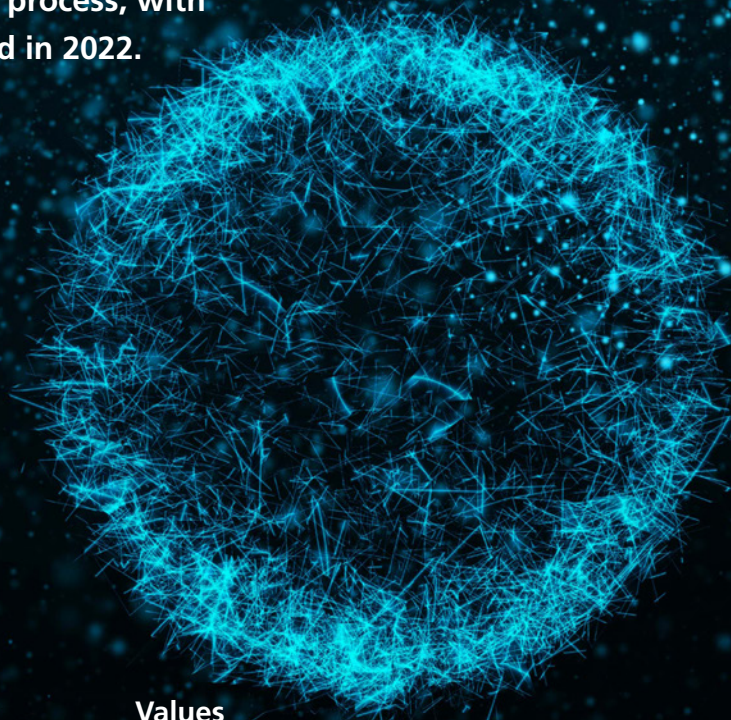
Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

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Objectives and activities

The Society has formulated a strategy for the three years from 2018 to 2021. During 2020, with the election of a new President, the Society began a strategy review process, with a revised strategy to be launched in 2022.



Vision

SfAM envisages a future where applied microbiology research and development is strong in the UK and beyond, and the applications of microbiology contribute to addressing significant challenges facing humanity, including: infectious diseases; the changing environment; sustainability of energy, food, water, and land resources; and economic growth.

Mission

SfAM will achieve this by being the voice of microbiology and advancing, for the benefit of the public, the science of microbiology in its application to the environment, human and animal health, agriculture, and industry.

Values

Our values include equality, diversity and inclusivity, collaboration to amplify impact, scientific integrity, evidence-based decision-making and political neutrality – recognising that microbiology doesn't observe geographical borders. All of these are fundamental values that will run through all future activity.

The following were identified as strong strategic themes:

Theme 1: Impact

Theme 2: Voice

Theme 3: Sustainability

Under each theme the Society identified clear organisational aims and objectives within each theme, and following this, key performance indicators and deadlines for reaching these indicators.

Aims and objectives

SARS-CoV-2 / COVID-19

The global pandemic changed the work of the Society significantly during 2020 and you can read more about the operational and strategic changes throughout this report. Most immediately, the pandemic has changed the way the team works, acting as a catalyst for a trajectory towards flexible/remote working we were already working towards, and triggering a shift for our scientific meetings from face-to-face to online. More broadly, we acknowledge the effect the pandemic continues to have on our members, committees and subcommittees and this is continually under review so that we can establish the most effective way(s) of supporting our members through this challenging time.

We continued to work within the three strategic themes of Impact, Voice and Sustainability:

Theme 1: Impact

In an environment where the impact of applied science has become all the more visible, through the development of diagnostic tests for COVID-19, and vaccines against SARS-CoV-2, we will continue to support our members at every stage of their career. Our current strengths, such as the work we do to support early career researchers, will enable us to negate future threats such as skills gaps, to ensure the Society provides relevant career support to academic and non-academic applied microbiologists. Within this theme of Impact, SfAM set four organisational aims:

AIM 1: EARLY CAREER SCIENTIST (ECS) SUPPORT

Early career scientists represent the future of applied microbiology. Building on the Society's strong ECS membership and the exemplar work of our ECS committee, the Society will develop this support and, using our inherent agility, continually adapt and change to reflect current needs.



AIM 2: COMMUNITY

We will listen to our entire membership wherever they are located and whichever sector they work in, to ensure membership offers them tangible, useful and relevant benefits.

AIM 3: INTERDISCIPLINARITY

We are applied microbiologists, so to aid researchers' interdisciplinary collaborations, the importance of which has been highlighted by the global pandemic, we will provide support for innovation and fostering of interdisciplinary and inter-sector collaborations. Over time this will position the Society as the go-to organisation for academic applied microbiologists who are looking to find other academic and corporate/industry connections.

AIM 4: MICROBIOLOGY IN THE UK

The feasibility of delivering work to fulfil this aim has been severely hindered by the global pandemic, but was originally stated as: We will undertake thorough market research into the applied microbiology landscape to assess which institutions, institutes and industry laboratories are researching applied microbiology, whether there are skills gaps and areas which the Society can help to fill.

In time this will enable us to position ourselves as the go-to organisation for education and training in applied microbiology techniques, quality control (QC) and routine laboratory work and relevant non-microbiological areas.

Aims and objectives

continued

Theme 2: Voice

With our increasing participation in policy-relevant work, and our strong communications team, this holds true. We are creating a voice for our membership in government and parliament. We also have strong engagement with people via traditional and social media to illustrate just how relevant applied microbiology is to us all. This strategic theme will build on our strengths in these areas and provide focus for our external communications.

Within this theme of Voice, we have three organisational aims:

AIM 1: POLICY

We will place SfAM, and its membership, as a key conduit for policymakers to access high-quality applied microbiology advice and evidence, on topics aligned with our vision.

AIM 2: COLLABORATION

We shall continue to collaborate with partner organisations and societies as part of a broader representation on behalf of the science and engineering sector.

AIM 3: COMMUNICATION

We will promote the application of microbiology in all relevant areas – with a particular focus on our priority areas – and its impact on all people in everyday life, in an informed, accessible way.

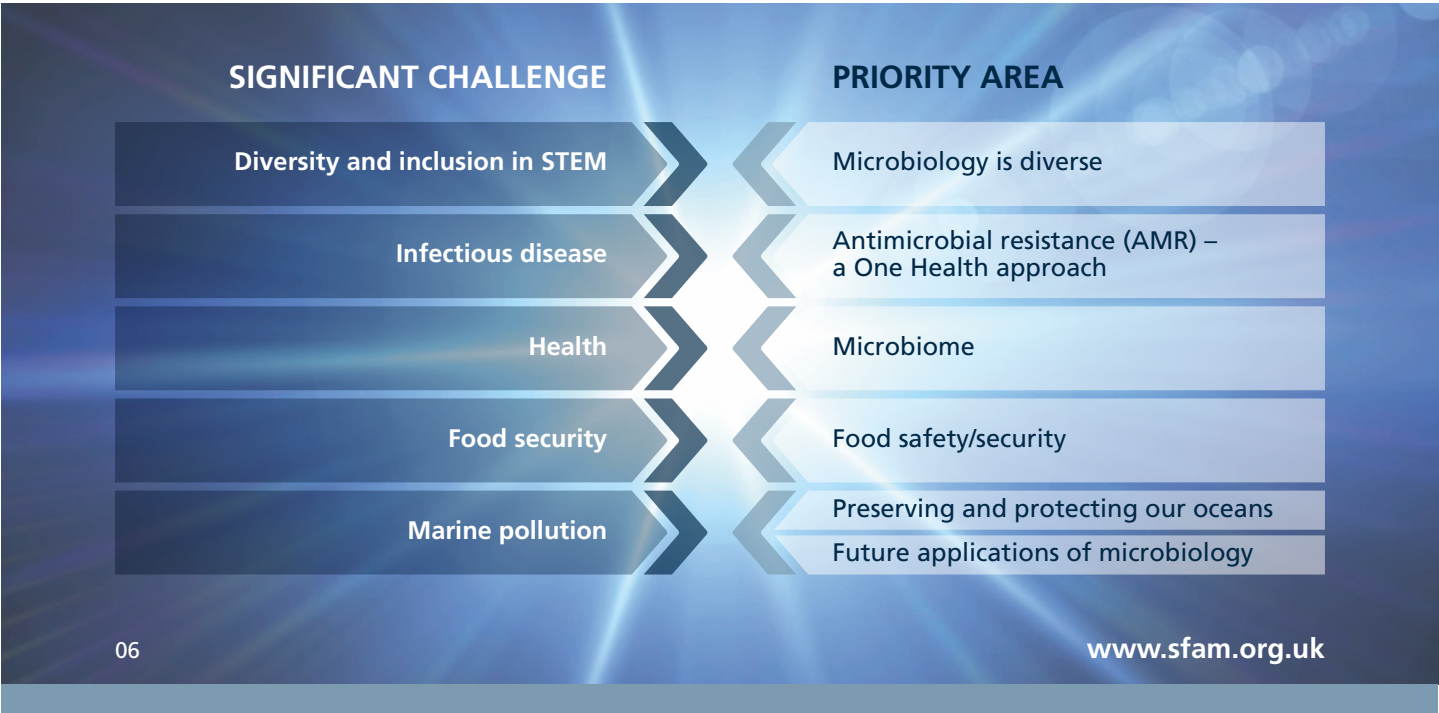
Theme 3: Sustainability

The Society acknowledges the external threat to a large proportion of its revenue, which comes from its valuable scholarly publishing activity and has created a series of organisational aims and objectives to mitigate this threat.

Strategic priority areas

Our focus will be on a number of priority areas over the period of this strategy (2018–2021), to which our themes can be applied. Each one is linked to a significant challenge, as described in the Society’s vision.

These areas were reviewed during 2020, with input from the Policy Task and Finish Groups formed to respond to the global pandemic:



Activities and achievements



Governance

The third phase of the Governance Review took place during 2020 and will create a clear and open set of 'rules' for the Society, updating and adding to the current governing documents. These will be developed with and reviewed by the Trustees and senior management in 2021.

As a result of changes to our Articles of Association, the Society was able to hold its Annual General Meeting (AGM) online during 2020 irrespective of guidance from the Charities Commission. This enabled the event to be much more accessible to members, with 42 members in attendance from 7 countries, 91% of whom found the contents of the event to be 'good' or 'excellent'. During 2020, the Trustees took the decision to hold the AGM online in future years.

Diversity and inclusion

The Diversity and Inclusion (D&I) Action Plan developed in 2018 has continued to be the core reference point for the Society's work, identifying opportunities to better support all our members and the wider applied microbiology community. In addition, at each Executive Committee meeting and all subcommittee meetings, D&I is an agenda item, enabling it to become entrenched in all aspects of the work of the Society.

The Society developed its D&I work significantly during 2020, with the following achievements, led primarily by the Society's Policy team:

- Updated D&I Action Plan with the addition of accessibility and inclusion of online events including captioning. Inclusive Conferences and Events has been an area of focus for SfAM and since the pivot online, we have implemented an online safe space policy in line with Equality, Diversity and Inclusion in Science and Health (EDIS) guidelines.
- Raising the issue of name changes and dead naming in research publications with EDIS, which led to open research publishers F1000 Research and Wellcome introducing new trans-inclusive policies, as well as changes to Wiley's name change policy
- Supporting the 'All-Party Parliamentary Group (APPG) for D&I' in developing its inquiry on the STEM workforce as well as submitting evidence to and attending two roundtables with relevant external stakeholders on its inquiries on Diversity in STEM Education and Equity in the STEM Workforce.

The Society also contributed to support for the whole scientific community, through the D&I-related activities of partner organisations:

- Royal Society of Biology D&I Working Group – in 2020, SfAM chaired this group's meeting on Mental Health in STEM
- APPG for Diversity and Inclusion – launched by the British Science Association
- EDIS

Activities and achievements

continued



ANTI-RACISM WORKING GROUP (ARWG)

The Society also created this working group to identify any forms of systemic racism that touch the lives of our team, committees and members. It was agreed that to be truly inclusive, we must ensure all members can be part of this journey. We agreed that we will need to work without ego and to listen with humility to enable us to then reflect and take meaningful action.

The aims of this working group are to:

- examine how historic practices may have blocked equal participation in our work
- learn and improve by facing difficult issues and being self-critical
- face the realities of the changes needed to make our work better – this may mean we need to have difficult conversations.

This group was formed in the latter part of 2020 and will focus on the processes the Society uses to provide good governance and to widen participation in our work. Our D&I action plan will be scrutinised, as will all recruitment processes to our team, committees, Trustees and membership, to ensure we are genuinely encouraging participation without discrimination.

WELFARE

Welfare has been a key priority for the Society for a number of years but never was it more needed than in 2020. During 2020, a number of members of the staff team, Executive Committee and subcommittees

received training via St John Ambulance on Mental Health First Aid, and became Mental Health First Aid Champions. Through this work the Society took part in the 'My Whole Selfie' campaign run by Mental Health First Aid (MHFA) England during 2020, recognising the importance of providing employees with a safe place to bring their authentic selves to work. As well as training for mental health first aid, SfAM staff, President and Welfare Officer received unconscious bias training during 2020.

The Society also launched an online community 'Quorum forum' to provide members with a safe space to express themselves, ask questions and offer support and ideas by sharing their own experiences. The name of the forum was chosen to reflect quorum sensing, the mechanism by which microorganisms communicate with one another. The Society also launched Micro Comic Competition, a comic competition, to enable members to stay connected and protected from some of the negative impacts of the pandemic.

Impact

EARLY CAREER SCIENTIST (ECS) SUPPORT

The Society continues to support and benefit from the work of our ECS Committee. This motivated and committed group of early career researchers organised the 2020 ECS Research Symposium that was due to take place in Cardiff on 18 March 2020, and was cancelled due to the SARS-CoV-2 pandemic. Within days of the cancellation, all poster presenters were provided the opportunity to display their posters online and

Activities and achievements

continued

highlight them, and/or a flash presentation, via Twitter on the day the Research Symposium had originally been due to take place.

ECS Committee members have continued to play a key role in the work of the Society, providing contributions to Executive Committee meetings, as well as those of the Scientific Programmes and Policy Subcommittees. The ECS Committee enabled the Society to respond quickly to the SARS-CoV-2 pandemic and provided the ideas for, and work behind, the 'MicroTalks' series of webinars, which provided a platform for early career researchers to present their work held between 23 June 2020 and 25 August 2020.

The ECS Committee also continue to contribute to the online networking and social programme of the Society's events, providing a friendly, professional environment for students to network and engage with one another.

The legacy of our ECS support was demonstrated in 2020, with the election of past ECS Committee member Emmanuel Adukwu to Trustee of the Society. The additional Trustee who was elected is Dr Suzy Moody, currently an early career research scientist.

COMMUNITY

2020 saw a fourth Fellow appointed by the Executive Committee in recognition of the impact of their work in the promotion of the importance and relevance of applied microbiology. 2020 saw the award of a Fellowship to Professor Jennifer Doudna who was due to receive her award at an afternoon reception event on 15 March 2020. This event was cancelled and the Society will be awarding Professor Doudna with her award at an online event after the Society's AGM on 15 July 2021. Subsequent to receiving her Fellowship, Professor Doudna received the Nobel Prize in Chemistry alongside her colleague Emmanuelle Charpentier for proposing that CRISPR-Cas9 (enzymes from bacteria that control microbial immunity) could be used for programmable editing of genomes and developing this now widely known molecular microbiology technique.

INTERDISCIPLINARITY

The Society's shift to online events and webinars enabled our content to become much more accessible to members and non-members, regardless of geographical location. We also provided networking opportunities alongside our online events to promote connectivity amongst our delegates and speakers. During 2020, the Executive Committee of Trustees took the decision to not hold face-to-face meetings until the end of 2021, necessitating a medium-term investment in improved communications platforms to ensure robust delivery of all online events.



Activities and achievements

continued

A summary of the Society's online events held during 2020, and their impact is shown below:

EVENT (n)	DATE (S)	ATTENDEES (n)	COUNTRIES (n)	ADDITIONAL IMPACT
Micro-Talk Webinar Series (10)	23/06/20 – 25/08/20	423	38	ECS members presenting internationally
Plant-microbe interactions (2)	07/10/20 & 14/10/20	73	15	15% delegate attendance sessions at networking
An interview with Prof. Dame Sally Davies	10/12/20	119	10	Recording available via a new video-hosting facility on the SfAM website. The event provided an opportunity to test this facility.

The Society didn't carry out any work that was specifically UK-centred during 2020 under Aim 4: Microbiology in the UK. However, 2020 saw the formation of our International Committee who came together to create the International Applied Microbiology Conference, which took place in 2021.

Voice

POLICY

The Society always welcomes the views of members, whose expertise and knowledge inform our priorities and actions. During April 2020 we held a number of focus group meetings for members to discuss with us the challenges they are facing as a result of the SARS-CoV-2 pandemic. We also surveyed our members to find out how the pandemic has, and continues to, affect their work and life. We have used the feedback we received from these pieces of work to shape future activities and contribute to evidence-based policy work in our priority areas of applied microbiology.

We also created Task and Finish Groups, led by the Policy team and guided by the Policy Subcommittee to shift our policy priorities in response to the global pandemic. The focus of these groups and their outputs are summarised here:

1. Ensuring other applied microbiology areas continue

This group acknowledged that, due to SARS-CoV-2, research and development in fields not directly related to COVID-19 have suffered substantial losses in support and funding, and that if sufficient support for research and development is not provided now, many scientific challenges will worsen and will be harder to remedy later, resulting in potentially even more devastating consequences.

They identified five areas of applied microbiology research that must continue, despite the need to prioritise funding of research into SARS-CoV-2:

- Antimicrobial resistance (AMR)
- Food security
- Preserving and protecting the marine environment
- Microbiome
- Future applications of microbiology

The outcome of this group's work will be a briefing document for policymakers and funding bodies, which has been created by the policy team and will be published and distributed during 2021. In addition, a case study on the impact of the pandemic on AMR began at the end of 2020 and will be published in 2021.

Activities and achievements

continued

2. Preparedness for future pandemics

This group focused on providing accessible information about hygiene practices, infection control and vaccines, for the UK public. However, it was later acknowledged that many organisations provide high-quality communication tools with this purpose, and that SARS-CoV-2 has prompted others to do the same. As a result, there is no gap that the Society needs to fill.

The outcome of this group's work has been the Society's contribution to the call for evidence from the APPG on Coronavirus on the UK's handling of the outbreak.

3. Social impacts and equality

This group's focus was on the impacts of the pandemic in highlighting many inequalities within academic and industrial science research, as they relate to the Society's current and future equality, diversity and inclusion work (page 07). In addition, responses to the Society's members' survey identified areas of concern to our members and this group examined these responses, alongside data published by other organisations such as Digital Science.



Society for Applied Microbiology

POSITION STATEMENT

Short-term research contracts



The outcome of this group's work includes:

- a statement on short-term contracts used in the employment of postdoctoral researchers, which will be published and distributed during 2021
- Contributions to relevant discussions within partner organisations such as EDIS and the Diversity Working Group of the RSB
- Contributions to the Society's response to the House of Commons Science and Technology Committee inquiry on: 'The role of technology, research and innovation in the COVID-19 recovery'
- Preliminary discussions around ways in which the Society can support PhD students and postdoctoral researchers, as well as those at other career stages, whose work has been adversely affected by the pandemic.

Activities and achievements

continued

CONSULTATIONS

During 2020 the Society responded to the following consultations:

DATE	CONSULTATION	ORGANISATION	CONSULTATION TOPIC	ACTION	OUTCOME
10 JAN 2020	RSB Publication Policy Survey ahead of UKRI Review of Plan 5	RSB	Access and Benefit Sharing	Submitted Excel spreadsheet on SfAM publications	Will be used by RSB to inform UKRI consultation when published
28 JAN 2020	Advisory Committee on Developing Global Standards for Governance and Oversight of Human Genome Editing – call for contribution	World Health Organization	Genome Editing	Contribution to RSB response	Pending
29 JUNE 2020	Response from the RSB to the UKRI Open Access Review	RSB	UKRI Open Access Review	Contributed to RSB response	Pending
01 JULY 2020	RSB response to House of Commons (HoC) Science and Technology Committee's inquiry: A New UK Funding Agency	RSB	ARIA – a new UK funding agency	Contribution to RSB response	Published on the committee's website. Some recommendations were adopted by government, whilst some remain to be answered pending further evidence.
07 JULY 2020	Science and Technology Community: The Science of COVID-19	House of Lords (HoL) Science and Technology Committee	The Science of COVID-19	SfAM submitted a response	Pending
31 JULY 2020	SfAM response to HoC Science and Technology Committee UK Science Capability and Influence	HoC Science and Technology Committee	UK science capability and influence in global outbreaks	SfAM submitted a response	Pending

Activities and achievements

continued

DATE	CONSULTATION	ORGANISATION	CONSULTATION TOPIC	ACTION	OUTCOME
1 AUG 2020	UK Parliamentary Office of Science and Technology (POST) survey to identify priorities for UK Government ahead of COP26	HoC Science and Technology Committee	UK science capability and influence in global outbreaks	SfAM submitted a response	POST published their six overall priorities for running COP26 & five categories for future climate policy, which reflects the priorities SfAM identified
11 AUG 2020	BEIS UK R&D survey	Department for Business, Energy and Industrial Strategy	E, D & I	SfAM submitted a response	Pending
02 SEPT 2020	APPG on Coronavirus inquiry on the UK's handling of the COVID-19 pandemic	APPG on Coronavirus	COVID-19	SfAM submitted a response	The APPG published its first report, which included issues around CPR and adequate PPE, which SfAM raised in its submission
11 SEPT 2020	UK Science Research and Technology Capability and Influence in Global Disease Outbreaks	HoC Science and Technology Committee	COVID-19	SfAM submitted a response	Pending
02 DEC 2020	SfAM response to HoC Health & Social Care and Science and Technology Committees' Coronavirus: lessons learnt	HoC Health and Social Care Committee, Science and Technology Committee	COVID-19	SfAM submitted a response	Pending
02 DEC 2020	UK SMI ID 24: Identification of Salmonella species	Public Health England	UK Standards for Microbiology Investigations	SfAM submitted a response	Pending

Activities and achievements

continued

COLLABORATION

Throughout 2020 we extended our engagement with key policy stakeholders to increase the strength of our voice for the applied microbiology community. Key achievements include those listed on page 07 under 'Diversity and Inclusion', as well as:

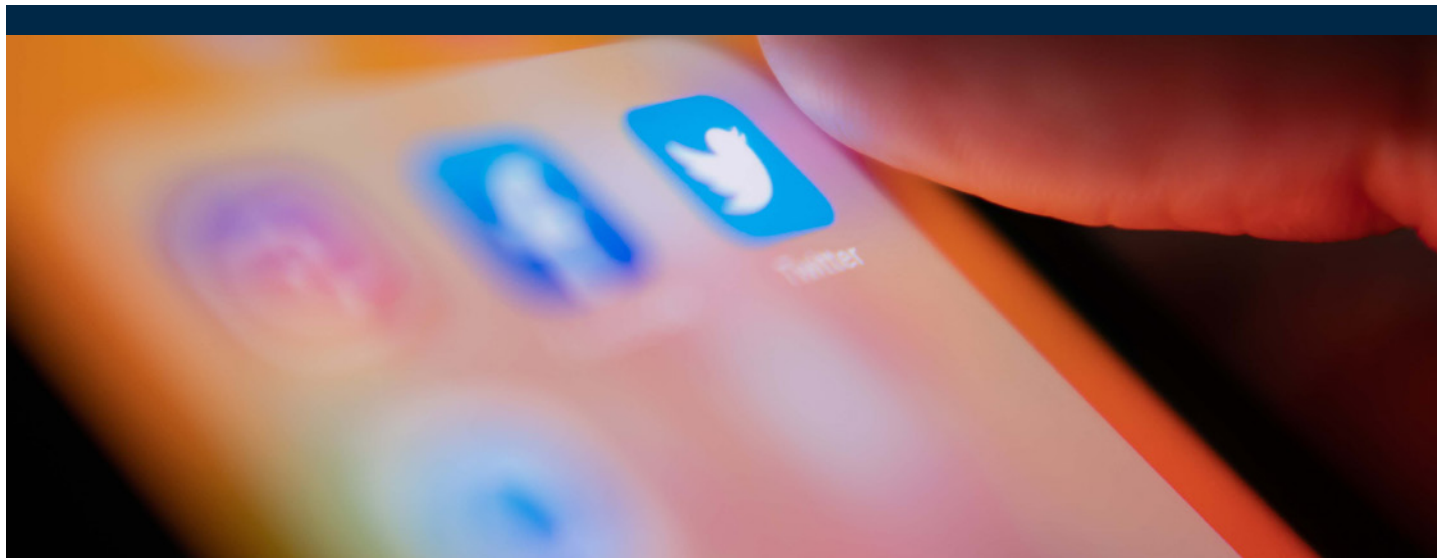
- Contributing to the 2020 virtual Policy Lates Series lead by the RSB, working in collaboration with the Biochemical Society, the British Pharmacological Society, The Physiology Society, and the Society for Experimental Biology.

During 2020, the Society was represented on the following external committees and groups:

COMMITTEE	SfAM REPRESENTATIVE
FEDERATION OF MICROBIOLOGICAL SOCIETIES	Clare Taylor
PARLIAMENTARY AND SCIENTIFIC COMMITTEE	Mark Fielder
ROYAL SOCIETY OF BIOLOGY: Parliamentary Steering Group	Lisa Rivera / Lucy Harper
ROYAL SOCIETY OF BIOLOGY: Strategic Partnership Group	Lucy Harper
ROYAL SOCIETY OF BIOLOGY: Diversity & Inclusion Working Group	Lisa Rivera / Lucky Cullen
ROYAL SOCIETY OF BIOLOGY: Audit Committee	Lucy Harper
UK PLANT MICROBIOME INITIATIVE: Steering Committee	Lisa Rivera
DEFRA ACCESS AND BENEFIT SHARING STAKEHOLDER GROUP	Lisa Rivera
EDIS	Clare Taylor / Lucky Cullen
UK STANDARDS FOR MICROBIOLOGY INVESTIGATIONS COMMITTEES: <ul style="list-style-type: none"> – Steering committee – Virology working group – Bacteriology working group 	Mark Fielder Laura Ryall Andrew Sails
BRITISH STANDARDS INSTITUTE TECHNICAL COMMITTEES: <ul style="list-style-type: none"> – AW/9 Microbiology – Microbiological methods – CH212 Chemical disinfectants and antiseptics panel 	Sue Passmore Sue Passmore John Rigarlsford

Activities and achievements

continued



The Society holds strategic partnerships with the following organisations and groups:

- Royal Society of Biology
- Federation of Microbiological Societies
- Campaign for Science and Engineering
- Sense about Science
- Science Media Centre
- Foundation for Science and Technology
- American Society of Microbiology
- Council for At-Risk Academics
- Science Policy Advisors Network
- Learned Society Partnership on Antimicrobial Resistance (LeSPAR)
- British Science Association – APPG on Diversity and Inclusion
- Parliamentary and Scientific Committee
- Society Publishers' Coalition
- Equality, Diversity and Inclusion in Science and Health
- Charity Finance Group

The Society recognises the importance of accurate and responsible science reporting in the news media during the pandemic. We acknowledge the significant contribution of the Science Media Centre who worked almost exclusively on the reporting of the scientific developments of the pandemic throughout 2020. As a result of this, the Society took the decision to provide a one-off increase in our financial support to the equivalent level of one of the one-day meetings which was postponed/cancelled during the year.

COMMUNICATION

The SARS-CoV-2 pandemic has highlighted the need for accurate, evidence-based communication of applied microbiology. To that end we have been working alongside the Science Media Centre and directly with broadcast and print journalists to convey appropriate messages about SARS-CoV-2. These interviews have been covered by a number of members including the past President Mark Fielder (members of his team are working on coronaviruses and disease spillover) and colleagues on the frontline such as Trustee Elaine Cloutman-Green. There have also been opportunities for question-and-answer sessions with members of the public via BBC local radio stations facilitating direct public engagement in relation to COVID-19 and SARS-CoV-2.

The shift to online events necessitated a need to increase our expenditure on communications tools and platforms to ensure each event is smooth-running and interactive.

Engagement via the website and social media channels increased during 2020 with an audience including the general public and other relevant organisations. The SfAM website continued to attract a large audience of 140,482 unique visitors in 2020 (40,273 in 2019).

- **Twitter** increased from 20,274 to 24,998 (23.3%)
- **LinkedIn** increased from 6,151 to 6,458 (5.0%)
- **Facebook** decreased from 35,945 to 35,489 (–1.3%)

Activities and achievements

continued

We continued to develop clear and streamlined sections on membership, knowledge and careers that help direct visitors to the information they are looking for. In terms of engagement with our own members, the 40.3% open rate for newsletter emails (35% in 2019) and 54.6% open rate for the membership renewal emails (51% in 2019) are all above the industry standard rate of 21%.

Sustainability

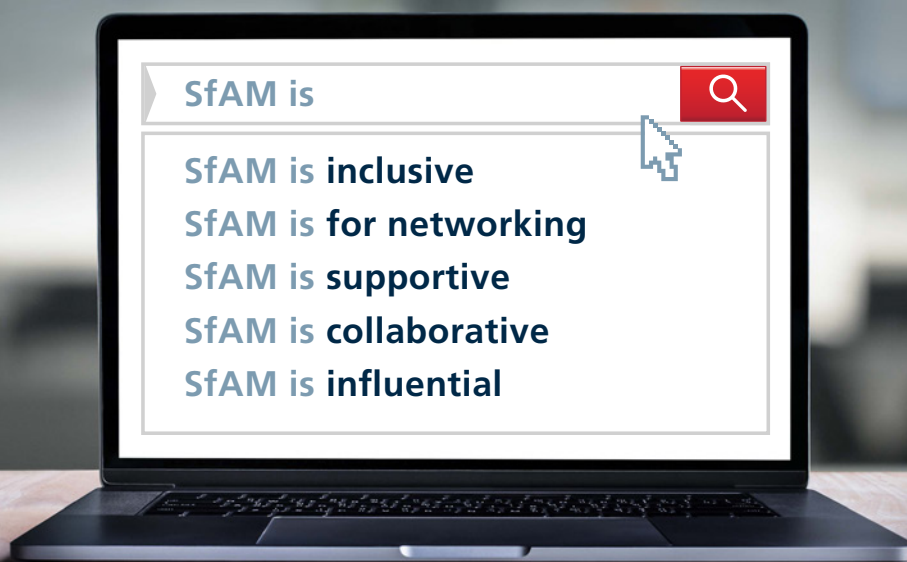
The majority of the Society's income is from journal revenue, and this income is returned to the applied microbiology community globally, providing valued support. This support takes the form of grant funding, scientific webinars with networking opportunities, and career development. In 2020, 68% of this income funded activities to achieve the Society's charitable objectives, such as science policy work and supporting our membership.

In partnership with our publishers, Wiley, we have made all articles that focus on any aspect of SARS-CoV-2 published within the SfAM journals portfolio accessible to all without an embargo period. All these articles are published through fast-track peer review and at no cost to the author to ensure all information that contributes to the current crisis is immediately and freely available.

The Society's journals continue to adapt to an ever-changing publishing landscape, which, during 2020, saw:

- An appreciation of the value of data repositories as a route to quick publication of preliminary data and a rapid increase in the publication of preprints – specifically with respect to SARS-CoV-2
- The increasing adoption of new business models to enable the transition to Open Access (OA), such as 'Subscribe to Open'
- Development of the controversial 'Rights Retention Strategy' by cOAlition S
- Continued growth of new transitional deals between publishers and national library consortia
- The development and adoption of the Unsub tool for libraries

The Society Publishers' Coalition (SocPC), of which SfAM is a member, continued to follow developments on Plan S and OA closely. This group has created a series of blogs and free webinars on learned societies, funding pathways, and transitioning to OA. During 2020, SocPC has responded to the UKRI Open Access review consultation and Plan S consultation on Transformative Journals, promoting the interests of this group and the many communities it serves.



Activities and achievements

continued

In parallel to this, the Society's Trustees, Chief Editors and Wiley continue to develop the strategy for our journals to enable the Society's sustainability in a more OA world. Wiley works with the Chief Editors and Editorial Boards to ensure the adoption of new tools and processes to support open science when appropriate for each journal, and to enable content availability to as wide an audience as possible, globally. Due to the SARS-CoV-2 pandemic, the EMI and JAM lectures were not held during 2020.

Through regular review of the risk register, the Trustees recognise that falling income from increased OA journal publishing is a potential risk for the Society. During 2020 the decision was taken to employ additional resource and expertise in this area and

Kathryn Spiller was appointed to the role of Head of Publishing, recruited in Q4 2020 and commenced in the role in January 2021.

Institutions with access to current content:

- EMI/EMIR institutions with access to current content globally 2020 – 15,554 (43% free access through Research4life in developing countries)
- JAM/LAM institutions with access to current content globally 2020 – 14,178 (47% free access through Research4life in developing countries)

There were significant increases in submissions to all our hybrid journals. This increase was in part caused by the acceleration of publications related to the SARS-CoV-2 pandemic:

JOURNAL		2019	2020	increase
JOURNAL of APPLIED MICROBIOLOGY	Submissions	1630	1978	21%
	Acceptance rate	27%	27%	0%
LETTERS in APPLIED MICROBIOLOGY	Submissions	587	698	19%
	Acceptance rate	29%	35%	6%
ENVIRONMENTAL MICROBIOLOGY ENVIRONMENTAL MICROBIOLOGY REPORTS	Submissions	1784	2160	21%
	Acceptance rate	24%	27%	3%
MICROBIAL BIOTECHNOLOGY	Submissions	525	756	44%
	Acceptance rate	28%	27%	-1%

During 2020, there was a general increase in OA content:

JOURNAL	2019 Volume	% of Volume	2020 Volume	% of Volume
JOURNAL of APPLIED MICROBIOLOGY	12	3%	22	7%
LETTERS in APPLIED MICROBIOLOGY	8	6%	7	5%
ENVIRONMENTAL MICROBIOLOGY	69	20%	106	27%
ENVIRONMENTAL MICROBIOLOGY REPORTS	15	15%	14	18%
MICROBIAL BIOTECHNOLOGY	134	100%	167	100%

Activities and achievements

continued

Grant provision

During 2020, the Society provided the following grant support to our members:

GRANTS REVIEW 2020

GRANT NAME	Number (n)					(£000)	(£000)
	Applications	Deferred	Rejected	Withdrawn	Unknown	Accepted	BUDGET 2020
Student placement scholarship	33	20	1	0	6	6	40
Professional development support grant	22	0	0	19	0	3	15
Scientific conference abstract scholarship	0	0	0	0	0	0	7.5
Outreach and engagement grant	8	0	2	0	0	6	30
Outreach and engagement grant (small)	0	0	0	0	0	0	5
New lecturer research grant	3	0	0	0	0	3	30
PhD studentship	1	0	0	0	0	1	36
International capacity building fund	2	1	1	0	0	0	3.7
Scientific meeting support grant	8	0	3	0	0	5	4
Registration fees grant	8	1	1	5	0	1	10
Prizes	0	0	0	0	0	0	5
Small event sponsorship	0	0	0	0	0	0	3
Small research projects and equipment fund	0	0	0	0	0	1	1.2
Care support grant	1	0	1	0	0	0	1
PhD hardship fund	0	0	0	0	0	0	10
Don Whitley ECS travel grant	0	0	0	0	0	0	2.5
COVID-19 emergency fund	0	0	0	0	0	1	50
TOTAL	86	22	9	24	6	27	254

Activities and achievements

continued

Grant expenditure as shown (left) is grants paid during the year; the value shown on page 39 of the accounts is the value of grants committed during 2020. The reason for the discrepancy between the grants budget and the value paid is primarily due to lack of take-up of our grant provision and deferrals due to SARS-CoV-2. During 2020 we surveyed our members to find out how best our support can be positioned to help those whose work has been disrupted by the pandemic – changes to our current grant provision were implemented at the beginning of 2021.



Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The majority of the Society's revenue is received through the publication of its five journals. The Society will be in close liaison with Wiley, our publishing partner, to monitor the potential longer-term impact of the SARS-CoV-2 pandemic on the Society's revenue. It is known that the effects will be minimal in the short term and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Surplus/loss

The Society made a gain in 2020 due to a decrease in expenditure brought about by the SARS-CoV-2 pandemic, and net assets remain strong at £11.02m at 31 December 2020 (£10.07m in 2019). This strength of financial position ensures that we will be able to continue providing relevant benefits to our members in the future, whilst further building the reputation of SfAM worldwide.

Investment policy and performance

The Trustees' main objective for the Society's investments has been to seek a combination of income and capital growth over the long term (>10 years). In addition, the level of income generated should be sufficient to support the essential services of the Society for at least 6 months in the event of a catastrophic fall in the main source of income, the Society's scholarly publications. The Trustees have delegated the day-to-day management of the investment portfolio to an investment management company, Brewin Dolphin. The portfolio is managed by a designated senior manager and appropriate staff.

The service type provided is discretionary, so if the manager sees opportunities in the market they can be actioned without first seeking Trustee approval. However, all transactions are communicated in a timely manner to the Society. The investment mandate from the Trustees is for diversified risk, which should produce income and growth of capital over an investment time period of 10 years. Staff from Brewin Dolphin provide regular quarterly valuation updates of the investment portfolio, including market commentaries. A member of Brewin Dolphin staff provides verbal presentations on the portfolio's performance to the Society's Finance Audit and Risk Subcommittee and the Treasurer and Chief Executive have access to the portfolio's online platform.

The Society's portfolio performance is in line with the chosen investment strategy and has shown year-on-year gains despite a dip in the performance of the markets in March 2020.

The Trustees have a medium risk tolerance for the investment portfolio, where the focus is on risk but also on reward and importantly stability in times of market volatility.

The proceeds of the sale of a 7.2% share of Charles Darwin House Ltd received in 2019 was invested in 2020, in an Environmental, Social and Governance (ESG) fund that is managed by Cazenove Capital. This fund began to show growth in the latter part of 2020. ESG funds invest in companies who are making positive impacts in these three non-financial areas of their operations. The Trustees agreed that this form of investment aligns well with the values of the Society.

Financial review

continued

Reserves policy

The Society holds income funds of £11m, of which £9.5m is held in investments for the purpose of income generation, leaving a reserves provision of £1.5m. The Society's Trustees have calculated that a level of £1.5m would allow the Society to operate and deliver its charitable activities for 12 months. The current level of reserves would provide the Society with several years of its current charitable activity in the form of scholarly publishing, grant provision, events, policy work and public engagement. There are no designated or restricted funds.

In 2020 the Society's expenditure on charitable activities was around £1,087K (£1,361K 2019) including £687K (£700K 2019) on support costs.

The potential move towards OA journal publishing as a result of Plan S presented itself as a risk to the Society's revenue towards the end of 2018 and made progress during 2019 and 2020, as outlined on page 16. The potential impact of this on our revenue from scholarly publishing is currently being reviewed.

In the event of loss of income from scholarly publishing, which comprises over 80% of the Society's revenue, holding this level of reserves would allow the Society to undertake a managed approach to decreasing expenditure, as well as providing sufficient time to invest in future income-generating activity.

This policy is intended to provide a sufficient buffer without accumulating unnecessary levels of reserves.

Structure, governance and management

Constitution

The Society for Applied Microbiology is a charity and a company limited by guarantee, first incorporated in 2008. The governing documents are the Articles of Association and the registered charity number is 1123044. The object of the Society is to advance, for the benefit of the public, the science of microbiology, in its application to the environment, human and animal health, agriculture and industry.

Organisational structure and decision-making

The management of the charity and company is the responsibility of the Trustees who are also directors of the company and are elected and co-opted under the terms of the Articles of Association.

The Society is governed by the Executive Committee (EC) consisting of 13 members. Of these, from July 2020 four members are Officer positions (President, General Secretary, Treasurer and Scientific Programmes Secretary); these are appointed by the EC.

The other members are nominated and elected by the membership.

As a result of our work in equality, diversity and inclusion we have committed to publishing the diversity of our EC. In 2020, 20% of our EC were from an ethnic minority and 53% of the EC were female.

The EC meets three times a year. In addition, a variety of subcommittees report to the EC.

These subcommittees include Scientific Programmes, Finance audit and risk, Microbiologist editorial group, Policy, Selection, and Remuneration.

The Chief Executive (CE) is in charge of the day-to-day operations of the Society and presents regular reports to the EC. These reports are presented at each of three committee meetings per year and, in addition, the CE maintains further frequent contact with the Trustees, in particular the Officers.

At the start of each Presidential term, the Society holds a Strategy Day during which Trustees consider and decide upon the future direction of the Society. In 2020, there were several changes to the membership of the EC. Mark Fielder's term as President came to an end and Brendan Gilmore took the role of President. Clare Taylor remained in her position as General Secretary for an additional year, beyond her normal term of office. An election of the EC in 2020 to fill two vacancies left by Linda Thomas and Tim Aldsworth, who came to the end of their terms of office, saw the election of Emmanuel Adukwu and Suzy Moody as new Trustees.

Operations

As a result of the SARS-CoV-2 pandemic, the Society took the decision to not renew the licence at the flexible office space in central London (Holborn).

During this time, the welfare, health and safety of everyone who contributes to the work of the Society has been paramount. Following advice from the UK Government and WHO, the Society has taken the following steps to maintain the safety of our staff team and volunteers during the course of the SARS-CoV-2 pandemic. The Society equipped all team members to work from home and provided equipment and furniture to ensure all team members are as secure and comfortable as possible in doing so. Flexible working and home-working are something that, prior to lockdown, many of the team were used to doing a few times a week. However, for others, working from home was a significant change and, in some cases, a real challenge. The mental health challenges of the current situation are well documented and openly discussed online and amongst the team. To support the team, we provide regular catch-ups, the provision of welfare information and resources and an online 'room' for all team members to drop into if they need to feel connected. Throughout the pandemic, the overarching message to the team has been: "You are not working from home, you are living through a pandemic and trying to get some work done. Be kind to yourselves."

Structure, governance and management

continued

There were staff changes during 2020: Chris Bonfante was employed as Operations and Governance Manager and Robert Millar remained in post but as a permanent staff member. Kathryn Spiller was appointed as Head of Publishing in the latter part of the year and began in her role in January 2021.

Policies adopted for the induction and training of Trustees

All newly appointed or elected members of the EC receive an induction pack. This comprises the Society's Articles of Association, minutes of recent committee meetings, organisational charts and papers describing the duties and responsibilities of Officers and other committee members. All members of the EC are required to complete declarations of other interests, including potential competing interests, and declare that they are not disqualified from serving as company directors or charity Trustees.

Pay policy for senior staff

The Trustees consider the EC and the CE as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

Trustees are required to disclose all relevant interests and register them with the CE and, in accordance with the Society's policy, withdraw from decisions in which conflict of interest arises.

The pay of the CE is reviewed annually by the Remuneration Committee, which comprises the Officers and the HR manager, using internal and external benchmarks as well as key performance indicators for the previous year.

Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees consider the major risks to the Society to be a decrease in revenue and poor investment performance. The potential decrease in revenue from journal publishing due to changes in the publishing landscape, specifically concerning OA publishing, could threaten the Society's ability to carry out its charitable objectives. The Society is mitigating this risk by employing a Head of Publishing to focus on the publishing landscape and its implications for the success and sustainability of SfAM's journals, as well as the maintenance of the Society's relationship with its publishing partner, Wiley.

The Society is mitigating the risk of poor performance of the investment portfolio, through continuous monitoring of its performance and management, as well as diversification of our investments into a dedicated ESG-focused fund, which will run in parallel to the investment portfolio managed by Brewin Dolphin.

The Society does not participate in any fundraising.

Plans for the future

Strategy

During the latter part of 2020, to coincide with the election of a new President, the Society began a strategic review. This will provide a framework of strategic objectives that will take into account developments in the global academic publishing, funding and wider scientific research landscapes. We will explore the role of the learned society in the context of these challenges, as well as those presented by the global SARS-CoV-2 / COVID-19 pandemic to establish how we can most effectively support our members and deliver our charitable objectives in a way that is sustainable.

This framework will be developed throughout 2021 and will feature workstreams within four strategic pillars:



Community



Support



Sustainability



Impact

Influenced by... **Policy**

Plans for the future

continued

Operations

As lockdown restrictions ease in 2021, we will explore options regarding face-to-face meetings, keeping in mind the increased accessibility of online events during 2020. We will also survey the team to gauge the most appropriate way in which we can work flexibly, supporting the many and varied needs of the team, whilst providing opportunities for the team to meet face to face, assuming restrictions allow this and keeping the health, safety and welfare of the team as the top priority.

International community

Having connected more effectively with our international membership during 2020, we have created an international committee who will work together to create an International Applied Microbiology Conference, showcasing the work of our members across the globe. The conference will include scientific sessions presented by keynote speakers, flash presentations from our ECS members, as well as panel discussions that are particularly relevant to our international members.

Governance

The Society will create new 'Rules' – i.e. guiding documents that do not require membership approval throughout 2021.

SARS-CoV-2

A message from the President and Vice-President (originally presented to members on 12 May 2020):

"We are aware that many of our members have been working hard to support the management of the SARS-CoV-2 crisis, whether through laboratory testing, working on the frontline, researching this novel virus or providing evidence and expertise to government organisations. Our industry members, including Trustee Claire Hill, are working to ensure that essential laboratory supplies are available to support frontline testing efforts. Many members, including Trustee Linda Thomas, are also using their skills outside microbiology to help by: sewing masks/scrubs; redirecting their laboratory resources to the manufacture of PPE; assisting with deliveries and other means of support. We would like to sincerely thank all our members who are contributing to the management of the SARS-CoV-2 pandemic and assure them that we will continue to seek the best ways in which to support them both throughout and following these challenging times."

Trustees' responsibilities statement

The Trustees (who are also Directors of Society for Applied Microbiology 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 financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on and signed on their behalf by:

DocuSigned by:

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Prof. Brendan Gilmore
President

06-09-21 | 15:23 BST

.....
 Date

Independent auditors' report

to the members of Society for Applied Microbiology

Opinion

We have audited the financial statements of Society for Applied Microbiology (the 'charitable company') for the year ended 31 December 2020, which comprise the Statement of Financial Activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 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 Annual Report, other than the financial statements and our Auditors' 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.

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.

Independent auditors' report

to the members of Society for Applied Microbiology continued

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed on page 29.

Independent auditors' report

to the members of Society for Applied Microbiology continued

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, is as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- we obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- we identified which laws and regulations were significant in the context of the entity; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- we reviewed minutes of meetings of those charged with governance; and
- reviewing correspondence with relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

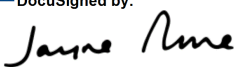
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our Auditors' report.

Independent auditors' report

to the members of Society for Applied Microbiology continued

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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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21-09-21 | 15:06 BST

Jayne Rowe

Senior statutory auditor

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

Date

Statement of financial activities

(incorporating income and expenditure account)

Society for Applied Microbiology (a company limited by guarantee), Registered number: 06462427

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Total funds 2020 £000	Total funds 2019 £000
INCOME FROM:			
Charitable activities	2	1,439	1,364
Investments	3	148	156
TOTAL INCOME		1,587	1,520
EXPENDITURE ON:			
Raising funds:			
Voluntary income	4	–	2
Investment management	5	34	34
Charitable activities	6	1,087	1,361
TOTAL EXPENDITURE		1,121	1,397
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		466	123
Net gains/(losses) on investments	13	521	973
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		987	1,096
NET MOVEMENT IN FUNDS		987	1,096
RECONCILIATION OF FUNDS			
Total funds brought forward		10,072	8,976
TOTAL FUNDS CARRIED FORWARD		11,059	10,072

There were no other recognised gains or losses other than those listed above. All income and expenditure derives from continuing activities. All income and expenditure for 2020 and 2019 relates to unrestricted funds.

The notes on pages 34 to 46 form part of these financial statements.

Balance sheet

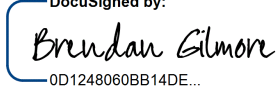
Society for Applied Microbiology (a company limited by guarantee), Registered number: 06462427

AS AT 31 DECEMBER 2020

	Note	£000	2020 £000	£000	2019 £000
FIXED ASSETS					
Investments	13		9,532		7,407
			9,532		7,407
CURRENT ASSETS					
Debtors	14	823		850	
Cash at bank and in hand		1,007		2,010	
		1,830		2,860	
CREDITORS: amounts falling due within one year	15	(303)		(195)	
NET CURRENT ASSETS			1,527		2,665
NET ASSETS			11,059		10,072
CHARITY FUNDS					
Total funds	16		11,059		10,072
TOTAL FUNDS			11,059		10,072

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf, by:

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Prof. Brendan Gilmore Date
President

The notes on pages 34 to 46 form part of these financial statements.

Statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £000	2019 £000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	17	453	68
CASH FLOWS FROM INVESTING ACTIVITIES:			
Dividends, interest and rents from investments		148	156
Proceeds from the disposal of fixed assets		1,431	1,419
Net cash moved (to)/from portfolio		(468)	(115)
Purchase of investments		(2,567)	–
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES		(1,456)	1,460
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(1,003)	1,528
Cash and cash equivalents brought forward		2,010	482
CASH AND CASH EQUIVALENTS CARRIED FORWARD	18	1,007	2,010

The notes on pages 34 to 46 form part of these financial statements.

Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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) (effective 1 January 2019) – (SORP (FRS 102) effective January 2019, second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Society for Applied Microbiology meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 GOING CONCERN

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

1.3 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 02. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 FUND ACCOUNTING

General funds are unrestricted funds, which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.5 INCOME

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Membership income is recognised over the period to which the subscription relates. Memberships received in advance are included in deferred income.

Publishing income is recognised in the period that the journal was issued.

Income for meetings and conferences is recognised in the period that the meeting takes place.

Income received in advance is included in deferred income.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

1.6 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs that contribute to more than one activity and support costs that are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out by the SfAM team. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions that have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	–	2% straight line
Fixtures and fittings	–	20% straight line
Office equipment	–	20% straight line

1.8 FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

1.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably, in

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies continued

which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

1.10 REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.11 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.12 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of 3 months or less from the date of acquisition or opening of the deposit or similar account.

1.14 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

1.16 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from charitable activities

	Total funds 2020 £000	Total funds 2019 £000
Journals and other publications	1,388	1,296
Subscriptions from members	46	50
Meetings and conferences	–	13
Other income	5	5
	1,439	1,364

3. Investment income

	Total funds 2020 £000	Total funds 2019 £000
Investment income – listed investments	145	156
Investment income – bank interest receivable	3	–
	148	156

4. Costs of raising funds

	Total funds 2020 £000	Total funds 2019 £000
Investment property costs	–	2

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

5. Investment management costs

	Total funds 2020 £000	Total funds 2019 £000
Investment manager's fees	34	34

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Grant funding of activities 2020 £000	Support and governance costs 2020 £000	Total 2020 £000	Total 2019 £000
Meeting and conference costs	60	–	79	139	233
Journal costs	55	–	79	134	154
Publication/policy and communication expenses	97	–	389	486	492
Members subscription	–	–	124	124	105
Grants and studentships	–	188	16	204	377
Total 2020	212	188	687	1,087	1,361
Total 2019	299	362	700	1,361	

7. Analysis of grants

	Grants to institutions 2020 £000	Grants to individuals 2020 £000	Total 2020 £000	Total 2019 £000
Grants and studentships	167	21	188	362
Total 2019	215	147	362	

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

7. Analysis of grants continued

In 2020, 46 grants were made to various institutions (2019: 67) and 8 grants to individuals (2019: 176):

Grants paid to institutions are as follows:

	2020 £000	2019 £000
University of Birmingham	–	10
Cardiff University	5	6
Cranfield University	4	–
Great Ormond Street Hospital	3	–
Manchester Metropolitan University	–	3
Newcastle University	–	10
Nottingham Trent University	–	7
Queen's University Belfast	10	15
Solent University	–	10
Ulster University	–	5
University of East London	–	3
University of Plymouth	12	22
University of Nigeria	4	–
University of Leeds	24	–
University of Roehampton	–	10
University of Sheffield	–	7
University of Salford Manchester	4	15
University of South Wales	–	10
RIBB – Nepal	4	–
Mindfarm Development Initiative	3	–
Catalan Institute for Water Research (ICRA)	10	–
University of Essex	10	–
Instituto de Investigaciones Biológicas Clemente Estable	3	–
RUWESA Osun State	–	3
University College London	–	3
Other grants for £2.5K or less	71	76
Total	167	215

The total grant expenditure here includes those grants that were deferred to 2021 (these are not included in the table on page 18).

Notes to the financial statements

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FOR THE YEAR ENDED 31 DECEMBER 2020

8. Direct costs

	Meeting and conference costs £000	Journal costs £000	Publication costs £000	Total 2020 £000	Total 2019 £000
FEMS Annual Conference	–	–	–	–	68
Other meetings	15	–	–	15	34
Journal provision	–	55	–	55	69
<i>Microbiologist</i>	–	–	41	41	51
Promotion	45	–	–	45	28
Other publications	–	–	56	56	30
President's dinner	–	–	–	–	19
Total 2020	60	55	97	212	299
Total 2019	149	69	81	299	

9. Support costs

	Event costs £000	Journal costs £000	Communications costs £000	Grant and studentships costs £000	Policy costs £000	Membership costs £000	Total 2020 £000	Total 2019 £000
Professional fees	–	1	1	–	1	–	3	10
CRM	–	–	–	–	–	46	46	20
Office	6	23	43	–	29	15	116	158
Accountancy	1	6	12	–	8	4	31	35
VAT adjustment	–	–	–	–	–	–	–	36
Office relocation expense	–	–	–	–	–	–	–	5
Committee meetings	–	–	1	–	1	–	2	15
Wages and salaries	20	79	133	15	99	49	395	339
National insurance	2	8	15	1	10	6	42	34
Pension cost	3	10	19	1	13	6	52	44
Depreciation	–	–	–	–	–	–	–	4
Total 2020	32	127	224	17	161	126	687	700
Total 2019	84	85	241	15	170	105	700	

Included within support costs are governance costs amounting to £42,000 (2019: £78,000). This comprises accountancy fees of £31,000 (2019: £35,000), committee meeting costs of £3,000 (2019: £15,000) and other governance costs of £8,000 (2019: £28,000).

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

10. Auditors' remuneration

	2020 £000	2019 £000
Fees payable to the auditor for the audit of the annual accounts	10	9
Taxation advisory services not included above	4	4
Other financial services	17	22
	31	35

11. Staff costs

	2020 £000	2019 £000
Staff costs were as follows:		
Wages and salaries	395	339
Social security costs	42	34
Other pension costs	52	44
	489	417

During the year no individual (2019: one) received redundancy pay (2019: £4,725).

The average number of persons employed by the company during the year was as follows:	2020	2019
Management and administration of the charity	9	7

The number of higher paid employees was:	2020	2019
In the band £60,001 – £70,000	1	1
In the band £90,001 – £100,000	1	1

The Charitable company considers its key management personnel comprise the Trustees and the Chief Executive. During the year, no Trustees received any remuneration (2019: £NIL).

The total employment benefits including employer national insurance and employer pension contributions of the key management personnel were £124,000 (2019: £119,000).

8 (2019: 9) Trustees received reimbursement of expenses amounting to £3,000 (2019: £16,000). All Trustees' expenses are reimbursement of travel and subsistence costs for Trustees attending meetings on behalf of the Charity.

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Total £000
COST			
At 1 January 2020	8	45	53
Disposals	–	(37)	(37)
At 31 December 2020	8	8	16
DEPRECIATION			
At 1 January 2020	8	45	53
On disposals	–	(37)	(37)
At 31 December 2020	8	8	16
NET BOOK VALUE			
At 31 December 2020	–	–	–
At 31 December 2019	–	–	–

13. Fixed asset investments

	Listed securities £000	Investment cash £000	Total £000
MARKET VALUE			
At 1 January 2020	7,146	261	7,407
Additions	2,567	–	2,567
Disposal proceeds	(1,431)	–	(1,431)
Revaluations	521	–	521
Movement in cash held at investment broker	–	468	468
At 31 December 2020	8,803	729	9,532

INVESTMENT RISK MANAGEMENT

All the fixed asset investments are held in the UK.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price or the NAV of the fund. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

INVESTMENT IN UNLISTED ENTITIES

The Society owned a 7.2% investment in Charles Darwin House Ltd, a private company formed to manage the Charles Darwin House properties in which the Society holds a proprietary share. The shareholding represents a value of £62 and is accounted for as a fixed asset investment at cost less impairment. The Company was dissolved during the year.

14. Debtors

	2020 £000	2019 £000
Prepayments	17	21
Accrued income	806	829
	823	850

15. Creditors: amounts falling due within one year

	2020 £000	2019 £000
Other taxation and social security	63	53
Grants payable	170	88
Accruals and deferred income	70	54
	303	195

Notes to the financial statements

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FOR THE YEAR ENDED 31 DECEMBER 2020

15. Creditors: amounts falling due within one year continued

	£000
DEFERRED INCOME	
Deferred income at 1 January 2020	14
Resources deferred during the year	10
Amounts released from previous years	(14)
Deferred income at 31 December 2020	10

Deferred income consists of subscription income received in advance of £10,000 (2019: £14,000), of which £Nil (2019: £28) is shown in amounts falling due after more than one year.

	2020 £000	2019 £000
RECONCILIATION OF GRANT MOVEMENTS		
Creditors brought forward	88	13
Commitments made in the year	188	363
Grants paid	(106)	(288)
Grants carried forward	170	88

16. Statement of funds

STATEMENT OF FUNDS – CURRENT YEAR

	Balance at 1 January 2020 £000	Income £000	Expenditure £000	Gains/ (losses) £000	Balance at 31 December 2020 £000
UNRESTRICTED FUNDS					
Accumulated fund	10,072	1,587	(1,121)	521	11,059

STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 January 2019 £000	Income £000	Expenditure £000	Gains/ (losses) £000	Balance at 31 December 2019 £000
Accumulated fund	8,976	1,520	(1,397)	973	10,072
Total of funds	8,976	1,520	(1,397)	973	10,072

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

17. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £000	2019 £000
Net income for the year (as per Statement of Financial Activities)	987	1,096
Adjustment for:		
Depreciation charges	–	3
Losses on investments	(521)	(973)
Dividends, interest and rents from investments	(148)	(156)
Decrease/(increase) in debtors	27	(34)
Increase in creditors	108	132
Net cash provided by operating activities	453	68

18. Analysis of cash and cash equivalents

	2020 £000	2019 £000
Cash in hand	1,007	2,010
Total	1,007	2,010

19. Analysis of net debt

	At 1 January 2020 £000	Cash flows £000	At 31 December 2020 £000
Cash at bank and in hand	2,010	(1,003)	1,007

Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2020

20. Pension commitments

The Charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the Charitable company to the fund and amounted to £52,000 (2019: £44,000). No contributions were outstanding at the Balance sheet date.

21. Operating lease commitments

At 31 December 2020 the total of the Charity’s future minimum lease payments under non-cancellable operating leases was:

	2020 £000	2019 £000
AMOUNTS PAYABLE:		
Within 1 year	–	21

22. Related party transactions

There were no related party transactions in 2020 (2019: none).



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