FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales · Charity number 214440

Details

Other names	F B A, THE FRESHWATER BIOLOGICAL ASSOCIATION
Status	Registered
Legal form	Charitable company
Company number	00263162
Registered	1963-05-21
Register	View on the Charity Commission register

Contact

Address	The Freshwater Biological Association The Ferry Landing Far Sawrey Ambleside LA22 0LP
Phone	01539442468
Email	info@fba.org.uk
Website	www.fba.org.uk

Activities

Objects: A) TO PROMOTE THE UNDERSTANDING AND INVESTIGATION OF THE BIOLOGY (IN THE WIDEST INTERPRETATION OF THE WORD) OF THE ANIMALS AND PLANTS AND OTHER ORGANISMS FOUND IN FRESH (INCLUDING BRACKISH) WATERS. B) TO PROMOTE THE SOUND AND SUSTAINABLE MANAGEMENT OF FRESHWATER ECOSYSTEMS AND RESOURCES.

Activities: A membership organisation that aims to promote freshwater science by supporting innovative research and providing training facilities as well as being a source of sound independent scientific opinion

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Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,018,809	£906,045	£3,405,989	18
2024-03-31	£1,000,493	£958,636	£3,465,740	13
2023-03-31	£955,081	£907,132	£3,334,805	10
2022-03-31	£732,302	£838,584	£3,310,180	11
2021-03-31	£631,321	£803,526	£3,333,755	12

Trustees

Name	Role	Appointed
Christopher Simon Dessent	Chair	2023-11-21
Dr Jennifer Ann Dodd		2025-11-26
Gavin Bryn Sorby		2024-10-11
Pamela Ann Nolan		2023-03-07
Professor Paul James Wood		2023-03-07
Timothy Boden		2025-11-26
Tracey Dawn Griffiths		2025-11-26

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FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales - Charity number 214440

Accounts

The Freshwater Biological Association

(A company limited by guarantee)

Annual Report and Audited Financial Statements

31 March 2025

Company registration number: 00263162
Charity registration number: 214440

The Freshwater Biological Association

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The Freshwater Biological Association

Reference and Administrative Details

Charity name	The Freshwater Biological Association
Charity registration number	214440
Company registration number	00263162
Principal office	Species Recovery Centre Far Sawrey Ambleside CUMBRIA LA22 0LP
Registered office	Species Recovery Centre Far Sawrey Ambleside CUMBRIA LA22 0LP
Auditor	Dodd & Co Audit Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way CARLISLE CA1 2RW

The Freshwater Biological Association

Trustees' Report for the Year Ended 31 March 2025

The members of the Board of the Freshwater Biological Association (the Association), acting as Directors of the Association submit their Annual Report and audited Accounts for the year ended 31st March 2025.

The financial statements have been prepared in accordance with the current Financial Reporting Standards in use and The Statement of Recommended Practice for Charities (the SORP). The Accounting Standards Board recognises the SORP as being in line with its Code of Practice and the Freshwater Biological Association agrees to follow these principles.

Trustees

The following were members of the Board during the year, appointed in accordance with the Articles of Association.

President
Vacant

Chairman of Council
Chris Dessent

Honorary Treasurer
Vacant

Representative Members

Royal Society Prof. K J Beven FRS

Elected Members

Dr M Jackson – Appointed October 2021

Mr C Dessent – Appointed October 2022

Ms P Nolan – Appointed October 2022

Prof P Wood – Appointed March 2023

Mr G Sorby - Appointed 11 October 2024

Directors

The majority of the members of the Board of Directors are nominated by either the Board or the general membership are proposed for election at the AGM. These appointments are for four years but can be reappointed to serve a consecutive term after which they must cease to be a Director for at least 12 months before they are eligible for reappointment. A further Director is nominated by The Royal Society. A review of Directors' skills is periodically undertaken and this is used to inform the nomination process for prospective Directors.

Board members are periodically appointed via an open recruitment process. This involves submission of expressions of interest, informal chat and initial screening and formal interview with the Executive Director, Chair and representatives from the existing board.

Once appointed new trustees are invited to an induction day to meet staff, visit facilities and be briefed on governance and their responsibilities.

Trustees are encouraged to support the strategic direction of FBA by attending various working groups such as finance, strategy and programme development.

The Association is currently reviewing its Articles of Association with Muckle LLP to ensure that our governance structures are appropriate in terms of legal compliance and the requirements of the Charity Commission.

At the forth coming Annual General Meeting to be held on Monday 3rd November 2025 Keith Beven will step down as the Royal Society representative. We understand that they will not be putting forward a new nominee. The position of Treasurer remains vacant.

Status

The Association is a Company Limited by Guarantee (registered number 263162) and a registered Charity (registered number 214440). The Board of Directors has no interests in the Association as defined by the Companies Act 2006 and receive no remuneration for their services to the Association. The Association's Directors do receive reimbursement of travel and subsistence costs necessarily incurred in the performance of their duties. The liability of the Members is laid out in clause 9 of the Articles of Association and limits the liability of the members to £10 each.

The Directors of the Association meet twice yearly for a formal Board Meeting and again midterm to concentrate on a particular aspect of the Charities work to discuss and review the strategic direction of the Association; the operational activities of the Association are fully delegated to the Executive Director. A sub-committee of the Board, the Finance Committee, has delegated strategic responsibilities and meets on a regular basis to receive reports on activities from Simon Johnson the Executive Director, and Lesley Hadwin the Business Manager. The terms of reference for the Finance Committee are reviewed periodically by the Board of Directors. The delegation of authority to the Executive Director is also reviewed by the Board of Directors.

Objectives of the Charity

The objects of the Association, as defined by its Memorandum, are to promote the understanding and the investigation of the biology (in the widest interpretation of the word) of the animals and plants and other organisms found in fresh (including brackish) waters, and to promote the sound and sustainable management of freshwater ecosystems and resources. The current strategic objectives are:

- to widen active membership;
- to provide evidence and information;
- to influence and broaden advocacy; and
- to facilitate the setting of the research agenda.

Remuneration

FBA staff salaries are set in accordance with directly comparable or similar roles within the sector.

The board consider an annual pay award recommendation submitted by the FBA Finance Working Group and Executive Director. Decisions are based around factors such as financial stability / sustainability and the performance of the charity in the year preceding the award. Award decisions are voted on at October board meetings for implementation in the new financial year (March).

From time to time, where staff take on new permanent / temporary responsibilities or change roles, discretionary uplifts in salary are awarded to reflect these changes in circumstances. Where possible, the costs of such increases are recovered via funders, grants, etc.

Review of Activities

The Association continues to deliver on the work packages and objectives in our Growth Plan. Annual Red, Amber Green (RAG) evaluation of the plan found that overall the 23 work packages were at the following status x19 Green (83%), x4 Amber (17%), x0 Red (0%).

Given this considerable level of success, FBA will be developing a new 5 year organisational plan that will go beyond our centenary in 2029.

In terms of our three strategic priorities the following progress is reported.

Operational resilience

The Finance Working Group (FWG) continues to maintain oversight of the ¼ management accounts which is supported by Dodd and Co accountants. FWG escalates any issues to the board should the need arise.

The focus of the Growth Plan, strong governance and hard work of the team at FBA has enabled the Association to move into a sustained period of posting operational surpluses. This is a considerable achievement given the current economic operating environment charities are having to operate in. We also will be recruiting a Finance Director to support the senior leadership team and board to develop our financial business planning and strategy.

A recruitment process will be undertaken to replace retiring members of the board in 2025 to maintain a membership of 7.

FBA will be moving to new offices in 2025 due to the sale of the site we currently occupy on a tenancy.

Freshwater Science

Our Species Recovery work continues to deliver exemplary conservation outcomes for the Freshwater Pearl Mussel in England and Wales. Through this project FBA continues to maintain and grow high impact partnership working and action focused science. This has enabled the commencement of a new project which will focus on the management and conservation of Arctic Charr including the hosting of an Arctic charr symposium in the Autumn of 2025.

Citizen science programmes continue to deliver high impact outcomes with FBA, coordinating the activities of hundreds of volunteer scientists who are interested in the ecological health of rivers and lakes. The Riverfly programme is expanding at pace and now has volunteer monitors on over 700 rivers in the UK. The Big Windermere Survey has now delivered 10 surveys using 350 citizen scientists. It is the largest temporal and spatial water quality survey of its type in the United Kingdom. FBA will be reporting on the data and evidence gained through the project over its 10 surveys at 100 sites over 2.5 years, in Summer 2025.

Training and Advocacy

FBA delivers highly respected training courses for professional and citizen scientists. In 2025 we will be developing training partnerships with academic, private sector and academic partners to expand our portfolio of courses. Feedback from course delegates is consistently high.

FBA has invested in its communications and advocacy work with the appointment of a new digital content creator. This has enabled the Association to provide regular and engaging content updates on our website and monthly newsletter 'FBA Voice' Our social media activity is coordinated with web and newsletter content to maximize the reach of our communications activities.

Financial Review

There was an overall operating surplus before investment gains/losses of £112,764 compared with a surplus of £41,857 for the previous year. However, an unrealised loss in investments results in an overall deficit of £59,751 compared to a surplus of £130,935 in the prior year. The performance in 2024/2025 reflected an increase in costs for the running of Mitchell Whyke Bay arising out of the sale of the Pearsall Building to Mikhail Holdings who refused to share any of the costs of running the Biomass boiler. Results were also reflective of a small increase in investment property income from £154,756 to £160,613 despite seeing a drop in demand and occupancy rates as was seen throughout the Lakes. Last years in-year surplus also included the release of the provision of the USS pension valuation net income of £90,142, this remains in an asset position this year. Total income for 2025 was £1,066,465 (2024 - £1,000,493) and expenditure £953,701 (2024 - £958,636).

Significant long-term investment assets are held by the Association which are not readily available as free reserves. Investment assets of £2,796,114 (2024: £2,980,979) are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £200,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association's core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives. Total investments are represented by £1,380,000 investments properties (2024: £1,567,866) and quoted share investments of £1,416,114 (2024: £1,413,113), which includes £10,453 held as cash not yet invested in specific share schemes (see note 12 of the accounts). The Trustees deemed it appropriate to designate £2,796,114 of funds in proportion to the investments held to ring-fence those funds held for the reasons stated above.

Financial Reserves Policy

The purpose of the Association's reserves is to provide sufficient protection against changing financial circumstances and to maintain its long-term viability in order to promote its principal charitable objectives. The level of reserves, as reflected in the Unrestricted General Fund Account of £310,531 (2024 - £180,417), is represented by tangible assets, net current assets and a liquid investment asset reserve. The remaining unrestricted designated funds of £9,344 (2024: £14,344) are made up entirely of Cash at Bank and in Hand. These reserves are considered sufficient for the Association to meet its short to medium term expenditure obligations.

Investment Policy

The Association's investments are detailed in Note 12 to the Financial Statements. The Directors approved an Investment Policy in December 2005, which provides the framework for the complete investment portfolio of the Association. This was updated during the 2023/2024 year to remove any association with fossil fuels. The policy states that the portfolio should be structured to provide a balanced return between income and capital growth, whilst being sufficiently diversified to spread risk. The Directors ensure that any investments held reflect the ethical considerations of the Association and that no investment shall be held that is contrary to its objectives.

Investments

Held at market value of £1,416,114 per the March 2025 accounts.

As stated in the investment policy in the accounts, these funds are held for both a short-term funding source and longer-term capital growth. In accordance with charity guidance, the investments are held within portfolio's that offer the best return for charity funds as well as those that match the objectives and ethical stance of the charity.

The investments again provide a source of income to contribute the charity's core costs each year as well as being able to be drawn down against the anticipated future growth of the investment portfolio. The future growth cannot, however, be relied upon year on year and will only be drawn down on when deemed advantageous to maximise the charity's return on funds and when there's a specific need for the charity.

All investments are held for longer-term goals and to liquidate them would only assist in the short-term cost contribution but ultimately create more challenges surrounding the long-term viability of the charity and its operations.

Plans for Future Periods

It remains a continuing project to update and refine the original FBA growth strategy, which is led by Simon Johnson and his senior management team in conjunction with the Board of Directors. A new (2026-2031) year corporate plan is in development. Reference has been made to the significant progress already achieved in forging strategic partnerships with other like-minded businesses and this is still a major focus for the team. The objective of maintaining a small profit has been achieved and this continuing trend of achieving profitability remains the financial objective going forwards.

Capital investment in the holiday lets planned for 2024/2025 was undertaken and the holiday lets at Mitchell Whyke Bay are now self-sufficient for both heat and water. Using much of the existing infrastructure, mini boilers have been installed in each of the holiday units running on green electricity. The addition of a bore hole on the land opposite the jetty means that our water supply is secure. It was also necessary to make significant repairs to the balconies of the single bedroom holiday units as the existing structure had become rotten and unsafe.

Unfortunately, the existing jetty is beyond economic repair. Planning permission is being sought to build a like for like replacement.

Our current landlords at the Hedley Wing continue to manage the property from a distance.

Fund Raising Standards

No fund raising activity has been undertaken on behalf of the FBA by external parties.

Risk Management

The Directors reviewed the risks to which the Association is exposed. Changes were updated in the Association's Corporate Risk Register. This document, approved by the Board of Directors, is reviewed annually by the Board of Directors as part of its governance arrangements.

Public Benefit Test

Under the terms of The Charities Act 2011, the Directors have a statutory duty to report on the Association's compliance with the Public Benefit Test. The Directors consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

The trustees (who are also directors of The Freshwater Biological Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 apply them consistently;

•observe the methods and principles in the Charities SORP;

•make judgements and estimates that are reasonable and prudent; and

• state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

•prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue its activities.

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 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.

In accordance with company law, as the Trustees of the Association, we confirm that:

•So far as we are aware, there is no relevant audit information of which the Association's auditors are unaware ;and

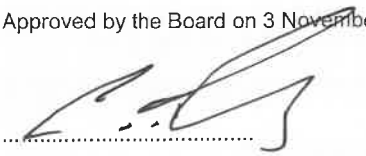
•We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 3 November 2025 and signed on its behalf by:



C S Dessent
Trustee

Independent Auditors' Report to the Members of

The Freshwater Biological Association

Opinion

We have audited the financial statements of The Freshwater Biological Association for the year ended 31 March 2025 which comprise the primary statements such as the Statement of Financial Activities including Income and Expenditure Account and Statement of Total Recognised Gains and Losses, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 31 March 2025 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

..... *continued*

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 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 the 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

- we have not received all the information and explanations we require for our audit; or

- certain disclosures of trustees' remuneration specified by law are not made.

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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 controls as they 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.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

..... continued

• the nature of the industry and sector, control environment and charity's performance;

• results of our enquiries of management about their own identification and assessment of the risks of irregularities;

• any matters we identified having obtained and reviewed the charity's documentation of their:

• policies and procedures relating to:

• identifying, evaluating and complying with laws and regulations and whether they are aware of any instances of non-compliance;

• detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

• the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;

• The matters discussed among the audit team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to revenue recognition and management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context was the Companies Act, Charities Act, pension legislation, employment law, tax legislation and relevant health and safety laws.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

• reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

• enquiring of management concerning actual and potential litigation and claims;

• performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

• reading minutes of meetings of those charged with governance, and

• in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of the charity's work.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

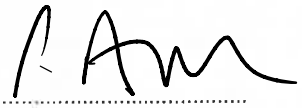
Independent Auditors' Report to the Members of

The Freshwater Biological Association

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



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Faye Armstrong (Senior Statutory Auditor)
For and on behalf of Dodd & Co Limited, Statutory Auditor

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Freshwater Biological Association

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2025

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income						
Donations and legacies	3	179,578	-	47,656	227,234	11,429
Other trading activities	4	678	-	-	678	1,788
Investments	5	196,235	-	-	196,235	192,257
Charitable activities	6	642,318	-	-	642,318	795,019
Total income		1,018,809	-	47,656	1,066,465	1,000,493
Expenditure						
Raising funds		107,546	-	-	107,546	109,584
Charitable activities		798,499	-	47,656	846,155	849,052
Total expenditure		906,045	-	47,656	953,701	958,636
Net gains/(losses) on investments		(172,515)	-	-	(172,515)	89,078
Net income/expenditure		(59,751)	-	-	(59,751)	130,935
Transfers between funds		189,865	(189,865)	-	-	-
Net movement in funds		130,114	(189,865)	-	(59,751)	130,935
Reconciliation of funds						
Total funds brought forward		180,417	3,285,323	-	3,465,740	3,334,805
Total funds carried forward		310,531	3,095,458	-	3,405,989	3,465,740

All of the Charity's activities derive from continuing operations during the above periods.

All income and expenditure in the prior year related to unrestricted funds.

The Freshwater Biological Association

Company registration number: 00263162

Balance Sheet as at 31 March 2025

	Note	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	11		255,487		228,597
Investments	12		2,796,114		2,980,979
			3,051,601		3,209,576
Current assets					
Debtors	13	116,775		148,367	
Cash at bank and in hand		349,409		207,667	
		466,184		356,034	
Creditors: Amounts falling due within one year	14	(111,796)		(99,870)	
Net current assets			354,388		256,164
Net assets			3,405,989		3,465,740
The funds of the charity:					
Restricted funds			-		-
Designated funds			3,095,458		3,285,323
Unrestricted funds					
Unrestricted income funds			310,531		180,417
Total charity funds			3,405,989		3,465,740

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 3 November 2025 and signed on its behalf by:

C S Dessent
Trustee

The Freshwater Biological Association

Cash Flow Statement for the Year Ended 31 March 2025

	2025 £	2024 £
Net cash provided by (used by) operating activities		
Net (expenditure)/income for the period	(59,751)	130,935
Depreciation charges	16,900	16,898
losses/(gains) on investments	168,223	(75,168)
Dividends, interest and rents from investments	(35,532)	(37,501)
Decrease in debtors	31,592	59,144
Increase/(decrease) in creditors	11,926	(110,968)
Decrease in provisions	-	(90,142)
	133,358	(106,802)
Net cash provided by (used in) investing activities		
Dividends, interest and rents from investments	35,532	37,501
Purchase of property, plant and equipment	(43,790)	(2,792)
Proceeds from sale of investments	160,298	430,823
Purchase of investments	(143,656)	(433,437)
	8,384	32,095
Increase/(decrease) in cash	141,742	(74,707)

The notes on pages 15 to 28 form an integral part of these financial statements.

1 Status

The Association is a Company incorporated in England within the UK Limited by Guarantee and not having a Share Capital. The liability of the Members who constitute the Association is limited to £10 per Member. An elected Board of Directors who constitute honorary directors of the Association for Companies Act purposes manages the affairs of the Association. Details of the Board Members are given in the Directors' Report. The address of the registered office is Species Recovery Centre, Far Sawrey, Ambleside, Cumbria, LA22 OLP.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

The charitable company's functional and presentation currency is sterling rounded to the nearest pound.

Going concern

These financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 19.

..... *continued*

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

..... *continued*

Fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold land and buildings	50 years straight line basis
Leasehold improvements	5 years straight line basis
Scientific equipment	5-10 years straight line basis
Computer & other equipment	4 years straight line basis

Depreciation is charged on the buildings element only, which represents approximately 60% of the total value of this class of tangible assets.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Association does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Association is that of volatility in equity markets and investments markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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 after 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.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

..... *continued*

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The Association participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with the other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 Employee Benefits, the Association therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The Association recognises a liability for the contributions payable that arise from such an agreement (to extent that they relate to a deficit) with related expenses being recognised through the income statement. Further disclosures relating to the deficit recovery liability can be found in Note 17.

The Trustees are satisfied that the Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

At 31 March 2023, the Association's balance sheet included a liability of £90,142 for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the Association was no longer required to make deficit recovery contributions. The remaining liability of £90,142 was released to the income and expenditure account. Further disclosures relating to the deficit recovery liability can be found in Note 17.

3 Donations and legacies

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Donations and legacies					
Legacies and bequests	174,748	-	-	174,748	-
Membership donations	4,830	-	47,656	52,486	11,429
	179,578	-	47,656	227,234	11,429

..... *continued*

4 Other trading activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Miscellaneous income	678	-	-	678	1,788

5 Investments

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Windermere (inc. annexe)	160,613	-	-	160,613	154,756
Investment income	35,622	-	-	35,622	37,501
	196,235	-	-	196,235	192,257

6 Charitable activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Membership services	17,956	-	-	17,956	10,310
Scientific and special publications	24,826	-	-	24,826	32,846
Scientific research & activity, direct funding and grants	542,648	-	-	542,648	673,217
Training courses and meetings	56,888	-	-	56,888	64,000
Miscellaneous income	-	-	-	-	14,646
	642,318	-	-	642,318	795,019

..... *continued*

7 Expenditure

	Land & buildings	Charitable activities	Total 2025	Total 2024
	£	£	£	£
Direct costs				
Administration of investments	-	12,504	12,504	11,296
Membership services	-	7,456	7,456	8,272
Scientific and special publications	-	6,059	6,059	3,692
Scientific research activity, direct funding and grants	-	373,401	373,401	491,526
Training courses and meetings	-	44,859	44,859	30,932
Windermere	107,546	-	107,546	109,584
Bad debts written off	-	384	384	3,459
	107,546	444,663	552,209	658,761
Support costs				
Employment costs	-	233,604	233,604	120,508
Computer software and maintenance costs	-	144,502	144,502	165,075
Cost of trustee meetings	-	590	590	2,805
Accountancy fees	-	10,872	10,872	2,750
The audit of the charity's annual accounts	-	10,903	10,903	7,000
Other professional fees	-	1,021	1,021	1,737
	-	401,492	401,492	299,875
	107,546	846,155	953,701	958,636

8 Governance costs

	2025	2024
	£	£
Cost of trustee meetings	590	2,805
Accountancy fees	10,872	2,750
Auditors remuneration	10,903	7,000
Investment management fees	12,504	11,296
Other professional fees	1,021	1,737
	35,890	25,588

9 Trustees' remuneration and expenses

No members of the Board received any remuneration during the year (2024 - none).

Travel costs and board expenses amounting to £590 (2024: £533) were paid for or reimbursed to 4 (2024: 4) members of the Board.

..... *continued*

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2025 No.	2024 No.
Charitable activities	18	13

The aggregate payroll costs of these persons were as follows:

	2025 £	2024 £
Salaries	430,887	427,823
Employer's National Insurance contributions	36,321	37,917
Employer's pension contributions	25,910	31,790
Death in service benefit contributions	3,039	
Employer's pension provision	-	(90,142)
	496,157	407,388

One employee received emoluments of between £60,00, and £70,000 and one employee received emoluments of between £80,001 and £90,000 excluding pension contributions during the year (2024 - 1 between £70,001 and £80,000).

The key management personnel comprise the Trustees and the Executive Director. The total employee benefits of the key management personnel of the Charity were £91,645 (2024 - £93,755).

..... *continued*

11 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Scientific equipment £	Computer & other equipment £	Total £
Cost					
As at 1 April 2024	215,432	43,963	27,603	52,145	339,143
Additions	43,790	-	-	-	43,790
As at 31 March 2025	259,222	43,963	27,603	52,145	382,933
Depreciation					
As at 1 April 2024	24,387	23,726	10,288	52,145	110,546
Charge for the year	2,585	8,794	5,521	-	16,900
As at 31 March 2025	26,972	32,520	15,809	52,145	127,446
Net book value					
As at 31 March 2025	232,250	11,443	11,794	-	255,487
As at 31 March 2024	191,045	20,237	17,315	-	228,597

..... *continued*

12 Investments held as fixed assets

	Investment properties £	Quoted investments £	Total £
Market value			
As at 1 April 2024	1,567,866	1,413,113	2,980,979
Revaluation	(187,866)	19,643	(168,223)
Additions	-	143,656	143,656
Disposals	-	(160,298)	(160,298)
As at 31 March 2025	1,380,000	1,416,114	2,796,114
Net book value			
As at 31 March 2025	1,380,000	1,416,114	2,796,114
As at 31 March 2024	1,567,866	1,413,113	2,980,979

Investment property

The Annexe development completed in May 2018. The investment properties were last valued during the year ended 31 March 2025 by Edwin Thompson (Chartered Surveyors).

The historical cost of the Annexe is £1,210,963.

Quoted investments

Quoted investments are valued in accordance with their UK Stock Exchange listings at the balance sheet dates.

Investment Management fees of £12,504 were charged during the year (2024 - £11,296).

	£
Represented by:	
Investments held on UK Stock Exchange	1,405,363
Cash held as part of Portfolio	10,453
	1,415,816

13 Debtors

	2025 £	2024 £
Other debtors	67,616	110,226
Prepayments and accrued income	49,159	38,141
	116,775	148,367

..... *continued*

14 Creditors: Amounts falling due within one year

	2025	2024
	£	£
Taxation and social security	30,688	13,128
Other creditors	16,245	37,944
Accruals and deferred income	64,863	48,798
	111,796	99,870

Creditors amounts falling due within one year includes deferred income:

	2025	2024
	£	£
As at 1 April 2024	34,597	77,282
Amount released to incoming resources	(9,667)	(43,768)
Amount deferred in the year	17,459	1,083
As at 31 March 2025	42,389	34,597

15 Operating lease commitments

As at 31 March 2025 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Land and Buildings		Other	
	2025	2024	2025	2024
	£	£	£	£
Within one year	12,000	-	10,173	-
Within two and five years	-	-	17,509	32,296
	12,000	-	27,682	32,296

During the year, lease payments totalling £7,807 were recognised in the SOFA.

16 Other financial commitments

There are annual commitments of £10,643 for a six year licence to occupy various rooms at the River laboratory. These were entered into shortly after the year ended 31st March 2021.

..... *continued*

17 Pension schemes

The Association participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). There are current members of the USS pension scheme and in addition an alternative defined contribution stakeholder pension scheme is offered with Scottish Widows to those staff not eligible for the USS scheme.

The total credit released to the income and expenditure account is £nil (2023 - Credit of £90,142) as shown in note 10.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 1, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the statement of income and expenses in the prior year.

The latest available complete actuarial valuation of the Retirement Income Builder, the defined benefit part of the scheme, is at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of the Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

Pension increases (CPI)	3.0% p.a (based on long-term average expected level of CPI, broadly consistent with long-term market expectations) 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount Rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience as carried out as part of the 2023 actuarial valuation. The mortality assumptions used in the these figures are as follows:

	2023 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a. and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

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The current life expectancies on retirement at age 65 are:	2025	2024
Males currently aged 65 (years)	23.8	23.7
Females currently aged 65 (years)	25.5	25.6
Males currently aged 45 (years)	25.7	25.4
Females currently aged 45 (years)	27.2	27.2

18 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Chris Dessent (Board member) is CEO of Creative Concern who have been appointed to carry out work for the Freshwater Biological Association, during the year ended 31 March 2025 the work done totalled £50 (2024 - £8,254).

19 Analysis of funds

	At 1 April 2024	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2025
	£	£	£	£	£	£
General Funds						
General funds	180,417	1,018,809	(906,045)	189,865	(172,515)	310,531
Designated Funds						
Fritsch Fund	9,344	-	-	-	-	9,344
R I Webb Fund	5,000	-	-	(5,000)	-	-
Retention reserve	290,000	-	-	-	-	290,000
Investments	2,980,979	-	-	(184,865)	-	2,796,114
	3,285,323	-	-	(189,865)	-	3,095,458
Restricted Funds						
Big Windermere Survey	-	47,656	(47,656)	-	-	-
	3,465,740	1,066,465	(953,701)	-	(172,515)	3,405,989

..... *continued*

Fritsch Fund - fund established to support the scientific collection of algal illustrations together with taxonomic references.

R I Webb - this fund was established in 2018 following a bequest of £5,000 received from Mr R I Webb, a Life member of 42 years. This fund is to be used for research projects and for the provision of equipment and support for training.

Retention reserve - this designated fund is to ring-fence funds held in case the charity was to wind up, and covers redundancy costs, legal costs, exit charges from existing contracts and 6 months premises expenditure that would be incurred in the expected wind-up timeframe prior to assets being liquidated.

Investments - This designated fund represents investment assets which are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £240,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association's core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives.

Big Winderemere Survey - Donations received to enable the survey to be completed.

Prior period

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2024
	£	£	£	£	£	£
Designated Funds						
Fritsch Fund	9,344	-	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	-	5,000
Retention reserve	290,000	-	-	-		290,000
Investments	2,903,197	-	-	77,782		2,980,979
	3,207,541	-	-	77,782	-	3,285,323
General Funds		-				
Unrestricted income fund	127,264	1,000,493	(958,636)	(77,782)	89,078	180,417
	3,334,805	1,000,493	(958,636)	-	89,078	3,465,740

20 Transfers

The transfer of £5,000 from designated funds to unrestricted funds represents the R I Webb fund having been previously spent up but not adjusted.

The transfer of £184,865 from unrestricted funds to designated funds represents the movement in assets held as investments during the year.

..... *continued*

21 Net assets by fund

	Unrestricted Funds	Total Funds 2025	Total Funds 2024
	£	£	£
Tangible assets	255,487	255,487	228,597
Investments	2,796,114	2,796,114	2,980,979
Current assets	466,184	466,184	356,034
Creditors: Amounts falling due within one year	(111,796)	(111,796)	(99,870)
Provisions for liabilities	-	-	-
Net assets	3,405,989	3,405,989	3,465,740

Prior period

	Unrestricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£
Tangible assets	228,597	228,597	242,703
Investments	2,980,979	2,980,979	2,903,197
Current assets	356,034	356,034	489,885
Creditors: Amounts falling due within one year	(99,870)	(99,870)	(210,838)
Provisions for liabilities	-	-	(90,142)
Net assets	3,465,740	3,465,740	3,334,805

FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales - Charity number 214440

Accounts

The Freshwater Biological Association

(A company limited by guarantee)

Annual Report and Audited Financial Statements

31 March 2024

Company registration number: 00263162
Charity registration number: 214440

The Freshwater Biological Association

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The Freshwater Biological Association

Reference and Administrative Details

Charity name	The Freshwater Biological Association
Charity registration number	214440
Company registration number	00263162
Principal office	Species Recovery Centre Far Sawrey Ambleside CUMBRIA LA22 0LP
Registered office	Species Recovery Centre Far Sawrey Ambleside CUMBRIA LA22 0LP
Auditor	Couch Bright King & Co 2 Tolherst Court Turkey Mill Business Park Ashford Road Maidstone KENT ME14 5SF
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way CARLISLE CA1 2RW

The Freshwater Biological Association

Trustees' Report for the Year Ended 31 March 2024

The members of the Board of the Freshwater Biological Association (the Association), acting as Directors of the Association submit their Annual Report and audited Accounts for the year ended 31st March 2024.

The financial statements have been prepared in accordance with the current Financial Reporting Standards in use and The Statement of Recommended Practice for Charities (the SORP). The Accounting Standards Board recognises the SORP as being in line with its Code of Practice and the Freshwater Biological Association agrees to follow these principles.

Trustees

The following were members of the Board during the year, appointed in accordance with the Articles of Association.

President
Vacant

Chairman of Council
Chris Dessent

Honorary Treasurer

Vacant
Mr R.A.W Middleton - Resigned 21 November 2023

Representative Members

Royal Society Prof. K J Beven FRS

Elected Members

Prof G Woodward - Resigned 27 March 2024

Dr E Dollar - Resigned 21 November 2023

Prof Dr N Bonada - Resigned 18 January 2024

Dr M Jackson – Appointed October 2021

Mr C Dessent – Appointed October 2022

Ms P Nolan – Appointed October 2022

Prof P Wood – Appointed March 2023

Directors

The majority of the members of the Board of Directors are nominated by either the Board or the general membership are proposed for election at the AGM. These appointments are for four years but can be reappointed to serve a consecutive term after which they must cease to be a Director for at least 12 months before they are eligible for reappointment. A further Director is nominated by The Royal Society. A review of Directors' skills is periodically undertaken and this is used to inform the nomination process for prospective Directors.

At the forthcoming Annual General Meeting to be held on Tuesday 22nd October, 2024, Chris Dessent will take over as Chair of the Board of Directors following the resignation of Evan Dollar. Ron Middleton left the Board position of Treasurer at last year's AGM. The position of Treasurer remains vacant.

Status

The Association is a Company Limited by Guarantee (registered number 263162) and a registered Charity (registered number 214440). The Board of Directors has no interests in the Association as defined by the Companies Act 2006 and receive no remuneration for their services to the Association. The Association's Directors do receive reimbursement of travel and subsistence costs necessarily incurred in the performance of their duties. The liability of the Members is laid out in clause 9 of the Articles of Association and limits the liability of the members to £10 each.

The Directors of the Association meet twice yearly for a formal Board Meeting and again midterm to concentrate on a particular aspect of the Charities work to discuss and review the strategic direction of the Association; the operational activities of the Association are fully delegated to the Executive Director. A sub-committee of the Board, the Finance Committee, has delegated strategic responsibilities and meets on a regular basis to receive reports on activities from Simon Johnson the Executive Director, and Lesley Hadwin the Business Manager. The terms of reference for the Finance Committee are reviewed periodically by the Board of Directors. The delegation of authority to the Executive Director is also reviewed by the Board of Directors.

Objectives of the Charity

The objects of the Association, as defined by its Memorandum, are to promote the understanding and the investigation of the biology (in the widest interpretation of the word) of the animals and plants and other organisms found in fresh (including brackish) waters, and to promote the sound and sustainable management of freshwater ecosystems and resources. The current strategic objectives are:

• to widen active membership;

• to provide evidence and information;

• to influence and broaden advocacy; and

• to facilitate the setting of the research agenda.

Review of Activities

The Freshwater Pearl Mussel ARK project continues to be an exemplar of species recovery and together with the LIFE4RiverKent partnership maintains the thriving continuation of our species recovery site. A lot of work has gone into developing the foundations for a Heritage Lottery Fund bid which would secure the site down at Ferry Landing and move towards a 21st Century facility which befits the work that has been done there over the years.

The Big Windermere surveys have attracted a lot of take up from our local volunteers and a great deal of interest, especially by the media for the data it has provided. Interest in these project results has raised the profile of the FBA as an independent research and data provider.

Priority Habitats took off well with a new member of staff taking over. The challenge of engaging with new hubs which was set by the funders was met. However the uncertainty over continued project funding meant that Josie left and the project has stalled for the moment.

The Lakefly citizen science project development also stalled with the loss of the member of staff. However, these projects now have new leadership and will evolve over the 2024/2025 year.

Riverfly continues to go from strength to strength and with a new team engaging with hubs and volunteers and the development of a new cartographer database aims to achieve the objectives set by the Esme Fairburn foundation which currently fund the development work.

Financial Review

During the current year significant progress has been made in achieving further developments of strategic partnerships with other likeminded businesses who can assist the FBA meet its charitable objectives whilst maintaining financial stability.

There was an overall operating surplus before investment gains/losses of £41,857 compared with a surplus of £47,949 for the previous year. However, an unrealised gain in investments results in an overall surplus of £130,935 compared to a surplus of £24,625 in the prior year. The performance in 2023/2024 reflected an increase in costs for the running of Mitchell Whyke Bay arising out of the sale of the Pearsall Building to Mikhail Holdings who refused to share any of the costs of running the Biomass boiler. Results were also reflective of a drop in investment property income from £196,575 to £154,756 which was largely a result of a drop in demand and occupancy rates as was seen throughout the Lakes. The in-year surplus also includes the release of the provision of the USS pension valuation net income of £90,142 (2022 - £6,267 cost). Total income for 2024 was £1,000,493 (2023 - £955,081) and expenditure £958,636 (2023 - £907,132).

Significant additional monies were generated under scientific, research & activity, direct funding and grants. This latter category comprised additional work carried out by the charity in connection with the surveys performed on Lake Windermere itself and its issues with pollution.

Significant long-term investment assets are held by the Association which are not readily available as free reserves. Investment assets of £2,980,979 (2023: £2,903,197) are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £240,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association's core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives. Total investments are represented by £1,567,866 investments properties (2023: £1,561,620) and quoted share investments of £1,413,113 (2023: £1,341,577), which includes £6,162 held as cash not yet invested in specific share schemes (see note 12 of the accounts). The Trustees deemed it appropriate to designate £2,980,979 of funds in proportion to the investments held to ring-fence those funds held for the reasons stated above.

Financial Reserves Policy

The purpose of the Association's reserves is to provide sufficient protection against changing financial circumstances and to maintain its long-term viability in order to promote its principal charitable objectives. The level of reserves, as reflected in the Unrestricted General Fund Account of £180,417 (2023 - £127,264), is represented by tangible assets, net current assets and a liquid investment asset reserve. The remaining unrestricted designated funds of £14,344 (2023: £14,344) are made up entirely of Cash at Bank and in Hand. These reserves are considered sufficient for the Association to meet its short to medium term expenditure obligations.

Investment Policy

The Association's investments are detailed in Note 12 to the Financial Statements. The Directors approved an Investment Policy in December 2005, which provides the framework for the complete investment portfolio of the Association. This was updated during the 2023/2024 year to remove any association with fossil fuels. The policy states that the portfolio should be structured to provide a balanced return between income and capital growth, whilst being sufficiently diversified to spread risk. The Directors ensure that any investments held reflect the ethical considerations of the Association and that no investment shall be held that is contrary to its objectives.

Plans for Future Periods

It remains a continuing project to update and refine the original FBA growth strategy, which is led by Simon Johnson and his senior management team in conjunction with the Board of Directors. Reference has been made to the significant progress already achieved in forging strategic partnerships with other likeminded businesses and this is still a major focus for the team. The objective of maintaining a small profit has been achieved and this continuing trend of achieving profitability remains the financial objective going forwards.

Capital investment in the holiday lets is planned for 2024/2025 as access to the biomass system currently held in the Pearsall Building is being withdrawn by the new owners, Mikhail holdings.

Fund Raising Standards

During the year, FBA engaged in the services of a commercial fundraising company, who was selected following a recruitment process which identified Two Green Magpies (TGM) approach to be in tune with the FBA's requirements.

There were terms and conditions with Two Green Magpies which we believe are within regulatory requirements and therefore no failures to report were identified.

There were regular updates to a fundraising spreadsheet which shows the activities of TGM and the grants they have applied for, together with the responses and feedback received. FBA have not been made aware of any complaints received.

All activity by TGM was conducted in writing and copies of their submissions were provided to the FBA and reviewed by our Treasurer for quality and accuracy.

Two Green Magpies services were terminated in August 2023.

Risk Management

The Directors reviewed the risks to which the Association is exposed. Changes were updated in the Association's Corporate Risk Register. This document, approved by the Board of Directors, is reviewed annually by the Board of Directors as part of its governance arrangements.

Public Benefit Test

Under the terms of The Charities Act 2011, the Directors have a statutory duty to report on the Association's compliance with the Public Benefit Test. The Directors consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

The trustees (who are also directors of The Freshwater Biological Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 apply them consistently;

•observe the methods and principles in the Charities SORP;

•make judgements and estimates that are reasonable and prudent; and

• state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

•prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue its activities.

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 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.

In accordance with company law, as the Trustees of the Association, we confirm that:

•So far as we are aware, there is no relevant audit information of which the Association's auditors are unaware ;and

•We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 22 October 2024 and signed on its behalf by:

.....

C S Dessent
Trustee

Independent Auditors' Report to the Members of

The Freshwater Biological Association

Opinion

We have audited the financial statements of The Freshwater Biological Association for the year ended 31 March 2024 which comprise the primary statements such as the Statement of Financial Activities including Income and Expenditure Account and Statement of Total Recognised Gains and Losses, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 31 March 2024 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 applicable to smaller entities; 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 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

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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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 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 the 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
- 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 the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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 controls as they 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.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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We have;

- Obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- Obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial statements to material misstatement, through error and fraud;
- Implemented procedures to enable the identification and testing of unusual or unexpected journal entries;
- Evaluated the assumptions and judgements used by management within significant accounting estimates and assessed if these indicate evidence of management bias;
- Tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the company's normal course of business;
- Reviewed the financial statements and tested the disclosures against supporting documentation;
- Communicated relevant matters (including those above) to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

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.

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

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

.....
Ms Tarwa Mohammed BA FCA (Senior Statutory Auditor)
For and on behalf of Couch Bright King & Co, Chartered Accountants and Statutory Auditors

2 Tolherst Court
Turkey Mill Business Park
Ashford Road
Maidstone
KENT
ME14 5SF

Date:.....

Couch Bright King & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Freshwater Biological Association

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2024

	Note	Unrestricted Funds	Designated Funds	Total Funds 2024	Total Funds 2023
		£	£	£	£
Income					
Donations and legacies	3	11,429	-	11,429	10,616
Other trading activities	4	1,788	-	1,788	18,632
Investments	5	192,257	-	192,257	234,908
Charitable activities	6	795,019	-	795,019	690,925
Total income		1,000,493	-	1,000,493	955,081
Expenditure					
Raising funds		109,584	-	109,584	135,464
Charitable activities		849,052	-	849,052	771,668
Total expenditure		958,636	-	958,636	907,132
Net gains/(losses) on investments		89,078	-	89,078	(23,324)
Net income/expenditure		130,935	-	130,935	24,625
Transfers between funds		(77,782)	77,782	-	-
Net movement in funds		53,153	77,782	130,935	24,625
Reconciliation of funds					
Total funds brought forward		127,264	3,207,541	3,334,805	3,310,180
Total funds carried forward		180,417	3,285,323	3,465,740	3,334,805

All of the Charity's activities derive from continuing operations during the above periods.

All income and expenditure in the prior year related to unrestricted funds.

The Freshwater Biological Association

Company registration number: 00263162

Balance Sheet as at 31 March 2024

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	11		228,597		242,703
Investments	12		2,980,979		2,903,197
			3,209,576		3,145,900
Current assets					
Debtors	13	148,367		207,511	
Cash at bank and in hand		207,667		282,374	
		356,034		489,885	
Creditors: Amounts falling due within one year	14	(99,870)		(210,838)	
Net current assets			256,164		279,047
Total assets less current liabilities			3,465,740		3,424,947
Provisions for liabilities			-		(90,142)
Net assets			3,465,740		3,334,805
The funds of the charity:					
Designated funds			3,285,323		3,207,541
Unrestricted funds					
Unrestricted income funds			180,417		127,264
Total charity funds			3,465,740		3,334,805

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 22 October 2024 and signed on its behalf by:

.....

C S Dessent
Trustee

The Freshwater Biological Association

Cash Flow Statement for the Year Ended 31 March 2024

	2024 £	2023 £
Net cash provided by (used by) operating activities		
Net income for the period	130,935	24,625
Depreciation charges	16,898	16,117
(Gains)/losses on investments	(75,168)	29,001
Dividends, interest and rents from investments	(37,501)	(38,333)
Decrease/(increase) in debtors	59,144	(66,569)
(Decrease)/increase in creditors	(110,968)	68,258
(Decrease)/increase in provisions	(90,142)	6,267
	(106,802)	39,366
Net cash provided by (used in) investing activities		
Dividends, interest and rents from investments	37,501	38,333
Purchase of property, plant and equipment	(2,792)	(23,822)
Proceeds from sale of investments	430,823	473,893
Purchase of investments	(433,437)	(468,173)
	32,095	20,231
(Decrease)/increase in cash	(74,707)	59,597

1 Status

The Association is a Company incorporated in England within the UK Limited by Guarantee and not having a Share Capital. The liability of the Members who constitute the Association is limited to £10 per Member. An elected Board of Directors who constitute honorary directors of the Association for Companies Act purposes manages the affairs of the Association. Details of the Board Members are given in the Directors' Report. The address of the registered office is Species Recovery Centre, Far Sawrey, Ambleside, Cumbria, LA22 OLP.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

The charitable company's functional and presentation currency is sterling rounded to the nearest pound.

Going concern

These financial statements have been prepared on a going concern basis, as the trustees believe that no material uncertainties exist.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 19.

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Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold land and buildings	50 years straight line basis
Leasehold improvements	Over the length of the lease
Scientific equipment	5-10 years straight line basis
Computer & other equipment	4 years straight line basis

Depreciation is charged on the buildings element only, which represents approximately 60% of the total value of this class of tangible assets.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Association does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Association is that of volatility in equity markets and investments markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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 after 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.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The Association participates in the Universities Superannuation Scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with the other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 Employee Benefits, the Association therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provisions basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit. The Association recognises a liability for the contributions payable that arise from such an agreement (to extent that they relate to a deficit) with related expenses being recognised through the income statement. Further disclosures relating to the deficit recovery liability can be found in Note 17.

The Trustees are satisfied that the Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

At 31 March 2023, the Association's balance sheet included a liability of £90,142 for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit. No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the Association was no longer required to make deficit recovery contributions. The remaining liability of £90,142 was released to the income and expenditure account. Further disclosures relating to the deficit recovery liability can be found in Note 17.

3 Donations and legacies

	Unrestricted Funds £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Donations and legacies				
Membership donations	11,429	-	11,429	10,616

..... continued

4 Other trading activities

	Unrestricted Funds £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Miscellaneous income	1,788	-	1,788	18,632

5 Investments

	Unrestricted Funds £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Windermere (inc. annexe)	154,756	-	154,756	196,575
Investment income	37,501	-	37,501	38,333
	192,257	-	192,257	234,908

6 Charitable activities

	Unrestricted Funds £	Designated Funds £	Total Funds 2024 £	Total Funds 2023 £
Membership services	10,310	-	10,310	13,126
Scientific and special publications	32,846	-	32,846	27,846
Research contracts	-	-	-	52,733
Scientific research & activity, direct funding and grants	673,217	-	673,217	558,396
Training courses and meetings	64,000	-	64,000	38,824
Miscellaneous income	14,646	-	14,646	-
	795,019	-	795,019	690,925

..... continued

7 Expenditure

	Land & buildings	Charitable activities	Total 2024	Total 2023
	£	£	£	£
Direct costs				
Administration of investments	-	11,296	11,296	11,397
Membership services	-	8,272	8,272	14,746
Scientific and special publications	-	3,692	3,692	10,043
Scientific research activity, direct funding and grants	-	491,526	491,526	391,454
Training courses and meetings	-	30,932	30,932	19,351
Windermere	109,584	-	109,584	124,067
Bad debts written off	-	3,459	3,459	-
	109,584	549,177	658,761	571,058
Support costs				
Employment costs	-	120,508	120,508	187,543
Computer software and maintenance costs	-	165,075	165,075	119,225
Cost of trustee meetings	-	2,805	2,805	3,696
Accountancy fees	-	2,750	2,750	2,200
The audit of the charity's annual accounts	-	7,000	7,000	7,000
Other professional fees	-	1,737	1,737	16,410
	-	299,875	299,875	336,074
	109,584	849,052	958,636	907,132

8 Governance costs

	2024	2023
	£	£
Cost of trustee meetings	2,805	3,696
Accountancy fees	2,750	2,200
Auditors remuneration	7,000	7,000
Investment management fees	11,296	11,397
Other professional fees	1,737	17,993
	25,588	42,286

9 Trustees' remuneration and expenses

No members of the Board received any remuneration during the year (2023 - none).

Travel costs and board expenses amounting to £533 (2023: £2,625) were paid for or reimbursed to 4 (2023: 2) members of the Board.

..... continued

10 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2024 No.	2023 No.
Charitable activities	13	10

The aggregate payroll costs of these persons were as follows:

	2023 £	2022 £
Salaries	427,823	282,227
Employer's National Insurance contributions	37,917	24,139
Employer's pension contributions	31,790	28,678
Employer's pension provision	(90,142)	6,267
	407,388	341,311

One employee received emoluments of between £90,001 and £100,000 including pension contributions during the year (2023 - 1).

The key management personnel comprise the Trustees and the Executive Director. The total employee benefits of the key management personnel of the Charity were £93,755 (2023 - £84,503).

..... continued

11 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Scientific equipment £	Computer & other equipment £	Total £
Cost					
As at 1 April 2023	215,432	43,963	24,811	52,145	336,351
Additions	-	-	2,792	-	2,792
As at 31 March 2024	215,432	43,963	27,603	52,145	339,143
Depreciation					
As at 1 April 2023	21,802	14,934	4,767	52,145	93,648
Charge for the year	2,585	8,792	5,521	-	16,898
As at 31 March 2024	24,387	23,726	10,288	52,145	110,546
Net book value					
As at 31 March 2024	191,045	20,237	17,315	-	228,597
As at 31 March 2023	193,630	29,029	20,044	-	242,703

The historical cost of freehold land and buildings is £151,980 (2023 - £151,980).

..... continued

12 Investments held as fixed assets

	Investment properties £	Quoted investments £	Total £
Market value			
As at 1 April 2023	1,561,620	1,341,577	2,903,197
Revaluation	6,246	68,922	75,168
Additions	-	433,437	433,437
Disposals	-	(430,823)	(430,823)
As at 31 March 2024	1,567,866	1,413,113	2,980,979
Net book value			
As at 31 March 2024	1,567,866	1,413,113	2,980,979
As at 31 March 2023	1,561,620	1,341,577	2,903,197

Investment property

The Annexe development completed in May 2018 and was valued at a market value of £1,155,000 in February 2019 by Carigiet Cowen, an external Independent Chartered Surveyors. The Board of Directors have subsequently made the 2024 valuation on an open market basis by reference to market evidence of transaction prices for similar properties and generally available capital value indices.

The historical cost of the Annexe is £1,210,963.

Quoted investments

Quoted investments are valued in accordance with their UK Stock Exchange listings at the balance sheet dates.

Investment Management fees of £11,296 were charged during the year (2023 - £11,397).

	£
Represented by:	
Investments held on UK Stock Exchange	1,406,951
Cash held as part of Portfolio	6,162
	1,413,113

13 Debtors

	2024 £	2023 £
Other debtors	110,226	185,564
Prepayments and accrued income	38,141	21,947
	148,367	207,511

..... continued

14 Creditors: Amounts falling due within one year

	2024	2023
	£	£
Taxation and social security	13,128	35,679
Other creditors	37,944	71,694
Accruals and deferred income	48,798	103,465
	99,870	210,838

15 Operating lease commitments

As at 31 March 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	Other	
	2024	2023
	£	£
Within two and five years	32,296	-

During the year, lease payments totalling £7,807 were recognised in the SOFA.

16 Other financial commitments

There are annual commitments of £12,000 for a five year lease at the Hedley Building, Newby Bridge and £10,643 for a six year licence to occupy various rooms at the River laboratory. These were entered into shortly after the year ended 31st March 2021.

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17 Pension schemes

The Association participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). There are current members of the USS pension scheme and in addition an alternative defined contribution stakeholder pension scheme is offered with Scottish Widows to those staff not eligible for the USS scheme.

The total credit released to the income and expenditure account is £90,142 (2023 - Cost of £6,267) as shown in note 10.

A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% salaries over the period 1 April 2022 until 31 March 2024, at which point the rate would increase to 6.3%. As set out in Note 1, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account.

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2023 (the valuation date), which was carried out using the projected unit method.

Since the institution cannot identify its share of the USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030
Pension increases (subject to a floor of 0%)	Benefits with no cap: CPI assumption plus 3bps Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps
Discount Rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.5% p.a. Post retirement: 0.9% p.a.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience as carried out as part of the 2023 actuarial valuation. The mortality assumptions used in the these figures are as follows:

	2023 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a. and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

..... continued

The current life expectancies on retirement at age 65 are:	**2024**	**2023**
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

..... continued

18 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Chris Dessent (Board member) is CEO of Creative Concern who have been appointed to carry out work for the Freshwater Biological Association, during the year ended 31 March 2024 the work done totalled £8,254 (2023 - £29,393).

19 Analysis of funds

	At 1 April 2023	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2024
	£	£	£	£	£	£
General Funds						
General funds	127,264	1,000,493	(958,636)	(77,782)	89,078	180,417
Designated Funds						
Fritsch Fund	9,344	-	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	-	5,000
Retention reserve	290,000	-	-	-	-	290,000
Investments	2,903,197	-	-	77,782	-	2,980,979
	3,207,541	-	-	77,782	-	3,285,323
	3,334,805	1,000,493	(958,636)	-	89,078	3,465,740

Fritsch Fund - fund established to support the scientific collection of algal illustrations together with taxonomic references.

R I Webb - this fund was established in 2018 following a bequest of £5,000 received from Mr R I Webb, a Life member of 42 years. This fund is to be used for research projects and for the provision of equipment and support for training.

Retention reserve - this designated fund is to ring-fence funds held in case the charity was to wind up, and covers redundancy costs, legal costs, exit charges from existing contracts and 6 months premises expenditure that would be incurred in the expected wind-up timeframe prior to assets being liquidated.

Investments - This designated fund represents investment assets of £2,980,979 (2023: £2,903,197) which are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £240,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association’s core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives.

..... continued

Prior period

	At 1 April 2022	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2023
	£	£	£	£	£	£
Designated Funds						
Fritsch Fund	9,344	-	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	-	5,000
Retention reserve	-			290,000		290,000
Investments	-			2,903,197		2,903,197
	14,344	-	-	3,193,197	-	3,207,541
General Funds		-				
Unrestricted income fund	3,295,836	955,081	(907,132)	(3,193,197)	(23,324)	127,264
	3,310,180	955,081	(907,132)	-	(23,324)	3,334,805

20 Transfers

The transfer of £77,782 from unrestricted funds to designated funds represents the movement in assets held as investments during the year.

..... *continued*

21 Net assets by fund

	Unrestricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£
Tangible assets	228,597	228,597	242,703
Investments	2,980,979	2,980,979	2,903,197
Current assets	356,034	356,034	489,885
Creditors: Amounts falling due within one year	(99,870)	(99,870)	(210,838)
Provisions for liabilities	-	-	(90,142)
Net assets	3,465,740	3,465,740	3,334,805

Prior period

	Unrestricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£
Tangible assets	242,703	242,703	234,998
Investments	2,903,197	2,903,197	2,937,918
Current assets	489,885	489,885	363,719
Creditors: Amounts falling due within one year	(210,838)	(210,838)	(142,580)
Provisions for liabilities	(90,142)	(90,142)	(83,875)
Net assets	3,334,805	3,334,805	3,310,180

FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales - Charity number 214440

Accounts

The Freshwater Biological Association

(A company limited by guarantee)

Annual Report and Audited Financial Statements

31 March 2023

Company registration number: 00263162
Charity registration number: 214440

The Freshwater Biological Association

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The Freshwater Biological Association

Reference and Administrative Details

Charity name	The Freshwater Biological Association
Charity registration number	214440
Company registration number	00263162
Principal office	The Ferry Landing, Far Sawrey Ambleside CUMBRIA LA22 0LP
Registered office	The Ferry Landing, Far Sawrey Ambleside CUMBRIA LA22 0LP
Auditor	Couch Bright King & Co 2 Tolherst Court Turkey Mill Business Park Ashford Road Maidstone KENT ME14 5SF
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Carlisle CUMBRIA CA1 2RW

The Freshwater Biological Association

Trustees' Report for the Year Ended 31 March 2023

The members of the Board of the Freshwater Biological Association (the Association), acting as Directors of the Association submit their Annual Report and audited Accounts for the year ended 31st March 2023.

The financial statements have been prepared in accordance with the current Financial Reporting Standards in use and The Statement of Recommended Practice for Charities (the SORP). The Accounting Standards Board recognises the SORP as being in line with its Code of Practice and the Freshwater Biological Association agrees to follow these principles.

Trustees

The following were members of the Board during the year, appointed in accordance with the Articles of Association. All members are Directors of the company for the purposes of Companies Act.

President

Post Vacant

Chairman of Council

Dr E Dollar

Honorary Treasurer and Secretary

Mr R. A. W. Middleton

Representative Members

Royal Society Prof. K J Beven FRS

Elected Members

Prof G Woodward

Dr E Dollar

Prof Dr N Bonada

Dr M Jackson

Mr C Dessent – Appointed October 2022

Ms P Nolan – Appointed October 2022

Prof P Wood – Appointed March 2023

Directors

The majority of the members of the Board of Directors are nominated by either the Board or the general membership and are proposed for election at the AGM. These appointments are for four years but can be reappointed to serve a consecutive term after which they must cease to be a Director for at least 12 months before they are eligible for reappointment. A further Director is nominated by The Royal Society. A review of Directors' skills is periodically undertaken and this is used to inform the nomination process for prospective Directors.

At the forthcoming Annual General Meeting to be held on Tuesday 21st November, 2023, both Evan Dollar and Ronald Middleton will be resigning from their respective roles of Chair and Honorary Treasurer. They have each served on the Board for a number of years and consider that it is time for replacements to be appointed. A process is in hand to achieve this.

Status

The Association is a Company Limited by Guarantee (registered number 263162) and a registered Charity (registered number 214440). The Board of Directors has no interests in the Association as defined by the Companies Act 2006 and receive no remuneration for their services to the Association. The Association's Directors do receive reimbursement of travel and subsistence costs necessarily incurred in the performance of their duties. The liability of the Members is laid out in clause 9 of the Articles of Association and limits the liability of the members to £10 each.

The Directors of the Association meet twice yearly (more frequently when necessary) to discuss and review the strategic direction of the Association; the operational activities of the Association are fully delegated to the Executive Director. A sub-committee of the Board, the Finance Committee, has delegated strategic responsibilities and meets on a regular basis to receive reports on activities from Simon Johnson the Executive Director, and Lesley Hadwin the Business Manager. The terms of reference for the Finance Committee are reviewed periodically by the Board of Directors. The delegation of authority to the Executive Director is also reviewed by the Board of Directors.

Objectives of the Charity

The objects of the Association, as defined by its Memorandum, are to promote the understanding and the investigation of the biology (in the widest interpretation of the word) of the animals and plants and other organisms found in fresh (including brackish) waters, and to promote the sound and sustainable management of freshwater ecosystems and resources. The current strategic objectives are:

- to widen active membership;
- to provide evidence and information;
- to influence and broaden advocacy; and
- to facilitate the setting of the research agenda.

Review of Activities

Reference was made in last year's accounts to the appointment of Simon Johnson as Executive Director in August 2021 and during the current year significant progress has been made in achieving further developments of strategic partnerships with other likeminded businesses who can assist the FBA to meet its charitable objectives whilst maintaining financial stability.

During the 22/23 financial year we secured the LIFE4RiverKent project. The funding for this is linked the current ARK program, which is seen as a first class example of a species recovery and reintroduction project, and will ensure the security of funding for five years. Natural England have continued their funding of the Priority Habitats project which takes it forward to the end of March 2024. They have also committed to the development of a new citizen science project based on our successful Riverfly which will look at Lakes.

The Big Windermere surveys have attracted a lot of enthusiasm from our volunteers and a great deal of interest for the data it has provided. Continued interest in this project is raising the profile of the FBA as an independent research and data provider and is helping to attract the attention of other bodies looking for similar services. Funding has also been secured for a Windermere Senior Scientist who will work through the 23/24 providing the Love Windermere Partnership with direction and clarity on next steps to secure the future of our fabulous lake.

Financial review

There was an overall operating surplus of £47,949 compared with a deficit of £106,282 for the previous year. The performance in 2022/2023 also reflected no income receivable from UK Government in respect of support towards Covid-19, which in 2021/2022 amounted to £80,525.The operating surplus was before the recognition of unrealised losses on the valuation of the investments of £23,324. The overall movement of funds for the year amounted to a surplus of £24,625 (2022: reduction of £23,575). There has been a significant increase in our income with smaller uplift in our expenditure in comparison due to continued work by management to review and control the current cost base. The total income for the current year amounted to £955,081 (2022: £732,302) and total resources expended were £907,132 (2022: £838,584).

The increase in income comprised uplift in monies generated from the investment holiday lets and additional investment income from the monies managed professionally by the Investment Manager. Also, significant additional monies were generated under scientific, research & activity, direct funding and grants. This latter category comprised additional work carried out by the charity in connection with the surveys performed on Lake Windermere itself and its issues with pollution.

As stated above the total resources expended for this year were marginally above the previous year's level by around £70,000. Much of this increase arose in delivering the additional work on the Windermere surveys. Note 8 to the accounts provides further details of the various movements between the expenditure headings.

The level of reserves, as reflected in the Total Charity Fund Account of £3,334,805 (2022: £3,310,180), is represented by £127,264 Unrestricted Funds (2022: £3,295,836) and £3,207,541 Designated Funds (2022: £14,344).

The decision was taken this year to review the presentation and allocation of the Association reserves to better reflect the true assets and liabilities that make up the overall funds.

Significant long-term investment assets are held by the Association which are not readily available as free reserves. Investment assets of £2,903,197 (2022: £2,937,918) are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £240,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association's core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives. Total investments are represented by £1,561,620 investments properties (2022: £1,483,020) and quoted share investments of £1,341,577 (2022: £1,454,898), with £20,072 held as cash not yet invested in specific share schemes (see note 13 of the accounts). The Trustees deemed it appropriate to designate £2,903,197 of funds in proportion to the investments held to ring-fence those funds held for the reasons stated above.

A further designation of funds to the value of £290,000 was agreed in the year. This was to ring-fence an amount management believe to be the short-term costs that would be incurred in the event the charity was to wind-up before being able to liquidate the fixed and investment assets held. Overall, the investment assets held would be available to cover such costs and, as such this amount has not been deducted when calculating free reserves below.

Financial Reserves Policy

The purpose of the Association's reserves is to provide sufficient protection against changing financial circumstances and to maintain its long-term viability in order to promote its principal charitable objectives.

Free reserves of the Association stand at £174,561 (2022: £122,920), which represents an improvement in the free reserves position and supports the continued efforts of Trustees, management and staff in generating increased income whilst making efforts to closely monitor and control costs.

Free reserves have been calculated using total reserves for each period, less fixed assets, less investment assets held (for the reasons stated in the financial review above) and less £14,344 of designated funds to be used specifically on research projects. Fixed assets of £242,703 (2022: £234,998) are held for the long-term use on projects and administration of the Association to allow it to fulfil its objectives, hence the exclusion from the free reserve calculation.

Investment Policy

The Association's investments are detailed in Note 13 to the Financial Statements. The Directors approved an Investment Policy in December 2005, which provides the framework for the complete investment portfolio of the Association. The policy states that the portfolio should be structured to provide a balanced return between income and capital growth, whilst being sufficiently diversified to spread risk. The Directors ensure that any investments held reflect the ethical considerations of the Association and that no investment shall be held that is contrary to its objectives.

The Investment Policy was last reviewed by the Directors in March 2009 and no changes were made.

Plans for Future Periods

It remains a continuing project to update and refine the original FBA growth strategy, which is led by Simon Johnson and his senior management team in conjunction with the Board of Directors. Reference has been made to the significant progress already achieved in forging strategic partnerships with other likeminded businesses and this is still a major focus for the team. This year the objective of moving into a small operating profit has been achieved and this continuing trend of achieving profitability remains the financial objective going forwards.

Fund Raising Standards

During the year, FBA engaged in the services of a commercial fundraising company, who was selected following a recruitment process which identified Two Green Magpies (TGM) approach to be in tune with the FBA's requirements. We have terms and conditions with Two Green Magpies which we believe are within regulatory requirements and therefore no failures to report were identified.

We have regular updates to a fundraising spreadsheet which shows the activities of TGM and the grants they have applied for, together with the responses and feedback received. FBA have not been made aware of any complaints received.

All activity by TGM is conducted in writing and copies of their submissions are provided to the FBA and reviewed by our Treasurer for quality and accuracy.

Risk Management

The Directors reviewed the risks to which the Association is exposed. Changes were updated in the Association's Corporate Risk Register. This document, approved by the Board of Directors, is reviewed annually by the Board of Directors as part of its governance arrangements.

The FBA does not carry out significant fundraising activities in accordance with the Fund-Raising Standards of the Charities Act 2011.

Public Benefit Test

Under the terms of The Charities Act 2011, the Directors have a statutory duty to report on the Association's compliance with the Public Benefit Test. The Directors consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

The trustees (who are also directors of The Freshwater Biological Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In accordance with company law, as the Trustees of the Association, we confirm that:

- So far as we are aware, there is no relevant information of which the Association's auditors are unaware; and
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:

.....

Dr E Dollar
Trustee

Date: 21/11/2023

Independent Auditors' Report to the Members of

The Freshwater Biological Association

Opinion

We have audited the financial statements of The Freshwater Biological Association for the year ended 31 March 2023 which comprise the primary statements such as the Statement of Financial Activities including Income and Expenditure Account, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs at 31 March 2023 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 applicable to smaller entities; 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 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

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

..... continued

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 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 the 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
- 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 the trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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 controls as they 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.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

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We have;

- Obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- Obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial statements to material misstatement, through error and fraud;
- Implemented procedures to enable the identification and testing of unusual or unexpected journal entries;
- Evaluated the assumptions and judgements used by management within significant accounting estimates and assessed if these indicate evidence of management bias;
- Tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the company's normal course of business;
- Reviewed the financial statements and tested the disclosures against supporting documentation;
- Communicated relevant matters (including those above) to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

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.

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

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

Couch Bright King & Co

Dean Cates BA FCA (Senior Statutory Auditor)
For and on behalf of Couch Bright King & Co, Chartered Accountants and Statutory Auditors

2 Tolherst Court
Turkey Mill Business Park
Ashford Road
Maidstone
KENT
ME14 5SF

Date: 22/11/2023

Couch Bright King & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Freshwater Biological Association

Statement of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) for the Year Ended 31 March 2023

	Note	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
Income and endowments from:					
Donations and legacies	3	10,616	-	10,616	6,520
Other trading activities	4	18,632	-	18,632	18,290
Investments	5	234,908	-	234,908	189,394
Charitable activities	6	690,925	-	690,925	425,211
Other	7	-	-	-	92,887
Total income and endowments		955,081	-	955,081	732,302
Expenditure on:					
Raising funds		135,464	-	135,464	113,259
Charitable activities		771,668	-	771,668	725,325
Total expenditure	8	907,132	-	907,132	838,584
Net income/(expenditure) before net gains and losses on investments		47,949	-	47,949	(106,282)
Net gains and losses on investments		(23,324)	-	(23,324)	82,707
Net income/(expenditure)		24,625	-	24,625	(23,575)
Transfers					
Transfers between funds		(3,193,197)	3,193,197	-	-
Net movements in funds		(3,168,572)	3,193,197	24,625	(23,575)
Reconciliation of funds					
Total funds brought forward		3,295,836	14,344	3,310,180	3,333,755
Total funds carried forward	19	127,264	3,207,541	3,334,805	3,310,180

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 13 to 25 form an integral part of these financial statements.

The Freshwater Biological Association

Company registration number: 00263162

Balance Sheet as at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		242,703		234,998
Investments	13		2,903,197		2,937,918
			3,145,900		3,172,916
Current assets					
Debtors	14	207,511		140,942	
Cash at bank and in hand		282,374		222,777	
		489,885		363,719	
Creditors: Amounts falling due within one year	15	(210,838)		(142,580)	
Net current assets			279,047		221,139
Total assets less current liabilities			3,424,947		3,394,055
Provisions for liabilities	17		(90,142)		(83,875)
Net assets			3,334,805		3,310,180
The funds of the charity:					
Designated funds			3,207,541		14,344
Unrestricted funds					
Unrestricted income funds			127,264		3,295,836
Total charity funds	19		3,334,805		3,310,180

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 21/11/23.. and signed on its behalf by:

.....

Dr E Dollar
Trustee

The notes on pages 13 to 25 form an integral part of these financial statements.

The Freshwater Biological Association

Cash Flow Statement for the Year Ended 31 March 2023

	2023 £	2022 £
Net cash provided by (used by) operating activities		
Net income/(expenditure) for the period	24,625	(23,575)
Depreciation charges	16,117	9,162
losses/(gains) on investments	29,001	(82,707)
Dividends, interest and rents from investments	(38,333)	(21,980)
(Increase)/decrease in debtors	(66,569)	5,553
Increase/(decrease) in creditors	68,258	(186,759)
Increase in provisions	6,267	-
	39,366	(300,306)
Net cash provided by (used in) investing activities		
Dividends, interest and rents from investments	38,333	21,980
Proceeds from the sale of property, plant and equipment	-	551,025
Purchase of property, plant and equipment	(23,822)	-
Proceeds from sale of investments	473,893	-
Purchase of investments	(468,173)	(500,000)
	20,231	73,005
Increase/(decrease) in cash	59,597	(227,301)

The notes on pages 13 to 25 form an integral part of these financial statements.

1 Status

The Association is a Company incorporated in England within the UK Limited by Guarantee and not having a Share Capital. The liability of the Members who constitute the Association is limited to £10 per Member. An elected Board of Directors who constitute honorary directors of the Association for Companies Act purposes manages the affairs of the Association. Details of the Board Members are given in the Directors' Report. The address of the registered office is The Ferry Landing, Far Sawrey, Ambleside, Cumbria, LA22 OLP.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

The charitable company's functional and presentation currency is sterling rounded to the nearest pound.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted Income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 19.

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Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administor/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

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Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold land and buildings	50 years straight line basis
Leasehold improvements	Over the length of the lease
Scientific equipment	5-10 years straight line basis
Computer & other equipment	4 years straight line basis

Depreciation is charged on the buildings element only, which represents approximately 60% of the total value of this class of tangible assets.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Association does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Association is that of volatility in equity markets and investments markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

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 after 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.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The Association participates in the Universities Superannuation Scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with the other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102 Employee Benefits, the Association therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Association has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Association recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense was recognised in 2019.

The Trustees are satisfied that the Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

3 Donations and legacies

	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
Donations and legacies				
Membership donations	10,616	-	10,616	6,520

4 Other trading activities

	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
East Stoke	-	-	-	10,599
Miscellaneous income	18,632	-	18,632	7,691
	18,632	-	18,632	18,290

..... continued

5 Investments

	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
Windermere (inc. annexe)	196,575	-	196,575	167,414
Investment income	38,333	-	38,333	21,980
	234,908	-	234,908	189,394

6 Charitable activities

	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
Membership services	13,126	-	13,126	19,946
Scientific and special publications	27,846	-	27,846	16,531
Research contracts	52,733	-	52,733	39,151
Scientific research & activity, direct funding and grants	558,396	-	558,396	344,228
Training courses and meetings	38,824	-	38,824	5,355
	690,925	-	690,925	425,211

7 Other

	Unrestricted Funds £	Designated Funds £	Total Funds 2023 £	Total Funds 2022 £
UK Government grants	-	-	-	80,525
Grants - other agencies	-	-	-	12,362
	-	-	-	92,887

..... continued

8 Expenditure

	Land & buildings	Investment expenses	Charitable activities	Total 2023	Total 2022
	£	£	£	£	£
Direct costs					
Administration of investments	-	11,397	-	11,397	-
Membership services	-	-	14,746	14,746	1,074
Scientific and special publications	-	-	10,043	10,043	48,579
Scientific research activity, direct funding and grants	-	-	391,454	391,454	233,981
Training courses and meetings	-	-	19,351	19,351	4,268
Windermere	124,067	-	-	124,067	113,259
	124,067	11,397	435,594	571,058	401,161
Support costs					
Employment costs	-	-	187,543	187,543	186,380
Computer software and maintenance costs	-	-	119,225	119,225	197,693
Cost of trustee meetings	-	-	3,696	3,696	5,568
Accountancy fees	-	-	2,200	2,200	-
The audit of the charity's annual accounts	-	-	7,000	7,000	7,000
Other professional fees	-	-	16,410	16,410	40,782
	-	-	336,074	336,074	437,423
	124,067	11,397	771,668	907,132	838,584

9 Governance costs

	2023	2022
	£	£
Cost of trustee meetings	3,696	5,568
Accountancy fees	2,200	-
Auditors remuneration	7,000	7,000
Investment management fees	11,397	9,636
Other professional fees	17,993	197,693
	42,286	219,897

10 Trustees' remuneration and expenses

No members of the Board received any remuneration during the year (2022 - none).

Travel costs and board expenses amounting to £2,625 (2022: £5,568) were paid for or reimbursed to 2 (2022: 2) members of the Board.

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11 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2023 No.	2022 No.
Charitable activities	10	11

The aggregate payroll costs of these persons were as follows:

	2023 £	2022 £
Salaries	282,227	324,143
Employer's National Insurance contributions	24,139	24,778
Employer's pension contributions	28,678	28,847
Employer's pension provision	6,267	49,055
	341,311	426,823

One employee received emoluments of between £60,001 and £70,000 including pension contributions during the year (2022 - none).

The key management personnel comprise the Trustees and the Executive Director. The total employee benefits of the key management personnel of the Charity were £84,503 (2022 - £59,105).

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12 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Scientific equipment £	Computer & other equipment £	Total £
Cost					
As at 1 April 2022	215,432	31,869	13,083	52,145	312,529
Additions	-	12,094	11,728	-	23,822
As at 31 March 2023	215,432	43,963	24,811	52,145	336,351
Depreciation					
As at 1 April 2022	19,013	6,373	-	52,145	77,531
Charge for the year	2,789	8,561	4,767	-	16,117
As at 31 March 2023	21,802	14,934	4,767	52,145	93,648
Net book value					
As at 31 March 2023	193,630	29,029	20,044	-	242,703
As at 31 March 2022	196,419	25,496	13,083	-	234,998

The historical cost of freehold land and buildings is £151,980 (2022 - £151,980).

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13 Investments held as fixed assets

	Investment properties £	Quoted investments £	Total £
Market value			
As at 1 April 2022	1,483,020	1,454,898	2,937,918
Revaluation	78,600	(107,601)	(29,001)
Additions	-	468,173	468,173
Disposals	-	(473,893)	(473,893)
As at 31 March 2023	1,561,620	1,341,577	2,903,197
Net book value			
As at 31 March 2023	1,561,620	1,341,577	2,903,197
As at 31 March 2022	1,483,020	1,454,898	2,937,918

Investment property

The Annexe development completed in May 2018 and was valued at a market value of £1,155,000 in February 2019 by Carigiet Cowen, an external Independent Chartered Surveyors. The Board of Directors have subsequently made the 2023 valuation on an open market basis by reference to market evidence of transaction prices for similar properties and generally available capital value indices.

The historical cost of the Annexe is £1,210,963.

Quoted investments

Quoted investments are valued in accordance with their UK Stock Exchange listings at the balance sheet dates.

Investment Management fees of £11,397 were charged during the year (2022 - £9,636).

	£
Represented by:	
Investments held on UK Stock Exchange	1,321,505
Cash held as part of Portfolio	20,072
	1,341,577

14 Debtors

	2023 £	2022 £
Other debtors	185,564	130,539
Prepayments and accrued income	21,947	10,403
	207,511	140,942

..... continued

15 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Taxation and social security	35,679	25,592
Other creditors	71,694	72,241
Accruals and deferred income	103,465	44,747
	210,838	142,580

16 Other financial commitments

There are annual commitments of £12,000 for a five year lease at the Hedley Building, Newby Bridge and £10,643 for a six year licence to occupy various rooms at the River laboratory. These were entered into shortly after the year ended 31st March 2021.

17 Pension schemes

The Association participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). There are current members of the USS pension scheme and in addition an alternative defined contribution stakeholder pension scheme is offered with Scottish Widows to those staff not eligible for the USS scheme.

The total cost charged to the profit and loss account is £34,945 (2022 - £77,902) as shown in note 11.

The latest available complete actuarial valuation of the USS Retirement Income Builder Section of the Scheme is at 31 March 2020 (the valuation date), which was carried out using the projected unit method.

Since the Association cannot identify its share of the USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

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

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount Rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00%

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

	2020 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

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The current life expectancies on retirement at age 65 are:	2023	2022
Males currently aged 65 (years)	24.0	23.9
Females currently aged 65 (years)	25.6	25.5
Males currently aged 45 (years)	26.0	25.9
Females currently aged 45 (years)	27.4	27.3

A deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2023 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:
Discount rate - 4.6%
Pensionable salary growth - 3.00%

18 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Chris Dessent (Board member) is CEO of Creative Concern who have been appointed to carry out work for the Freshwater Biological Association, during the year ended 31 March 2023 the work done totalled £29,393.

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19 Analysis of funds

	At 1 April 2022	Incoming resources	Resources expended	Transfers	Other recognised gains/losses	At 31 March 2023
	£	£	£	£	£	£
General Funds						
General funds	3,295,836	955,081	(907,132)	(3,193,197)	(23,324)	127,264
Designated Funds						
Fritsch Fund	9,344	-	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	-	5,000
Retention reserve	-	-	-	290,000	-	290,000
Investments	-	-	-	2,903,197	-	2,903,197
	14,344	-	-	3,193,197	-	3,207,541
	3,310,180	955,081	(907,132)	-	(23,324)	3,334,805

Fritsch Fund - fund established to support the scientific collection of algal illustrations together with taxonomic references.

R I Webb - this fund was established in 2018 following a bequest of £5,000 received from Mr R I Webb, a Life member of 42 years. This fund is to be used for research projects and for the provision of equipment and support for training.

Retention reserve - this designated fund is to ring-fence funds held in case the charity was to wind up, and covers redundancy costs, legal costs, exit charges from existing contracts and 6 months premises expenditure that would be incurred in the expected wind-up timeframe prior to assets being liquidated.

Investments - This designated fund represents investment assets of £2,903,197 (2022: £2,937,918) which are held by the Association to generate both a short-term annual return through rental income, dividends and interest and a longer-term capital appreciation. The annual investment return of between £180,000 and £240,000 (see note 5 to the accounts) provides crucial unrestricted cash contributions towards the Association's core costs, allowing it to focus more of the funding received directly to specific project use in line with its objectives.

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Prior period

	At 1 April 2021	Incoming resources	Resources expended	Other recognised gains/losses	At 31 March 2022
	£	£	£	£	£
Designated Funds					
Fritsch Fund	9,344	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	5,000
	14,344	-	-	-	14,344
General Funds		-			
Unrestricted income fund	3,319,411	732,302	(838,584)	82,707	3,295,836
	3,333,755	732,302	(838,584)	82,707	3,310,180

20 Net assets by fund

	Unrestricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£
Tangible assets	242,703	242,703	234,998
Investments	2,903,197	2,903,197	2,937,918
Current assets	489,885	489,885	363,719
Creditors: Amounts falling due within one year	(210,838)	(210,838)	(142,580)
Provisions for liabilities	(90,142)	(90,142)	(83,875)
Net assets	3,334,805	3,334,805	3,310,180

Prior period

	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£
Tangible assets	234,998	234,998	763,714
Investments	2,937,918	2,937,918	1,677,495
Current assets	363,719	363,719	1,256,705
Creditors: Amounts falling due within one year	(142,580)	(142,580)	(329,339)
Provisions for liabilities	(83,875)	(83,875)	(34,820)
Net assets	3,310,180	3,310,180	3,333,755

FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales - Charity number 214440

Accounts

FRESHWATER BIOLOGICAL ASSOCIATION

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ANNUAL REPORT
OF THE

THE FRESHWATER BIOLOGICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2022

COMPANY NUMBER: 00263162

Registered Charity No. 214440

Registered Office;
The Ferry Landing, Far Sawrey, Ambleside, Cumbria LA22 0LP, UK

F1473-22
12.10.2022

THE FRESHWATER BIOLOGICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

The members of the Board of the Freshwater Biological Association (the Association), acting as Directors of the Association submit their Annual Report and audited Accounts for the year ended 31st March 2022.

The financial statements have been prepared in accordance with the current Financial Reporting Standards in use and The Statement of Recommended Practice for Charities (the SORP). The Accounting Standards Board recognises the SORP as being in line with its Code of Practice and the Freshwater Biological Association agrees to follow these principles.

Directors
The Directors of the Freshwater Biological Association during the period 1st April 2021 to 31st March 2022 are listed on page 4 under the section Directors' Report. The majority of the members of the Board of Directors are nominated by either the Board or the general membership are proposed for election at the AGM. These appointments are for four years but can be reappointed to serve a consecutive term after which they must cease to be a Director for at least 12 months before they are eligible for reappointment. A further Director is nominated by The Royal Society. A review of Directors' skills is periodically undertaken and this is used to inform the nomination process for prospective Directors.

It is with great sadness to report that Richard Chadd died on 5th November 2021 after a very short illness. Richard joined the Board in October 2017 and during his time as Director he contributed significantly to the charity particularly with his knowledge and wise counsel. The newly refurbished training facilities at the office location by Lake Windermere have been named "The Richard Chadd Teaching Laboratory".

Statement of Directors' Responsibilities
The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing Financial Statements, the Board is required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Association will continue its activities.

The Directors are responsible for the management of the Association's activities in accordance with its Memorandum and Articles of Association and for the keeping of proper accounting records which disclose with reasonable accuracy the financial position of the Association and which enables the Directors to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the Directors of the Association, we confirm that:

- so far as we are aware, there is no relevant audit information of which the Association's auditors are unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Status
The Association is a Company Limited by Guarantee (registered number 263162) and a registered Charity (registered number 214440). The Board of Directors has no interests in the Association as defined by the Companies Act 2006 and receive no remuneration for their services to the Association. The Association's Directors do receive reimbursement of travel and subsistence costs necessarily incurred in the performance of their duties. The liability of the Members is laid out in clause 9 of the Articles of Association and limits the liability of the members to £10 each.

The Directors of the Association meet twice yearly (more frequently when necessary) to discuss and review the strategic direction of the Association; the operational activities of the Association are fully delegated to the Executive Director. A sub-committee of the Board, the Finance Committee, has delegated strategic responsibilities and meets on a regular basis to receive reports on activities from Simon Johnson the Executive Director, and Lesley Hadwin the Business Manager. The terms of reference for the Finance Committee are reviewed periodically by the Board of Directors. The delegation of authority to the Executive Director is also reviewed by the Board of Directors.

THE FRESHWATER BIOLOGICAL ASSOCIATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022
(Continued)

Objectives of the Charity

The objects of the Association, as defined by its Memorandum, are to promote the understanding and the investigation of the biology (in the widest interpretation of the word) of the animals and plants and other organisms found in fresh (including brackish) waters, and to promote the sound and sustainable management of freshwater ecosystems and resources. The current strategic objectives are:

- to widen active membership;
- to provide evidence and information;
- to influence and broaden advocacy; and
- to facilitate the setting of the research agenda.

Review of Activities

As referred to in last year's accounts, the Board was delighted to announce the appointment of Simon Johnson as Executive Director on 2nd August 2021, following the retirement of former Chief Executive Dr Bill Brierley in September 2020.

During the period under review, the final sale transactions of the River Laboratory site in Dorset have been ascertained and the small additional resulting loss has been reported in the Statement of Financial Activities.

The year ended 31st March 2021 had been impacted significantly due to Covid-19, however 2022 has also been affected but with instances of less disruption to the organisation and significantly smaller amounts of Government financial assistance received by the charity. These amounts respectively are £74,669 and £5,856 for rental income support and Job Retention Scheme and are separately included in the Statement of Financial Activities.

The overall operating deficit for the year was £106,282 compared with a deficit of £172,205 for the previous year. Whilst these results have benefitted from the inclusion of receipts under the Government's various Covid-19 support schemes, which in aggregate amounted to £80,525, these were significantly less than such similar categories of support received in 2020/2021 of £204,205. The operating deficit was before recognition of a gain on the revaluation of the investment properties, comprising the holiday lets, amounting to £97,020, also the final loss on the sale of the River Lab of £17,584, and finally a net unrealised gain on the valuation of the investments of £3,271. The overall movement of funds for the year amounted to a reduction of £23,575 (2021: reduction of £70,995). There has been an increase in our income and minor increase in our expenditure. The total income for the year amounted to £732,302 (2021: £631,321) and total resources expended were £838,584 (2021: £803,526).

The uplift in total income comprised mainly a significant increase in monies from the holiday lets, due to the relaxation of Covid-19 restriction, of £80,314 and also increase under Research Contracts of £20,918 and an increase of £155,484 under Scientific research and activity in the form of direct funding and grants.

As stated above the total resources for this year and last year were comparable. However the costs of maintaining our operating properties were significantly reduced due to the sale of the Pearsall building and the River Lab, generating a reduction of £177,489 on comparison of the two years. There was an increase of in aggregate under support costs of £228,940, with a significant uplift in costs associated with staff costs of £29,548 and an increase of £128,214 in IT support and other office costs.

Financial Reserves Policy

The purpose of the Association's reserves is to provide sufficient protection against changing financial circumstances and to maintain its long-term viability in order to promote its principal charitable objectives. The level of reserves, as reflected in the Unrestricted General Fund Account of £3,295,836 (2021: £3,319,411), is represented by tangible assets, net current assets and a liquid investment asset reserve. The remaining unrestricted designated funds of £14,344 (2021: £14,344) are made up entirely of Cash at Bank and in Hand. These reserves are considered sufficient for the Association to meet its short to medium term expenditure obligations.

THE FRESHWATER BIOLOGICAL ASSOCIATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022

Investment Policy
The Association's investments are detailed in Note 13(c) to the Financial Statements. The Directors approved an Investment Policy in December 2005, which provides the framework for the complete investment portfolio of the Association. The policy states that the portfolio should be structured to provide a balanced return between income and capital growth, whilst being sufficiently diversified to spread risk. The Directors ensure that any investments held reflect the ethical considerations of the Association and that no investment shall be held that is contrary to its objectives.

The Investment Policy was reviewed by the Directors in March 2009 and no changes were made.

Plans for Future Periods
Simon Johnson has completed the updating and refinement of the FBA growth strategy, which has been formally signed off by the Board of Directors. Indeed there have been positive developments in respect of the strategy's objectives of forging strategic partnerships with other likeminded businesses who can help the FBA meet its charitable objectives whilst maintaining financial stability. The financial objective remains to move into operating at a small operating profit in the forthcoming year.

As part of the development and implementation of this strategy, the staff in conjunction with the Board, continue in the process of:

- agreeing and prioritising actions with accountability, budget and targets;
- setting performance indicators and a mechanism to track and measure these;
- considering the FBA's response to climate change and social value.

Risk Management
The Directors reviewed the risks to which the Association is exposed. Changes were updated in the Association's Corporate Risk Register. This document, approved by the Board of Directors, is reviewed annually by the Board of Directors as part of its governance arrangements.

The FBA does not carry out significant fundraising activities in accordance with the Fund-Raising Standards of the Charities Act 2011.

Public Benefit Test
Under the terms of The Charities Act 2011, the Directors have a statutory duty to report on the Association's compliance with the Public Benefit Test. The Directors consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

THE FRESHWATER BIOLOGICAL ASSOCIATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2022
(Continued)

Trustees
The following were members of the Board during the year, appointed in accordance with the Articles of Association.

President
Prof. Ann-Louise Heathwaite CBE

Chairman of Council
Dr E Dollar

Honorary Treasurer
Mr R. A. W. Middleton

Representative Members
Royal Society Prof. K J Beven FRS

Elected Members
Mr R Chadd – Passed away November 2021
Prof G Woodward
Dr E Dollar
Prof Dr N Bonada – Appointed 21st October 2021
Dr M Jackson – Appointed 21st October 2021

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Ferry Landing
Far Sawrey, Ambleside
Cumbria, LA22 0LP

Dated this 20th October 2022
By Order of the Board

Dr E Dollar
Chair of the Board

THE FRESHWATER BIOLOGICAL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2022

	Note	Unrestricted Funds General	Unrestricted Funds Other	Total 2022	Total 2021
Income:		£	£	£	£
Awards and donations	4	6,520	-	6,520	3,327
Activities for generating funds	5	185,704	-	185,704	172,560
Investment income & bank interest	6	21,980	-	21,980	6,979
		214,204	-	214,204	182,866
Income from charitable activities	7	425,211	-	425,211	244,250
Other income:					
Government Grant re Rental Income		74,669	-	74,669	137,683
Government Job Retention Scheme		5,856	-	5,856	66,522
Kick Start Income		12,362	-	12,362	-
		92,887	-	92,887	204,205
Total income		**732,302**	-	**732,302**	**631,321**
Expenditure					
Cost of generating funds	8	113,259	-	113,259	290,748
Costs of charitable activities	9	287,902	-	287,902	304,295
Support costs	10	437,423	-	437,423	208,483
Total resources expended		**838,584**	-	**838,584**	**803,526**
Net (expenditure) for the year before transfers and other recognised gains/(losses)		**(106,282)**	-	**(106,282)**	**(172,205)**
Gain on revaluation – property	13b	97,020	-	97,020	231,000
Profit on disposal of Pearsall Building	13a	-	-	-	236,042
Loss on disposal – E Stoke River Lab	13a	(17,584)	-	(17,584)	-
Net gain on investments – quoted	13c	3,271	-	3,271	37,605
Impairment adjustment of River Lab	13a	-	-	-	(403,437)
Net movement of funds in year		**(23,575)**	-	**(23,575)**	**(70,995)**
Reconciliation of funds					
Total funds brought forward 2021		3,319,411	14,344	3,333,755	3,404,750
Total funds carried forward 2022		3,295,836	14,344	3,310,180	3,333,755

All incoming resources and resources expended derive from continuing activities and the Statement of Financial Activities includes all gains and losses recognised in the year.

THE FRESHWATER BIOLOGICAL ASSOCIATION
BALANCE SHEET AS AT 31ST MARCH 2022
COMPANY NUMBER 263162

	Note	2022 £	£	2021 £
Fixed Assets				
Tangible	13a		234,998	763,714
Investments – Property	13b		1,483,020	1,386,000
Investments – Quoted	13c		1,429,149	291,495
			3,147,167	2,441,209
Current Assets				
Debtors and Prepayments	14	140,942		146,495
Investments – Cash held as part of portfolio	13c	25,749		660,132
Cash at Bank and in Hand		222,777		450,078
		389,468		1,256,705
Less Current Liabilities				
Creditors (due within 1 year)	15	(142,580)		(329,339)
Net Current Assets			246,888	927,366
Total Assets Less Current Liabilities			3,394,055	3,368,575
Provision for Liabilities				
Pension Provision	22		(83,875)	(34,820)
			£ 3,310,180	£ 3,333,755
Representing Members' Funds				
Unrestricted				
General Fund	16		3,295,836	3,319,411
Designated Funds	17		14,344	14,344
			£ 3,310,180	£ 3,333,755

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved on behalf of Council by Dr E Dollar - Chair 20th October 2022

THE FRESHWATER BIOLOGICAL ASSOCIATION
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2022

	2022 £	2021 £
Net cash used in operating activities (See below)	(300,306)	65,425
Cash flow from investing activities:		
Investment income	21,980	6,979
Proceeds from sale/(purchase) of fixed assets	551,025	981,789
Amounts (deposited)/withdrawn from investments	(500,000)	(650,000)
Change in cash and cash equivalent in the year	(227,301)	404,193
Cash and cash equivalent brought forward	450,078	45,885
Cash and cash equivalent carried forward	£ 222,777	£ 450,078

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

	2022 £	2021 £
Net movement in funds	(23,575)	(70,995)
Add back depreciation charge	9,162	15,825
Deduct Investment Income	(21,980)	(6,979)
Deduct (gains)/add back losses on disposals & revaluations	(82,707)	(101,210)
Decrease/ (Increase) in debtors	5,553	(19,879)
(Decrease)/Increase in creditors	(186,759)	248,663
Net cash used in operating activities	£ (300,306)	£ 65,425

THE FRESHWATER BIOLOGICAL ASSOCIATION
(Limited by Guarantee)
NOTES TO THE ACCOUNTS

1. Status

The Association is a Company incorporated in England within the UK Limited by Guarantee and not having a Share Capital. The liability of the Members who constitute the Association is limited to £10 per Member. An elected Board of Directors who constitute honorary directors of the Association for Companies Act purposes manages the affairs of the Association. Details of the Board Members are given in the Directors' Report. The address of the registered office is The Ferry Landing, Far Sawrey, Ambleside, Cumbria, LA22 0LP.

2. Accounting Policies

(a) Basis of Preparation

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 issued in October 2019 – (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Freshwater Biological Association 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 notes.

The company's functional and presentation currency is sterling rounded to the nearest pound.

(b) Preparation of the accounts on a going concern basis

The Association has an operating deficit of £106,282 for the current year. As a consequence of disposing of two properties that were high maintenance, the charity has significant liquid funds and additionally will have reduced its operating costs associated with these properties. These actions enable the Board to consider that the Freshwater Biological Association is a going concern.

(c) Fund Accounting

The General Fund is made up of unrestricted funds, which are available for use at the discretion of the Directors of the Association in the furtherance of the general objectives of the Association.

Designated funds represent unrestricted funds that have been bequeathed, donated or set aside by the Directors of the Association for the furtherance of its activities by means of specific sponsorship.

(d) Incoming Resources and Resources Expended

Membership, Life Membership, donations, and other voluntary income is included only when received, whilst all other income, such as rent, publications, ferry commission, and confirmed grant income is accounted for on a receivable basis. Grant income is deferred when it relates to activities in future periods. All expenditure is accounted for on an accruals basis, net of VAT. Irrecoverable VAT is expensed in the statement of Financial Activities under the heading of Governance costs. Directly attributable costs are charged in full to the relevant activity; indirect costs are apportioned across all activities based on the relative proportion of space occupied and staffing costs.

(e) Tangible Assets and Depreciation

Freehold property at Windermere and East Stoke was revalued during the year ended 31st March 2015 using an 'existing use' basis, in line with FRS15. There has not recently been a formal revaluation of the freehold properties due to the disposal of the Pearsall building at Windermere in the year ended 31st March 2021 and the disposal of the East Stoke site in the year ended 31st March 2022.

Depreciation is charged on the buildings element only, which represents approximately 60% of the total value of this class of tangible assets. Scientific apparatus and other equipment below the value of £1,000 are not capitalised.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

Depreciation is charged on a straight line basis, in order to write off the assets over their useful economic lives as follows:

Buildings over 50 years
Leasehold Improvements over the length of the lease
Computer and Other Equipment (including Annexe furnishings) over 4 years
Scientific Equipment over 5-10 years

(f) Library and Stocks

No value is attributable in these accounts to the library or to stocks of publications as their net value is not considered material.

(g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Association does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Association is that of volatility in equity markets and investments markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(h) 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.

(i) Pensions

The Association participates in Universities Superannuation Scheme. With effect from 1st October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with the other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102' Employee benefits', the Association therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Association has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Association recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense was recognised in 2019.

The Trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

3. Net (outgoing) resources for the year

This is stated after charging:

	2022	2021
	£	£
Depreciation	9,162	15,825
(Loss) / Profit on disposal of fixed assets	(17,584)	236,042
Auditors' remuneration	7,000	6,000

Incoming Resources	Unrestricted Funds General £	Other £	2022 £	2021 £
4. Awards and Donations				
Membership donations	6,520	-	6,520	1,200
Legacies and other donations	-	-	-	2,127
	6,520	-	6,520	3,327
5. Activities for generating funds				
Land and building income:				
Windermere (inc. annexe)	167,414	-	167,414	87,100
East Stoke	10,599	-	10,599	84,976
Miscellaneous income	7,691	-	7,691	484
	185,704	-	185,704	172,560
6. Investment income				
Investment Income	21,980	-	21,980	6,979
	21,980	-	21,980	6,979
7. Charitable activities				
Membership services	19,946	-	19,946	19,762
Scientific and special publications	16,531	-	16,531	11,498
Research contracts	39,151	-	39,151	18,233
Scientific research & activity, direct funding and grants	344,228	-	344,228	188,744
FBA Library/Data & Information Services	-	-	-	7,451
Training courses and meetings	5,355	-	5,355	(1,438)
	425,211	-	425,211	244,250

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

Resources Expended	Unrestricted Funds General £	Other £	2022 £	2021 £
8. Cost of generating funds				
Land and buildings:				
Windermere	113,259	-	113,259	225,607
East Stoke	-	-	-	65,141
	113,259	-	113,259	290,748
9. Cost of charitable activities				
Membership services	1,074	-	1,074	32,157
Scientific and special publications	48,579	-	48,579	28,145
Research Contracts	-	-	-	-
Scientific research activity, direct funding and grants	233,981	-	233,981	241,270
FBA Library/Data & Information Services	-	-	-	2,301
Training courses and meetings	4,268	-	4,268	422
	287,902	-	287,902	304,295
10. Support Costs				
Council meetings and reimbursements to Trustees	5,568	-	5,568	598
Other costs – direct and indirect:				
Audit fees	7,000	-	7,000	6,000
Other professional fees	40,782	-	40,782	24,324
Staff costs	137,325	-	137,325	107,777
USS pension provision	49,055	-	49,055	305
IT support & other office costs	197,693	-	197,693	69,479
	437,423	-	437,423	208,483

11. Staff

Average number of employees was 11 (8 FTE) paid employees (2021: 12 (9 FTE))

Total Staff Costs in the year were:	2022 £	2021 £
Salaries	324,143	316,351
Employer's National Insurance Contributions	24,778	25,421
Employer's Pension contributions (Note 22)	28,847	22,331
Employer's Pension Provision (Note 22)	49,055	305
Total (including redundancy costs of £16,825 in 2022)	426,823	364,408

There were no employees in the remuneration band £60,000 to £69,999 or above (2021: None) and excluding Employer's National Insurance (ENI) and Pension Contributions (PC). The Key Management Personnel of the charity comprise the Board and the Executive Director with the Board remuneration detailed in Note 12 below. The total employee benefits of the Key Management Personnel were £59,105 (2021: £40,810 including ENI & PC).

12. Trustee Remuneration

No members of the Board received any remuneration during the year. Travel costs and Board expenses amounting to £5,568 (2021: £598) were paid for or reimbursed to 2 (2021: 1) members of the Board.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

13. Fixed Assets

(a) Tangible

	Freehold Land & Buildings	Leasehold Improvements	Computer and other Equipment	Scientific Equipment	Total
	£	£	£	£	£
Cost or Valuation					
At 1st April 2021	774,347	5,591	52,145	-	832,083
Additions	-	26,278	-	13,083	39,361
Disposals	(558,915)	-	-	-	(558,915)
At 31st March 2022	215,432	31,869	52,145	13,083	312,529
Accumulated Depreciation					
As at 1st April 2021	16,224	-	52,145	-	68,369
Charge for the year	2,789	6,373	-	-	9,162
Disposals	-	-	-	-	-
At 31st March 2022	19,013	6,373	52,145	-	77,531
Net book value					
At 31st March 2022	196,419	25,496	-	13,083	234,998
At 31st March 2021	758,123	5,591	-	-	763,714

The historical cost of Freehold Land & Buildings is £151,980 (2021: £502,915).

The Association revalued its Freehold Land and Buildings in line with the then FRS15 and adopted the revaluation of this class of assets at March 31st 2015. The valuations were carried out by external Independent Chartered Surveyors on a 'fair value' basis and undertaken by Peill and Co. for the land and buildings at that time at the Windermere site and by Powis Hughes for the site at East Stoke in Dorset. The majority of the land and buildings at both sites were sold in 2020 and 2021. The Board of Directors consider that there has not been any material change to this valuation on the remaining land and buildings since the 31st March 2015 on an 'existing use' or 'fair value' basis.

(b) Investments – Property	£
At 1st April 2021	1,386,000
Unrealised gain on revaluation	97,020
Market value at 31st March 2022	1,483,020

The Annexe development completed in May 2018 and was valued by external Independent Chartered Surveyors in February 2019 by Carigiet Cowen at its market value of £1,155,000. The Board of Directors have subsequently made the 2022 valuation on an open market basis by reference to market evidence of transaction prices for similar properties and generally available capital value indices. The historical cost of the Annexe is £1,210,963.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

(c) Investments - Quoted

Quoted investments are valued in accordance with their UK Stock Exchange listings at the balance sheet dates.

	Quoted Investments
	£
Market Value at 1st April 2021	951,627
Additions/(Disposals)	500,000
Net Investment gains to General Fund Account (Note 16)	3,271
Market Value at 31st March 2022	1,454,898

During the year, £500,000 of capital has been deposited from the disposal proceeds of the East Stoker River Laboratory. Investment Management fees of £9,636 (2021: £2,325) were charged during the year. A fall in the value of the investments in the financial period 2022/23 up to October 2022 of £163,444 is a non-adjusting post balance sheet event that requires disclosure only.

Represented by:	£
Investments held on UK Stock Exchange	1,429,149
Cash held as part of Portfolio	25,749
	1,454,898

14. Debtors

	2022	2021
	£	£
Trade Debtors	130,539	89,074
Other Debtors & Prepayments	10,403	57,421
	140,942	146,495

15. Creditors

PAYE, NIC and pension	11,836	11,287
Trade Creditors	64,537	81,953
Other Creditors and Accruals	9,258	38,304
Deferred income	37,747	-
VAT creditor	19,202	197,795
	142,580	329,339

16. General Fund Account

General Fund Account	2022	2021
	£	£
Balance brought forward	3,319,411	3,050,161
Net movement in funds before transfers and other recognised gains	(106,282)	(172,205)
	3,213,129	2,877,956
Transfer net movement to Other Funds (Notes 4 to 10)		-
Unrealised gain on revaluation of property (Note 13b)	97,020	231,000
Unrealised gain / (loss) arising from revaluation of Investments (Note 13c)	3,271	37,605
Realised (Loss) / gain on sale of property	(17,584)	236,042
Transfer from Revaluation Reserve re Pearsall	-	163,525
Transfer from Revaluation Reserve re River Lab	-	176,720
Impairment adjustment (Note 13a)	-	(403,437)
	3,295,836	3,319,411

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

17. Other Funds

	31.3.2021	Income	Expenditure	Transfers	31.3.2022
	£	£	£	£	£
Unrestricted Designated					
Fritsch Fund	9,344	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	5,000
Total	14,344	-	-	-	14,344

Unrestricted Designated Funds represents sums bequeathed, donated, or established by the Board to the Association for the furtherance of its charitable activities by means of specific sponsorship, but expendable at the discretion of the Board. At the October 2017 Board Meeting it was noted that the Freshwater Science Fund and the Frost Bequest Funds have effectively been utilised for General Funds and have now been transferred. An appropriate memorial to Winifred Frost and the Frost Bequest will be organised when circumstances allow. The remaining Funds are described briefly as:

Fritsch Fund – fund established to support the scientific collection of algal illustrations together with taxonomic references.
R I Webb – this fund was established in 2018 following a bequest of £5,000 received from Mr R I Webb, a Life member of 42 years. This fund to be used for research projects and for the provision of equipment and support for training.

The balances of these funds are included within the Balance Sheet Net Assets as Cash at Bank and in Hand.

18. Capital Commitments and Contingent Liabilities
There were no capital commitments (2021: Nil), and no contingent liabilities at 31st March 2022.

19. Taxation Status
As a Registered Charity (No 214440), the Association is not liable to Income and Corporation Taxes.

20. Related Party Transactions
There are no related party transactions.

21. Commitments Under Operating Leases
Annual commitments of £12,000 for a five year lease at the Hedley Building, Newby Bridge and £10,643 for a six year licence to occupy various rooms at the River laboratory were entered into shortly after the year ended 31st March 2021.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

22. Pension Costs

The Association participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). There are current members of the USS pension scheme and in addition an alternative defined contribution stakeholder pension scheme is offered with Scottish Widows to those staff not eligible for the USS scheme.

The total cost charged to the profit and loss account is £77,902 (2021: £22,636) as shown in note 11.

The latest available complete actuarial valuation of the USS Retirement Income Builder Section of the Scheme is at 31st March 2020 (the valuation date), which was carried out using the projected unit method.

Since the Association cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

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

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles. (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less: 1.1% p.a. to 2030, reducing linearly by 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor Of 0%)	CPI assumption plus 0.05%
Discount Rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post retirement: 1.00%

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

	2020 Valuation
Mortality base table	101% of S2PMA 'light' for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% pa for males and 1.6% pa for females.

The current life expectancies on retirement at age 65 are:

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

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

Discount Rate	3.33%
Pensionable salary growth	5.00%

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRESHWATER BIOLOGICAL ASSOCIATION

Opinion

We have audited the financial statements of The Freshwater Biological Association for the year ended 31st March 2022 which comprise the primary statements such as the Income and Expenditure Account, the Balance Sheet, the Statement of Financial Activities, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 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 applicable to smaller entities;
- 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 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

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

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

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

Other information

The 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.

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 THE FRESHWATER BIOLOGICAL ASSOCIATION (Continued)

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 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 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 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 1 the Trustees (who are also the directors of the charitable company for the purposes of the 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.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRESHWATER BIOLOGICAL ASSOCIATION (Continued)

We have;

- Obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- Obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial statements to material misstatement, through error and fraud;
- Implemented procedures to enable the identification and testing of unusual or unexpected journal entries;
- Evaluated the assumptions and judgements used by management within significant accounting estimates and assessed if these indicate evidence of management bias;
- Tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the company's normal course of business;
- Reviewed the financial statements and tested the disclosures against supporting documentation;
- Communicated relevant matters (including those above) to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

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

A further description of our responsibilities 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 Associations 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 Associations 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Dean Cates BA, FCA (Senior Statutory Auditor)
for and on behalf of Couch Bright King & Co
Chartered Accountants &
Statutory Auditors

2 Tolherst Court
Turkey Mill Business Park
Ashford Road, Maidstone
Kent ME14 5SF

28 October 2022

FRESHWATER BIOLOGICAL ASSOCIATION

England & Wales - Charity number 214440

Accounts

FRESHWATER BIOLOGICAL ASSOCIATION

EIGHTY- NINTH

ANNUAL REPORT
OF THE

THE FRESHWATER BIOLOGICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2021

COMPANY NUMBER: 00263162

Registered Charity No. 214440

Registered Office;
The Ferry Landing, Far Sawrey, Ambleside, Cumbria LA22 0LP, UK

11.10.2021

THE FRESHWATER BIOLOGICAL ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

The members of the Board of the Freshwater Biological Association (the Association), acting as Directors of the Association submit their Annual Report and audited Accounts for the year ended 31st March 2021.

The financial statements have been prepared in accordance with the current Financial Reporting Standards in use and The Statement of Recommended Practice for Charities (the SORP). The Accounting Standards Board recognises the SORP as being in line with its Code of Practice and the Freshwater Biological Association agrees to follow these principles.

Directors
The Directors of the Freshwater Biological Association during the period 1st April 2020 to 31st March 2021 are listed on page 4 under the section Directors' Report. The majority of the members of the Board of Directors are nominated by either the Board or the general membership are proposed for election at the AGM. These appointments are for four years but can be reappointed to serve a consecutive term after which they must cease to be a Director for at least 12 months before they are eligible for reappointment. A further Director is nominated by The Royal Society. A review of Directors' skills is periodically undertaken and this is used to inform the nomination process for prospective Directors.

Statement of Directors' Responsibilities
The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Association and of the surplus or deficit of the Association for that period. In preparing Financial Statements, the Board is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Association will continue its activities.

The Directors are responsible for the management of the Association's activities in accordance with its Memorandum and Articles of Association and for the keeping of proper accounting records which disclose with reasonable accuracy the financial position of the Association and which enables the Directors to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the Directors of the Association, we confirm that:

- so far as we are aware, there is no relevant audit information of which the Association's auditors are unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Association's auditors are aware of that information.

Status
The Association is a Company Limited by Guarantee (registered number 263162) and a registered Charity (registered number 214440). The Board of Directors has no interests in the Association as defined by the Companies Act 2006 and receive no remuneration for their services to the Association. The Association's Directors do receive reimbursement of travel and subsistence costs necessarily incurred in the performance of their duties. The liability of the Members is laid out in clause 9 of the Articles of Association and limits the liability of the members to £10 each.

The Directors of the Association meet twice yearly (more frequently when necessary) to discuss and review the strategic direction of the Association; the operational activities of the Association are fully delegated to the Executive Director. A sub-committee of the Board, the Finance Committee, has delegated strategic responsibilities and meets on a regular basis to receive reports on activities from Simon Johnson the Executive Director, and Lesley Hadwin the Business Manager. The terms of reference for the Finance Committee are reviewed periodically by the Board of Directors. The delegation of authority to the Executive Director is also reviewed by the Board of Directors.

THE FRESHWATER BIOLOGICAL ASSOCIATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2021
(Continued)

Objectives of the Charity

The objects of the Association, as defined by its Memorandum, are to promote the understanding and the investigation of the biology (in the widest interpretation of the word) of the animals and plants and other organisms found in fresh (including brackish) waters, and to promote the sound and sustainable management of freshwater ecosystems and resources. The current strategic objectives are:

- to widen active membership;
- to provide evidence and information;
- to influence and broaden advocacy; and
- to facilitate the setting of the research agenda.

Review of Activities

Dr Evan Dollar was appointed on the 1st January, 2020 as Chair. Mr Middleton remains a Director and Honorary Treasurer.

During the early part of 2021 a recruitment process was commenced by the Board to appoint a replacement for the former Chief Executive, Dr Bill Brierley, who retired on 30th September 2020. The Board is delighted to report that this recruitment exercise has resulted in the appointment of Mr Simon Johnson as Executive Director. Simon commenced his employment on 2nd August 2021. He was formerly in private practice developing and delivering an ambitious portfolio of riverscape restoration and natural flood management partnership projects in Cumbria.

During the period under review, the decisions of the Board to dispose of the River Laboratory site in Dorset and the main Pearsall Building at Lake Windermere have been completed and the resultant financial consequences of these sales have been reported in the Statement of Financial Activities.

As a consequence of the successful disposal of these two sites, the charity has entered into an agreement with the YMCA to lease suitable office, laboratory and ancillary accommodation close to the former office at the Pearsall Building. In addition the charity has agreed to rent from the new owners of the River Laboratory some accommodation for its future use by Fellows and some staff.

Reference was made in last year's accounts to the impact of the official lockdown due to Covid-19 and as stated the major effect that this has had on the charity during this year ending 31st March 2021. Whilst the charity has been affected by the loss of income particularly in the form of course and training and also potential science and research projects, it has benefited significantly through the receipts of grants from Government in the form of rental income support and monies received under the Government's Job Retention Scheme. These amounts respectively of £137,683 and £66,522 are separately included in the Statement of Financial Activities.

The overall operating deficit for the year was £172,205 as compared with a deficit of £310,102 for the previous year. As noted above these results have benefitted from the inclusion of receipts under the Government's Grant towards Rental Income and Job Retention Scheme, which in aggregate amounted to £204,205. The operating deficit result was before recognition of a gain on revaluation of the investment property being the holiday lets of £231,000, profit on disposal of £236,042 from the Pearsall Building and an impairment adjustment of £403,437 for the River Laboratory and finally a net gain on investments of £37,605. The overall resultant movement of funds for the year amounted to a reduction of £70,995 (2020: reduction of £110,890). There has been an increase in our income and reduced our expenditure. The total income for the year amounted to £631,321 (2020: £615,695) and total resources expended were £803,526 (2020: £925,797).

Whilst the total income for the two years was comparable, naturally the inclusion of the special monies received from Government as referred to above have compensated for a reduction of £72,859 in rental income from the holiday lets; a reduction of £32,081 in income from Research contracts; and a reduction of £34,498 in monies received under Scientific research and activity in the form of direct funding and grants. All of these reductions have mainly been due to the impact of Covid-19.

As stated above Total Resources expended during 2020/2021 were £803,526 as compared with £925,797 in the previous year, with savings of £97,570 in costs of running the two sites of Windermere and East Stoke; an uplift of £76,838 in the costs associated with Scientific research activity: and a reduction of £54,897 in costs incurred

under the FBA library and Data and Information services: and finally a saving overall in support costs detailed in note 10 of £11,080.

The scientific and data and information activities and funding of grants for projects is considered by the Directors to be a contribution towards the FBA's compliance with the Public Benefit Test as laid out in The Charities Act 2011. The various public activities including educational outreach, speaking at conferences and meetings and running subsidised training courses, also add to this compliance, as does support for students and early career scientists to attend meetings and training courses, student placements and providing funds to support collaborative scientific projects. Covid-19 has limited these activities.

Financial Reserves Policy
The purpose of the Association's reserves is to provide sufficient protection against changing financial circumstances and to maintain its long-term viability in order to promote its principal charitable objectives. The level of reserves, as reflected in the Unrestricted General Fund Account of £3,319,411 (2020: £3,390,406 including the revaluation reserve), is represented by tangible assets, net current assets and a liquid investment asset reserve. The remaining unrestricted designated funds of £14,344 (2020: £14,344) are made up entirely of Cash at Bank and in Hand. These reserves are considered sufficient for the Association to meet its short to medium term expenditure obligations.

Investment Policy
The Association's investments are detailed in Note 13(c) to the Financial Statements. The Directors approved an Investment Policy in December 2005, which provides the framework for the complete investment portfolio of the Association. The policy states that the portfolio should be structured to provide a balanced return between income and capital growth, whilst being sufficiently diversified to spread risk. The Directors ensure that any investments held reflect the ethical considerations of the Association and that no investment shall be held that is contrary to its objectives.

The Investment Policy was reviewed by the Directors in March 2009 and no changes were made.

Plans for Future Periods
Since Simon Johnson's appointment he has been refining the FBA growth strategy. This strategy will build a future by renewing and forging strategic partnerships with other likeminded businesses who can help the FBA meet its charitable objects whilst maintaining financial stability. The financial objective remains to break even within 12 months and thereafter operate at a small profit.

As part of the development of this strategy the staff, in conjunction, with the Board are in the process of:

- agreeing and prioritising actions with accountability, budget and targets;
- setting performance indicators and a mechanism to track and measure these;
- considering the FBA's response to climate change and social value.

Risk Management
The Directors reviewed the risks to which the Association is exposed. Changes were updated in the Association's Corporate Risk Register. This document, approved by the Board of Directors, is reviewed annually by the Board of Directors as part of its governance arrangements.

The FBA does not carry out significant fundraising activities in accordance with the Fund-Raising Standards of the Charities Act 2011.

Public Benefit Test
Under the terms of The Charities Act 2011, the Directors have a statutory duty to report on the Association's compliance with the Public Benefit Test. The Directors consider that the aims and objectives of the Association are able to deliver a public benefit and have given due regard to that fact.

THE FRESHWATER BIOLOGICAL ASSOCIATION
DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2021
(Continued)

Trustees
The following were members of the Board during the year, appointed in accordance with the Articles of Association.

President
Prof. Ann-Louise Heathwaite CBE

Chairman of Council
Dr E Dollar (January 2020)

Honorary Treasurer
Mr R. A. W. Middleton

Representative Members
Royal Society — Prof. K J Beven FRS

Elected Members
Dr A Crowden
Mr R Chadd
Prof G Woodward
Dr E Dollar

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Ferry Landing
Far Sawrey, Ambleside
Cumbria, LA22 0LP

Dated this 21st October 2021
By Order of the Board

Dr E Dollar
Chair of the Board

THE FRESHWATER BIOLOGICAL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST MARCH 2021

	Note	Unrestricted Funds General	Unrestricted Funds Other	Total 2021	Total 2020
Income:		£	£	£	£
Awards and donations	4	3,327	-	3,327	2,209
Activities for generating funds	5	172,560	-	172,560	267,189
Investment income & bank interest	6	6,979	-	6,979	11,664
		182,866	-	182,866	281,062
Income from charitable activities	7	244,250	-	244,250	334,633
Other income:					
Government Grant re Rental Income		137,683	-	137,683	-
Government Job Retention Scheme		66,522	-	66,522	-
		204,205	-	204,205	-
Total income		**631,321**	-	**631,321**	**615,695**
Expenditure					
Cost of generating funds	8	290,748	-	290,748	388,318
Costs of charitable activities	9	304,295	-	304,295	317,916
Support costs	10	208,483	-	208,483	219,563
Total resources expended		**803,526**	-	**803,526**	**925,797**
Net (expenditure) for the year before transfers and other recognised gains/(losses)		**(172,205)**	-	**(172,205)**	**(310,102)**
Gain on revaluation – property	13b	231,000	-	231,000	-
Profit on disposal of Pearsall Building	13a	236,042	-	236,042	-
Profit on disposal – E Stoke Fishery		-	-	-	246,461
Net gain / (loss) on investments – quoted	13c	37,605	-	37,605	(47,249)
Impairment adjustment of River Lab	13a	(403,437)	-	(403,437)	-
Net movement of funds in year		**(70,995)**	-	**(70,995)**	**(110,890)**
Reconciliation of funds					
Total funds brought forward 2020		3,390,406	14,344	3,404,750	3,515,640
Total funds carried forward 2021		3,319,411	14,344	3,333,755	3,340,750

All incoming resources and resources expended derive from continuing activities and the Statement of Financial Activities includes all gains and losses recognised in the year.

THE FRESHWATER BIOLOGICAL ASSOCIATION
BALANCE SHEET AS AT 31ST MARCH 2021
COMPANY NUMBER 263162

	Note	2021 £	£	2020 £
Fixed Assets				
Tangible	13a		763,714	1,928,418
Investments – Property	13b		1,386,000	1,155,000
Investments – Quoted	13c		291,495	251,230
			2,441,209	3,334,648
Current Assets				
Debtors and Prepayments	14	146,495		126,616
Investments – Cash held as part of portfolio	13c	660,132		12,792
Cash at Bank and in Hand		450,078		45,885
		1,256,705		185,293
Less Current Liabilities				
Creditors (due within 1 year)	15	(329,339)		(80,676)
Net Current Assets			927,366	104,617
Total Assets Less Current Liabilities			3,368,575	3,439,265
Provision for Liabilities				
Pension Provision	22		(34,820)	(34,515)
			£3,333,755	£ 3,404,750
Representing Members' Funds				
Unrestricted				
General Fund	16		3,319,411	3,050,161
Designated Funds	17		14,344	14,344
Revaluation Reserve	18		-	340,245
			£ 3,333,755	£ 3,404,750

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved on behalf of Council by Dr E Dollar - Chair 21st October 2021

THE FRESHWATER BIOLOGICAL ASSOCIATION
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2021

	2021 £	2020 £
Net cash used in operating activities (See below)	65,425	(270,896)
Cash flow from investing activities:		
Investment income	6,979	11,664
Proceeds from sale/(purchase) of fixed assets	981,789	296,067
Amounts (deposited)/withdrawn from investments	(650,000)	(15,000)
Change in cash and cash equivalent in the year	404,193	21,835
Cash and cash equivalent brought forward	45,885	24,050
Cash and cash equivalent carried forward	£ 450,078	£ 45,885

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

	2021 £	2020 £
Net movement in funds	(70,995)	(110,890)
Add back depreciation charge	15,825	54,439
Deduct Investment Income	(6,979)	(11,664)
Deduct (gains)/add back losses on disposals & revaluations	(101,210)	(199,212)
(Increase)/decrease in debtors	(19,879)	48,815
Increase/(decrease) in creditors	248,663	(52,384)
Net cash used in operating activities	£ 65,425	£ (270,896)

THE FRESHWATER BIOLOGICAL ASSOCIATION
(Limited by Guarantee)
NOTES TO THE ACCOUNTS

1. Status

The Association is a Company incorporated in England within the UK Limited by Guarantee and not having a Share Capital. The liability of the Members who constitute the Association is limited to £10 per Member. An elected Board of Directors who constitute honorary directors of the Association for Companies Act purposes manages the affairs of the Association. Details of the Board Members are given in the Directors' Report. The address of the registered office is The Ferry Landing, Far Sawrey, Ambleside, Cumbria, LA22 0LP.

2. Accounting Policies

(a) Basis of Preparation

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 issued in October 2019 – (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Freshwater Biological Association 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 notes.

The company's functional and presentation currency is sterling rounded to the nearest pound.

(b) Preparation of the accounts on a going concern basis

The Association has an operating deficit of £172,205 for the current year. As a consequence of disposing of two properties that were high maintenance, the charity has significant liquid funds and additionally will have reduced its operating costs associated with these properties. These actions enable the Board to consider that the Freshwater Biological Association is a going concern.

(c) Fund Accounting

The General Fund is made up of unrestricted funds, which are available for use at the discretion of the Directors of the Association in the furtherance of the general objectives of the Association.

Designated funds represent unrestricted funds that have been bequeathed, donated or set aside by the Directors of the Association for the furtherance of its activities by means of specific sponsorship.

(d) Incoming Resources and Resources Expended

Membership, Life Membership, donations, and other voluntary income is included only when received, whilst all other income, such as rent, publications, ferry commission, and confirmed grant income is accounted for on a receivable basis. Grant income is deferred when it relates to activities in future periods. All expenditure is accounted for on an accruals basis, net of VAT. Irrecoverable VAT is expensed in the statement of Financial Activities under the heading of Governance costs. Directly attributable costs are charged in full to the relevant activity; indirect costs are apportioned across all activities based on the relative proportion of space occupied and staffing costs.

(e) Tangible Assets and Depreciation

Freehold property at Windermere and East Stoke was revalued during the year ended 31st March 2015 using an 'existing use' basis, in line with FRS15. There has not recently been a formal revaluation of the freehold properties due to the disposal of the Pearsall building at Windermere in the year ended 31st March 2021 and the disposal of the East Stoke site in the year ended 31st March 2022.

Depreciation is charged on the buildings element only, which represents approximately 60% of the total value of this class of tangible assets. Scientific apparatus and other equipment below the value of £1,000 are not capitalised.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

Depreciation is charged on a straight line basis, in order to write off the assets over their useful economic lives as follows:

Buildings over 50 years
Plant and Machinery over 5 – 20 years
Computer and Other Equipment (including Annexe furnishings) over 4 years
Scientific Equipment over 5-10 years

(f) Library and Stocks

No value is attributable in these accounts to the library or to stocks of publications as their net value is not considered material.

(g) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measure at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Association does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Association is that of volatility in equity markets and investments markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(h) 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.

(i) Pensions

The Association participates in Universities Superannuation Scheme. With effect from 1st October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Association is therefore exposed to actuarial risks associated with the other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS102' Employee benefits', the Association therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Association has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Association recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense was recognised in 2019.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

3. Net (outgoing) resources for the year

This is stated after charging:

	2021	2020
	£	£
Depreciation	15,825	54,439
Profit / (loss) on disposal of fixed assets	236,042	246,461
Auditors' remuneration	6,000	5,500

Incoming Resources	Unrestricted Funds General	Other	2021	2020
	£	£	£	£
4. Awards and Donations				
Membership donations	1,200	-	1,200	567
Legacies and other donations	2,127	-	2,127	1,642
	3,327	-	3,327	2,209
5. Activities for generating funds				
Land and building income:				
Windermere (inc. annexe)	87,100	-	87,100	159,959
East Stoke	84,976	-	84,976	99,168
Miscellaneous income	484	-	484	8,062
	172,560	-	172,560	267,189
6. Investment income				
Investment Income	6,979	-	6,979	11,664
	6,979	-	6,979	11,664
7. Charitable activities				
Membership services	19,762	-	19,762	20,642
Scientific and special publications	11,498	-	11,498	11,958
Research contracts	18,233	-	18,233	50,314
Scientific research & activity, direct funding and grants	188,744	-	188,744	223,242
FBA Library/Data & Information Services	7,451	-	7,451	5,492
Training courses and meetings	(1,438)	-	(1,438)	22,985
	244,250	-	244,250	334,633

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

Resources Expended	Unrestricted Funds General £	Other £	2021 £	2020 £
8. Cost of generating funds				
Land and buildings:				
Windermere	225,607	-	225,607	251,176
East Stoke	65,141	-	65,141	134,142
	290,748	-	290,748	388,318
9. Cost of charitable activities				
Membership services	32,157	-	32,157	30,392
Scientific and special publications	28,145	-	28,145	38,873
Research Contracts	-	-	-	15,634
Scientific research activity, direct funding and grants	241,270	-	241,270	164,432
FBA Library/Data & Information Services	2,301	-	2,301	57,198
Training courses and meetings	422	-	422	9,418
Redundancy Costs and fees	-	-	-	1,969
	304,295	-	304,295	317,916
10. Support Costs				
Council meetings and reimbursements to Trustees	598	-	598	2,597
Other costs – direct and indirect:				
Audit fees	6,000	-	6,000	5,500
Other professional fees	24,324	-	24,324	24,112
Staff costs	108,082	-	108,082	134,189
Redundancy Costs and fees	-	-	-	5,906
Irrecoverable VAT	-	-	-	(2,652)
IT support & other office costs	69,479	-	69,479	49,911
	208,483	-	208,483	219,563

11. Staff

Average number of employees was 12 (9 FTE) paid employees (2020: 15 (12 FTE))

Total Staff Costs in the year were:	2021 £	2020 £
Salaries	316,351	370,078
Employer's National Insurance Contributions	25,421	30,606
Employer's Pension contributions (Note 23)	22,331	22,246
Employer's Pension Provision (Note 23)	305	822
Total (including redundancy costs of £7,875 in 2020)	364,408	423,752

There were no employees in the remuneration band £60,000 to £69,999 or above (2020: None) and excluding Employer's National Insurance (ENI) and Pension Contributions (PC). The Key Management Personnel of the charity comprise the Board and the Executive Director with the Board remuneration detailed in Note 12 below. The total employee benefits of the Key Management Personnel were £40,810 (2020: £75,543 including ENI & PC).

12. Trustee Remuneration

No members of the Board received any remuneration during the year. Travel costs and Board expenses amounting to £598 (2020: £2,597) were paid for or reimbursed to 1 (2020: 6) member of the Board.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

13. Fixed Assets

(a) Tangible

	Freehold Land & Buildings	Plant & Machinery	Computer and other Equipment	Scientific Equipment	Total
	£	£	£	£	£
Cost or Valuation					
At 1st April 2020	1,740,004	348,156	199,506	26,034	2,313,700
Additions	-	-	5,590	-	5,590
Disposals	(500,000)	(348,156)	(147,360)	(26,034)	(1,021,550)
Impairment adjustment	(465,657)	-	-	-	(465,657)
At 31st March 2021	774,347	-	57,736	-	832,083
Accumulated Depreciation					
As at 1st April 2020	103,255	69,524	186,469	26,034	385,282
Charge for the year	2,789	-	13,036	-	15,825
Disposals	(27,600)	(69,524)	(147,360)	(26,034)	(270,518)
Impairment adjustment	(62,220)	-	-	-	(62,220)
At 31st March 2021	16,224	-	52,145	-	68,369
Net book value					
At 31st March 2021	758,123	-	5,591	-	763,714
At 31st March 2020	1,636,749	278,632	13,037	-	1,928,418

The historical cost of Freehold Land & Buildings is £502,915 (2020: £1,114,152).

The Association revalued its Freehold Land and Buildings in line with FRS15 and adopted the revaluation of this class of assets at March 31st 2015. The valuations were carried out by external Independent Chartered Surveyors on a 'fair value' basis and undertaken by Peill and Co. for the land and buildings at the Windermere site and by Powis Hughes for the site at East Stoke in Dorset. The Board of Directors consider that there has not been any material change to this valuation since the 31st March 2015 on an 'existing use' or 'fair value' basis.

The River Laboratory site was disposed of shortly after the year end and the above impairment adjustment has been made to agree to the realised loss.

(b) Investments – Property

	£
At 1st April 2020	1,155,000
Unrealised gain on revaluation	231,000
Market value at 31st March 2021	1,386,000

The Annexe development completed in May 2018 and was valued by external Independent Chartered Surveyors in February 2019 by Carigiet Cowen at its market value of £1,155,000. The Board of Directors have subsequently made the 2021 valuation on an open market basis by reference to market evidence of transaction prices for similar properties and generally available capital value indices. The historical cost of the Annexe is £1,210,963.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

(c) Investments - Quoted

Quoted investments are valued in accordance with their UK Stock Exchange listings at the balance sheet dates.

	Quoted Investments
	£
Market Value at 1st April 2020	264,022
Additions/(Disposals)	650,000
Net Investment gains to General Fund Account (Note 16)	37,605
Market Value at 31st March 2021	951,627

During the year, £750,000 of capital has been deposited and £100,000 withdrawn from the Investec Funds to assist with working capital requirements. Investment Management fees of £2,325 (2020: £3,772) were charged during the year.

Represented by:	£
Investments held on UK Stock Exchange	291,495
Cash held as part of Portfolio	660,132
	951,627

14. Debtors

	2021	2020
	£	£
Trade Debtors	89,074	74,284
Other Debtors	57,421	52,332
	146,495	126,616

15. Creditors

PAYE, NIC and pension	11,287	8,821
Trade Creditors	81,953	25,238
Other Creditors and Accruals	38,304	15,352
Deferred income	-	17,806
VAT creditor	197,795	13,459
	329,339	80,676

16. General Fund Account

General Fund Account	2021	2020
	£	£
Balance brought forward	3,050,161	3,164,619
Net movement in funds before transfers and other recognised gains	(172,205)	(310,102)
	2,877,956	3,854,517
Transfer net movement to Other Funds (Notes 4 to 10)	-	(9,304)
Unrealised gain on revaluation of property (Note 13b)	231,000	-
Unrealised gain / (loss) arising from revaluation of Investments (Note 13c)	37,605	(47,249)
Realised gain on sale of property	236,042	246,461
Transfer from Revaluation Reserve re Pearsall (Note 18)	163,525	5,736
Transfer from Revaluation Reserve re River Lab (Note 18)	176,720	-
Impairment adjustment (Note 13a)	(403,437)	-
Transfer between Funds (Note 17)	-	-
	3,319,411	3,050,161

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

17. Other Funds

	31.3.2020	Income	Expenditure	Transfers	31.3.2021
	£	£	£	£	£
Unrestricted Designated					
Fritsch Fund	9,344	-	-	-	9,344
R I Webb Fund	5,000	-	-	-	5,000
Total	14,344	-	-	-	14,344

Unrestricted Designated Funds represents sums bequeathed, donated, or established by the Board to the Association for the furtherance of its charitable activities by means of specific sponsorship, but expendable at the discretion of the Board. At the October 2017 Board Meeting it was noted that the Freshwater Science Fund and the Frost Bequest Funds have effectively been utilised for General Funds and have now been transferred. An appropriate memorial to Winifred Frost and the Frost Bequest will be organised when circumstances allow. The remaining Funds are described briefly as:

Fritsch Fund – fund established to support the scientific collection of algal illustrations together with taxonomic references.
R I Webb – this fund was established in 2018 following a bequest of £5,000 received from Mr R I Webb, a Life member of 42 years. This fund to be used for research projects and for the provision of equipment and support for training.

The balances of these funds are included within the Balance Sheet Net Assets as Cash at Bank and in Hand.

18. Revaluation Reserve

	£
Balance brought forward at 01.04.2020	340,245
Adjustment on sale of River Laboratory in 2021/22	(176,720)
Transfer to general fund – remove revaluation reserve on the disposal of the Pearsall building	(163,525)
Balance carried forward at 31.03.2021	-

19. Capital Commitments and Contingent Liabilities
There were no capital commitments (2020: Nil), and no contingent liabilities at 31st March 2021.

20. Taxation Status
As a Registered Charity (No 214440), the Association is not liable to Income and Corporation Taxes.

21. Related Party Transactions
There are no related party transactions.

22. Commitments Under Operating Leases
Annual commitments of £12,000 for a five year lease at the Hedley Building, Newby Bridge and £10,643 for a six year licence to occupy various rooms at the River laboratory were entered into shortly after the year end.

THE FRESHWATER BIOLOGICAL ASSOCIATION
NOTES TO THE ACCOUNTS (Continued)

23. Pension Costs

The Association participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). There are current members of the USS pension scheme and in addition an alternative defined contribution stakeholder pension scheme is offered with Scottish Widows to those staff not eligible for the USS scheme.

The total cost charged to the profit and loss account is £22,636 (2020: £23,068) as shown in note 11.

The latest available complete actuarial valuation of the USS Retirement Income Builder Section of the Scheme is at 31st March 2018 (the valuation date), which was carried out using the projected unit method. The valuation as at 31st March 2020 is underway but not yet complete.

Since the Association cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for USS under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount Rate (forward rates)	Years 1-10: CPI – 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21+: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the Scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2018 Valuation	
Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females.	Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% for females.	

The current life expectancies on retirement at age 65 are:

	2018 Valuation	**2017 Valuation**
Males currently aged 65 (years)	24.4	24.6
Females currently aged 65 (years)	25.9	26.1
Males currently aged 45 (years)	26.3	26.6
Females currently aged 45 (years)	27.7	27.9

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recovery liability provision of £34,820 reflects this plan.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRESHWATER BIOLOGICAL ASSOCIATION

Opinion

We have audited the financial statements of The Freshwater Biological Association for the year ended 31st March 2021 which comprise the primary statements such as the Income and Expenditure Account, the Balance Sheet, the Statement of Financial Activities, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Associations 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 Associations 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 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 applicable to smaller entities;
- 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 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 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.

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 THE FRESHWATER BIOLOGICAL ASSOCIATION (Continued)

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 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 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 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 1 the Trustees (who are also the directors of the charitable company for the purposes of the 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.

Auditor's responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRESHWATER BIOLOGICAL ASSOCIATION (Continued)

We have;

- Obtained an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- Obtained an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance;
- Identified the laws and regulations that have significance in the context of the entity;
- Obtained an understanding of the entity's risk assessment process, including the risk of fraud;
- Assessed and evaluated the susceptibility of the entity's financial statements to material misstatement, through error and fraud;
- Implemented procedures to enable the identification and testing of unusual or unexpected journal entries;
- Evaluated the assumptions and judgements used by management within significant accounting estimates and assessed if these indicate evidence of management bias;
- Tested significant transactions, in particular the evaluation of the business rationale for any which appear unusual or outside the company's normal course of business;
- Reviewed the financial statements and tested the disclosures against supporting documentation;
- Communicated relevant matters (including those above) to all members of the audit team to ensure they understood the risks specific to the entity and the audit procedures planned to mitigate these.

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

A further description of our responsibilities 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.

Couch Bright King & Co

First Floor, Shropshire House
179 Tottenham Court Road
London W1T 7NZ
21 October 2021

Dean Cates BA, FCA (Senior Statutory Auditor)
for and on behalf of Couch Bright King & Co
Chartered Accountants &
Statutory Auditors