



THE COMPANY OF BIOLOGISTS LIMITED

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023**

Registered number: 00514735

Charity number: 277992

Trustees' Report and Financial Statements for the year ended 31 December 2023

Strategic report

Business review

As a charity, The Company of Biologists does not seek revenue surplus for financial gain or as a return for shareholders. The Company's principal means of achieving its primary objective is the production of high-quality scientific journals.

The Company of Biologists' journals exemplify what can be achieved in terms of scientific quality, production standards and overall value for money. It is hoped that sustaining customer numbers will allow us to cover the inevitably large expenses associated with maintaining high-quality journals.

Governance review

The Trustees continued in their review of the UK Charity Governance Code during 2023, with several recommendations being actioned including a full review of all Committees' terms of reference, an updating of the Articles of Association (which is still ongoing) and the appointment of a deputy chair. Following the appointment of a new Chair in July 2023, further changes which had been agreed in principle will continue to be reviewed during 2024.

Investments

In 2020, the Company agreed to pursue a policy of divestment from companies actively extracting fossil fuels with the aim to move to ESG-compliant investments. Actions taken since November 2020 have reduced fossil fuel exposure at the portfolio level from 3.1% to 0.7% (2022: 0.5%). All Global Equities trackers are ex-fossil fuels.

The value of the portfolio increased in line with the expectations of the Company. The benchmark for the investment portfolio is derived from an accumulation of weighted composites of underlying manager benchmarks, which vary from investment to investment, reviewed against a Strategic Asset Allocation. For 2023 the annual portfolio return was 8.8% (2022: -9.8%) compared to a benchmark of 15.4% (2022: -15.7%).

Performance against objectives

The Company uses a variety of financial and non-financial key performance indicators to monitor performance.

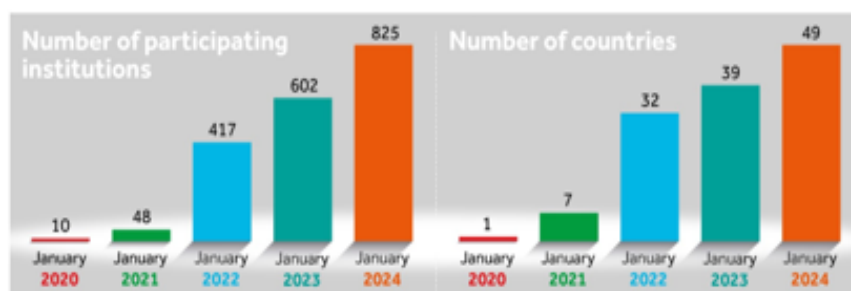
Publishing

Read & Publish

The Company continued to expand its Read & Publish initiative during 2023. Read & Publish agreements combine access to our journals dating back to 1853 with unlimited Open Access publishing for corresponding authors at participating institutions. They require a great deal of effort on our part to make them work effectively, but we believe that our move towards Open Access aids the communication of science and supports authors wishing to comply with institutional or funder-led Open Access policies. For 2023 our fully Open Access journals - Disease Models & Mechanisms and Biology Open were integrated into the Read & Publish agreements.

Read & Publish agreements have now been signed with over 680 institutions in 49 countries and consortia in Australia, Canada, China, Germany, Ireland, Israel, Japan, Korea, Mexico, Spain, Sweden, United Kingdom, and the USA. In addition, a further 133 institutions benefit from our agreement with EIFL (Electronic Information for Libraries) which enables researchers in 30 developing and transition economy countries to publish Open Access articles in all of our journals without paying an article processing charge.

Our Read & Publish initiative in numbers



The success of our Read & Publish initiative has led to further increases in the proportion of Open Access research content in each of our hybrid subscription journals: Development, Journal of Cell Science and Journal of

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Experimental Biology. The Company continues to actively engage with institutions that have signed Read & Publish agreements to ensure that:

- librarians can engage effectively with their researchers about the opportunities these agreements offer, with a variety of resources available from our library hub www.biologists.com/library-hub/read-publish/
- authors are made aware of the routes they may use to publish their papers on an Open Access basis to comply with their funder and institute mandates.

Trustees carried out their annual review of the Company's double dipping policy, which was updated in 2021 to reflect the specific requirements of the cOAlition Plan S Open Access mandate. Double dipping arises where a publisher seeks to increase revenues by levying article processing charges for publication in hybrid journals, while not providing a proportionate decrease in subscription costs.

The Company continues to allow librarians to copy articles from the journals free of charge if used for educational purposes. Our journals also give authors the option to pay a fee to make their articles immediately Open Access i.e. accessible without subscription under a Creative Commons licence.

The Company participates in Stanford University's LOCKSS archive programme and CLOCKSS extended 'dark' archive service, designed to create a free, permanent repository of published material in the unlikely event that, at some point in the future, the Company is unable to carry out its publication responsibilities.

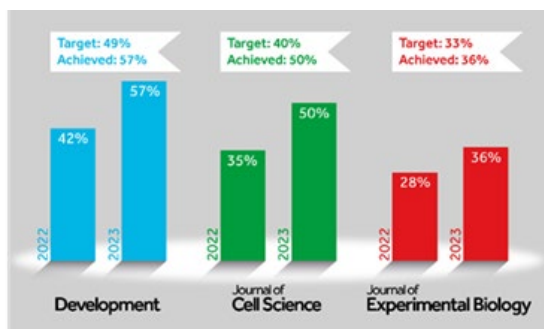
Update on transformative journals targets

The Company's journals were the first in the world to be afforded Transformative Journal status by cOAlition S. We believe this clearly signals our commitment to move towards Open Access, while allowing us to provide publishing options that support all our authors as we approach this change in the publishing landscape. During the 'transformative' phase, authors will still have three routes to publication: Free publication (not Open Access), Gold Open Access (author pays) and Read & Publish agreements (fee-free Gold Open Access publication).

This helps us balance these two priorities:

- making research accessible to everyone, as quickly as possible
- supporting our whole author community - whatever their funder or financial status

Our Transformative Journal targets



Targets and achieved numbers represent the percentage of Research Articles published Open Access in 2023

As Transformative Journals, we have committed to continuing and extending our Open Access support by gradually increasing published Open Access research content year on year, providing greater transparency on the services covered by article processing charges, comparative metrics and continuing to offset subscription revenue to avoid 'double dipping'. During 2023, all three of the hybrid Transformative Journals exceeded their Open Access growth targets.

Sustainable open access fees

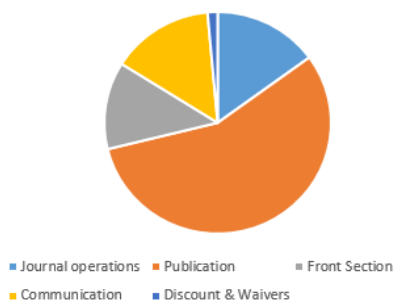
We review our open access author fees (APCs) annually against market rate and against our per article costs. For 2023 the Board decided to increase OA fees on Development, Journal of Cell Science and Journal of Experimental Biology to better cover costs - this helps position us for a more sustainable OA future (noting that many authors can publish OA without paying a fee through Read & Publish).

Transparent metrics

Transparent metrics on journal publishing are seen as important to develop trust, especially around the services offered to authors (and this is particularly relevant when the author is paying a fee for Open Access publication). Company representatives were involved in consultations between publishers, funders and librarians on which metrics would be useful and practical to provide. We have also produced 'how to' videos to support other publishers in adopting transparent metrics.

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Price breakdown: portfolio level



The Company selected a transparency scheme that is compliant with cOAlition Plan S Open Access principles - metrics have been provided to Plan S for the Company's journals and are available through the online Journal Comparison Service, which provides libraries with the ability to quickly compare journal publishing services and fees.

Plan S requires price transparency based on the costs and effort associated with different areas of our publishing activities - shown here at the portfolio level using one of the approved Plan S reporting models.

In addition, we are providing transparent comparative metrics for our Open Access articles when compared with our non-Open-Access articles. During the first 6 months of publication, Open Access articles see at least three times higher usage (readership) compared with non-OA articles (noting that our non-Open-Access articles are free to read after 6 months). Open Access articles also have a citation advantage and a boost to their altmetrics (online attention including social media).



Community

The Company has a number of community sites to support the biological community.

Our well-established 'the Node' is a community site for developmental and stem cell biologists (with its own social media). The Node has grown to reflect the interests of the community by featuring careers, research, resources, scientific meetings, advocacy, and public outreach, and has initiated community discussion points. One of the most-viewed posts from 2023 is a recorded panel session entitled 'Why we need to study unconventional models in the light of climate and biodiversity challenges'. We also organised a virtual art exhibition with the British Society for Developmental Biology. The site includes the Node Network, a global directory of developmental and stem-cell biologists with the aim of increasing equity and diversity, for example as organisers line up speakers for conferences or members for committees.

The Company has engaged positively with preprints - emerging in the life sciences to speed up the communication of research findings. The need for rapid communication of COVID-19 research meant that preprints have become more important than ever in recent years. The Company's community site 'preLights' provides preprint highlighting and commenting. We have a community of 100+ early-career researchers contributing to the site, covering a broad set of biological topics. The preLights team also engage with the authors of the original preprints and around two-thirds of these authors respond with more information for the preLights site. We recently added 'postLights' highlighting the journey from preprint to published paper. During 2023, preLights celebrated its 5th birthday with posts and presentations from alumni, including the challenges / opportunities they faced as early-career researchers. The site has a significant Twitter presence.

FocalPlane was launched to bring together the microscopy and imaging communities and this has been well received. The site includes the FocalPlane Network, a global directory with the aim of increasing equity and diversity, which almost doubled its membership this year. During 2023, we announced a new partnership with MicroscopyDB, a global repository of online microscopy resources to improve our job and event listings.

The Node and FocalPlane recruited a group of early-career researchers as Correspondents to better represent the community. preLights introduced an Ambassador scheme to develop a mentorship programme, institution-level preprint clubs, and a workshop on how to produce engaging scientific figures and illustrations. Together the community sites have hosted early-career workshops on science writing, how to use social media as a scientist, and on interviewing and writing reviews.

Social media

The Company has a significant social media presence, with X (formally known as Twitter) feeds and Facebook pages for the journals and for the community sites plus Instagram to showcase our images and a Twitter feed for Company news. Given some of the concerns around X, the Company also embraced Mastodon as a complementary option for our communities. During 2023, we launched a new Mastodon server ('instance') for biologists - this has

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brought together a large number of individuals and organisations (such as societies) to promote the discussion of biology.

The Company's YouTube channel continued to provide access to informative video-style content including scientific content from the journals, interviews with researchers and features from our community webinars. We included a webinar for researchers on 'Increasing the visibility and impact of your research' recorded alongside colleagues from the British Medical Journal, the Open Access Scholarly Publishing Association and the University of Southampton Library. Our most-viewed video featured our bio-positive publishing initiative, The Forest of Biologists.

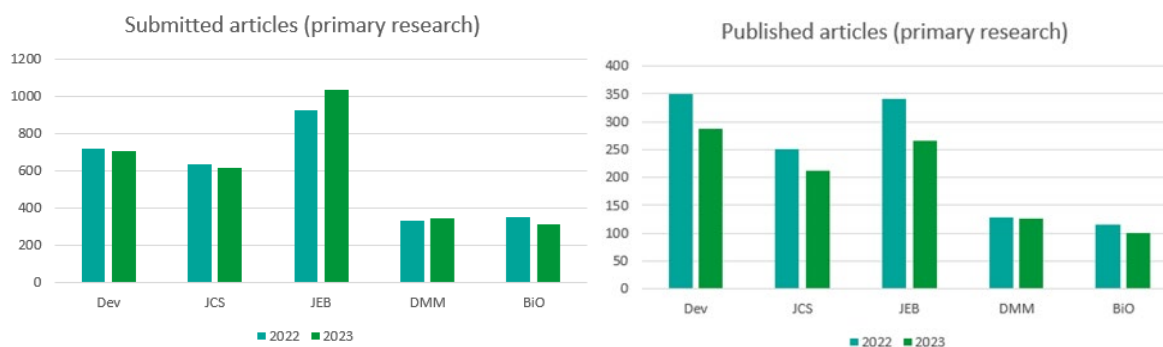
The Company also has a WeChat channel to grow our presence in China, where the output of important biomedical research has grown very significantly. Through the channel we have provided a series of videos to help authors with journal publishing (policies and processes) and have featured a wide range of research stories. The most-read pieces are interviews with Chinese researchers. We also maintain a biologists.cn website for China to act as a gateway to information about our journals, grants, and meetings. To support our activities, we have a working group of Chinese early-career researchers - both within China and working internationally - to support our development of this community channel.

Digital presence in 2023:

- 5,434 YouTube subscribers (19% increase)
- 32,849 Facebook followers (2% increase)
- 107,607 X followers (9% increase)
- 9,343 Instagram followers (122% increase)
- 2,659 LinkedIn followers (31% increase)
- 1,768 WeChat followers (11% increase)
- 946 Mastodon followers (new in 2023)

Publishing

After the increases seen during the pandemic lockdowns, our numbers of submitted and published articles reduced across the journals. This matches patterns on other journals in similar fields of research. For 2023, our numbers of submitted articles held steady, but our numbers of published articles reduced further. A priority will be the regrowth of quality submissions as publications rise again from our research communities; the pattern may vary by scientific field depending on the degree of disruption encountered by researchers during the pandemic. A focus on author experience led to improvements in our workflow and planning for a new system to be introduced in 2024.



2022 impact factors (IF) were announced in 2023. A change in the IF calculation had led to a temporary artificial inflation in IF 2020 and 2021, so we saw a drop in journal IFs for 2022:

Development from 6.6862 to 4.6
 Journal of Cell Science from 5.235 to 4
 Journal of Experimental Biology from 3.308 to 2.8
 Disease Models & Mechanisms (DMM) from 5.732 to 4.3
 Biology Open (BiO) from 2.643 to 2.4.

During 2023, we refreshed the journal scope statements (the breadth of coverage in terms of subject areas) to reflect the changing nature of research in the fields we represent. We also reinforced our focus on quality not-for-profit publishing, increased data transparency through recommended policies and procedures and introduced new guidance for authors and reviewers on how to use AI responsibly in the publishing workflow. We increased our support for early career researchers by expanding our people highlights initiative.

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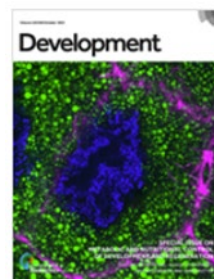
With an increased focus on equity, diversity and inclusion, the journals collect self-reported data on gender identity from authors at submission. Women make up ~30-35% of our submitting author pool - this is consistent with what is thought to be the representation of women among Principal Investigators. For all the journals, we detect no bias against publishing papers by women; on Disease Models & Mechanisms, women have a greater chance of success. However, women are under-invited as reviewers on some of our journals. We also see significant disparities in geographic diversity between our author and reviewer pools on all journals, suggesting that we need to work towards diversifying our reviewer pools.

A project was completed to fully digitize all back files (from content dating back to 1853) to improve the searchability of archived materials as we celebrated JEB's centenary and look forward to the Company's centenary in 2025. The journals are now indexed in BAIDU Scholar for China audience, including the full back archive.



The journal *Development* published a 2023 special issue on 'Metabolic and Nutritional Control of Development and Regeneration'. The journal also featured topics such as transplanted human intestinal organoids, and reviewed themes such as the reproductive genomics of the mouse: implications for human fertility and infertility.

The journal launched a well-received programme, Pathway to Independence, aimed at supporting postdocs with their career progression - providing mentorship, training, networking and profile-raising opportunities. In addition, the journal published community pieces such as 'Developing Future Biologists: developmental biology for undergraduates from underserved communities' and 'Navigating a research career with a disability'.



Development hosted an in-person meeting 'Unconventional and Emerging Experimental Organisms in Cell and Developmental Biology' - the increasing use of less well-studied systems allows researchers to tackle fundamental questions around the evolution of multicellular life, body plans and structure as well as investigating conserved and divergent biological processes.

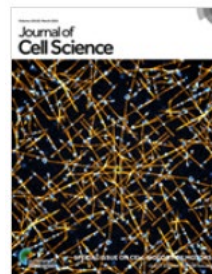
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Journal of Cell Science

Journal of Cell Science published a special issue on 'Cell Biology of Motors' - new approaches have focused on the mechanisms underlying motor activity (such as the twitching of muscles and beating of flagella). Journal articles included 'Regulation of autophagy gene expression and its implications in cancer' and 'Actomysin-dependent cell contractility orchestrates Zika virus infection'. Community content included 'The importance of character development in scientific research'.

The final issue of the year focused on the cell biology community featuring interviews with the heads of several national cell biology societies, a report on a community-driven approach to enhance the quality and interpretability of microscopy images, and positive directions from negative results. Equity, diversity and inclusion themes in 2023 included a spotlight on undergraduate volunteerism and what place discussion of the personal has in our collective thinking about research.

The journal's Cellular Dynamics Meeting series focused on 'Imaging Cell Dynamics' bringing together many different experts working at the interface between cell biology and imaging who use advanced light and electron microscopy approaches, as well as leading developers of imaging analysis approaches.



Journal of Experimental Biology

Journal of Experimental Biology celebrated its centenary with a significant year of activity. The journal's importance and history are outlined on a Centenary page, the journal produced a collection of centenary articles documenting the journal's contributions to the field of comparative physiology, and published a JEB@100 interview series with Editors. An Editorial celebrated the journal's launch and the changes in scientific publishing over the past 100 years.

In support of the community, the journal introduced spotlights on early-career researchers and launched a series of junior faculty grants. Journal content is regularly featured in the media, so the team produced a video on the science behind the news stories, showcasing the broad range of science published in the journal.

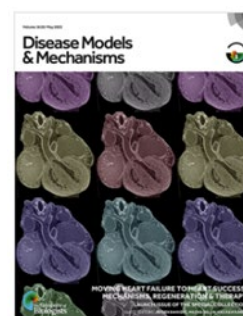
JEB published a special issue on a 'Centenary of Comparative Biomechanics'. The journal also hosted a meeting on 'Developmental Plasticity: From Mechanisms to Evolutionary Processes' - epigenetics provides insight into how environmental experiences translate into altered phenotypes both within and between generations. Global change is providing an important and increasingly urgent lens for viewing developmental plasticity as a potential lifeline for species facing environmental challenges.



Disease Models & Mechanisms

Disease Models & Mechanisms published a 2023 special issue on 'Moving Heart Failure to Heart Success: Mechanisms, Regeneration & Therapy', a collection of original Research and Review-type articles that investigate the genetic and biological mechanisms of heart failure and identify potential therapeutic strategies.

In December, the journal produced an issue on 'Building Advocacy into Research', launching a new initiative aimed at fostering communication and mutual support between the research community and the patients, families and advocates impacted by disease. Listening to the patient's voice is increasingly recognized as an essential component of effective care and of the education of clinical caregivers. Involving patients and advocates in the design of clinical research can help facilitate enrollment and promote the inclusion of a diverse spectrum of patients in clinical trials. Patient voices are also critical for helping to set research priorities and address ethical concerns.



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Biology Open

The Board of Directors initiated a period of innovation for Biology Open, appointing a new Editor-in-Chief to test, implement and refine ideas to improve peer review and scientific publishing. As a first step, an Editorial highlighted the need for uniformly applied gatekeeping: unambiguous and transparent criteria to accept or reject manuscripts for publication. These extend from colour-blind friendly figures through appropriate statistical tests to elements that support reproducibility.

The journal will continue to publish articles that are scientifically sound (and therefore of interest to the community) without being 'trendy' or 'insightful' with the aim of reducing the 'pain to publish' for authors. We need to be careful about the scientific standards of these articles, however, and the journal has increased its publishing ethics checks (to detect inappropriate figure manipulation and paper mill papers).

The journal continues to focus on support for early-career researchers, and Review-type content in 2023 covered a wide range of topics including Trailblazers in cancer research; India forging its path in human-relevant research; bacterial defense systems; gliding locomotion; and insects feeding on toxic plants.

The Company's two fully Open Access journals, Disease Models & Mechanisms and Biology Open, are listed in the Directory of Open Access Journals (DOAJ) and are members of the Open Access Scholarly Publishers Association (OASPA).



The Forest of Biologists

The Company launched a major new bio-positive publishing initiative during 2023 in partnership with the Woodland Trust, the UK's largest woodland conservation charity focusing on the role that trees and woods play in tackling the threats of climate change and nature loss. A video introducing the forest project, including an interview with Professor Steve Kelly, the plant scientist who proposed the initiative, is available on YouTube.



A tree is now planted for every Research and Review-type article published in the journals. These trees are planted in the Young People's Forest at Mead in Derbyshire, with a focus on education and environmental stewardship. With a wide range of UK deciduous trees, the planting aims to introduce and improve biodiversity (the site was previously an open cast mine).

In addition, to recognize the work of academic peer reviewers on our journal content, we are helping to protect trees in Great Knott Wood, an area of ancient woodland in the Lake District National Park.

To help monitor progress, the Company created a [website](#) representing the trees being planted and protected for our communities. The feedback from our communities has been extraordinary.

John Tucker (Woodland Trust Ambassador) said: "The nature and climate crises we face require urgent action - and that action needs to be directed and evaluated by science. That's why we are really excited to be working with The Company of Biologists on both the restoration of ancient woodlands and the creation of new woodlands. Ancient woodland is one of our most biodiverse habitats and using these as the building blocks for woodland and habitat expansion give us the best opportunity to address these crises together."

Charitable funding

Grants

The Company uses any surplus generated for the benefit of biology and the biological community by offering a variety of grants.

By the end of 2023, applications for funding received were back to pre-pandemic levels, and the Company funded the following:

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○ Scientific meeting grants

240 meetings, conferences, and workshops (2022: 193) benefited from funding that assisted with the cost of running the events, including contributing to the expenses of plenary or keynote speakers, assistance with travel for early-career researchers, or to reduce/waive registration fees.

○ Travelling fellowships

109 awards (2022: 109) were made to graduate students and post-doctoral researchers providing funding to undertake collaborative visits to other laboratories to learn new techniques.

○ Disease Models & Mechanisms (DMM) conference travel grants

128 (2022: 106) awards were made to early-career scientists, independent group leaders and Principal Investigators with no independent funding, enabling them to attend meetings and courses relating to the areas of research covered by Disease Models & Mechanisms.

○ Sustainable Conferencing grants

Sustainable Conferencing grants are aimed at assisting organisers of events with the cost of innovative ideas that will enable events to become more sustainable and to encourage the reduction of their environmental footprint. 51 awards (2022: 48) were made to organisers during 2023.

For 2023 there were also three new grants initiatives which were launched by the Company:

○ Development's Pathway to Independence (PI) Programme

The aim of the PI Programme is to support researchers active in developmental biology, stem cells or regeneration as they transition from postdoc to principal investigator. The programme provides mentoring, training and networking opportunities and also helps to raise the profile of successful applicants. In 2023 eight researchers were accepted into this programme.

○ Research Partnership Kickstart Travel Grants

This new grant, launched to celebrate the 100th anniversary of the Journal of Experimental Biology aims to support junior faculty to travel to another institution for up to seven days to initiate a new research collaboration and develop, write and submit a major grant application for collaborative research. 1 award was made in 2023, and it is hoped that more applications will be received in 2024.

○ Early-Career Researcher (ECR) Visiting Fellowships

Again launched in celebration of the Journal of Experimental Biology's centenary year, these fellowships provide funding to junior faculty staff to attract an early-career researcher to undertake a research project in their lab for up to three months. 3 awards were made during 2023.

The Company also provided funding to biological societies. Stories from awardees are published on the Company's website <https://www.biologists.com/stories/>.

Scientific Workshops

The Company's Workshops are designed to provide leading experts and early-career scientists with a stimulating environment for the cross fertilization of interdisciplinary ideas. The programmes are carefully developed to champion the novel techniques and innovations that will underpin important scientific advances.

The Company ran four workshops in 2023:

- Collective Cell Migration: From In Vitro to In Vivo
- Novel Technologies for Programming Human Cell Fate
- Inside Out: New Frontiers in the Comparative Physiology of the Vertebrate Gut
- Single Cell View 3D Genome Architecture

All of the Workshops were a resounding success, delivering an amazing retreat for high-profile scientists and early-career researchers alike to discuss their research and forge new collaborations.

Seven workshops are planned for 2024 and 2025, with the Company's inaugural Global South workshop being held in South Africa in March 2024. By extending the workshop program into Global South regions, we hope to be more accessible to scientists that have traditionally not been well represented at our UK events and provide unique opportunities to local early-career researchers.

More information of the Scientific Workshops can be found on our website <https://www.biologists.com/workshops/>

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Principal risks and uncertainties

The Company has a robust management of risk process, designed to identify and prioritise the risks to the achievement of the Company's aims and objectives, to evaluate the likelihood of those risks being realised, the impact should they be realised, and actions to manage them efficiently and effectively.

Overall responsibility for risk management rests with the Trustees. The task of implementing and maintaining the Company's risk policy is delegated to senior management.

All principal risks are identified on a risk register which is reviewed by Trustees on a quarterly basis. The Company's risk appetite and tolerance statement are reviewed annually.

The principal risks and uncertainties facing the Company include:

- **Economic and market conditions:** The markets within which the Company operates have generally been more resilient in periods of economic downturn. The Company continuously monitors the economic and political developments to assess their impact on strategy which is designed to mitigate these risks.
- **Significant downturn in revenue:** Libraries and academic institutions continue to face budget challenges. In addition, the Company's reliance on subscriptions and pay-walled articles threatens its ability to generate sufficient income to continue high-quality publication. To manage risk, the Trustees continue to look for opportunities to diversify income, including Read & Publish agreements and other possible publishing models. A push by cOAlition Plan S to force publishers to flip the current subscription model to an author-pays model within a specified timeframe will present major challenges in the future.
- **Currency risk:** The Company's US Dollar publishing revenues exceed levels of USD expenditure and as a result the Company's financial position can be significantly affected by the USD:-GBP exchange rate. To manage exposure to this risk, forward exchange contracts are used, reducing uncertainty over future revenues.
- **Technology resilience and change:** The Company is dependent on electronic platforms and networks to deliver its services. The needs of the Company's readers and authors also continue to evolve, requiring regular review of the Company's technology strategy and appropriate investment. The development and utilisation of AI within the publishing arena is gaining pace rapidly, and the Company needs to stay abreast of all developments. To mitigate risk, IT disaster recovery plans and back-up delivery systems are in place, ensuring business disruption is reduced in the event of a major technology or infrastructure failure, and the Company invests heavily in new technology solutions and product offerings, together with training on new tools in the publishing market.
- **Cyber security breach:** Failure of our cyber security measures could result in unauthorised access to our systems, misappropriation of our or our users' data, deletion or modification of stored information or other interruption to our business operations. The Company has invested in technological and physical controls, including but not limited to infrastructure vulnerability management, application scanning, penetration testing, encryption and logging and monitoring. We provide regular training to our staff to maintain awareness of risks at all levels of our business and maintain up to date information security policies. We also have detailed incident response plans in place to respond to threats and attacks. We use independent third-party auditors to test, evaluate and help enhance our procedures and controls.
- **Business disruption due to key supplier failure:** The Company selects suppliers with care and establishes contractual service levels that are closely monitored. Where possible and practical, multiple suppliers are used. All key suppliers are subjected to detailed reviews to ensure the Company's supply chain is robust and the business continuity plan has been developed to reduce disruption in the event of a major failure by a supplier.
- **Staff:** The loss of knowledge or skills and the operational impacts of losing key staff are major risks. This is particularly true of a small organisation with a number of different activities, which inevitably leads to reliance on one or two key individuals for some important functions. The Company mitigates risk by ensuring robust recruitment procedures, sharing information effectively and implementing strong HR policies.
- **Liquidity and cash flow risk** is considered minimal at this time, with most of the Company's income payable in advance of the related costs. It is however acknowledged that if there is a significant downturn in revenue due to the Company being forced to flip to an author-pays income model within a specified timeframe, this level of risk may change.

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Plans for future periods

The Company considers there to be no need to revise the Reserves Policy.

The Company plans to continue all the activities outlined above in the coming year. More specifically, in 2024 the Company will:

- Appoint a new Managing Editor for Biology Open, to work alongside the newly appointed Editor in Chief
- Continue to roll out Read & Publish agreements, expanding into new territories, and converting subscription-heavy markets
- Audit online accessibility against new (EU) regulations
- Complete the migration of the manuscript tracking system
- Continue to develop and announce plans for the Company's 2025 centenary celebrations

Approved by the Board of Trustees on 3 May 2024 and signed on its behalf by:



C Ward
Company Secretary

Dated: 3 May 2024

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Trustees' report

The Directors of the charity are its Trustees for the purpose of Charity Law. The Trustees present their report and audited financial statements for the year ended 31 December 2023. The Trustees confirm that the Annual Report and Financial Statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

The Company of Biologists Limited was established for the general advancement and promotion of research and the knowledge and study of biology in all its branches and the undertaking of all activities conducive thereto.

In pursuit of its aims, the Company activities include:

- Publication and dissemination of high-quality journals: Development, Journal of Cell Science, Journal of Experimental Biology, Disease Models & Mechanisms and Biology Open.
- Distribution of grants to individuals, societies, and institutions, both within the UK and internationally, in support of biology within the general area of the Company's journals.
- Facilitating through the provision of travelling fellowship grants, new collaborations between universities and opportunities to learn new techniques.
- Organisation and sponsorship of scientific workshops, providing a platform for collaboration and networking, with emphasis on cross-disciplinary interactions and the application of new technologies.
- Facilitating the sharing of scientific knowledge through the free provision of educational resources and the sponsorship of public outreach lectures encouraging scientific debate.
- Hosting of community forums, such as 'the Node', the community site for and by developmental and stem cell biologists; 'preLights', the community site for highlighting and commenting on preprints; and 'FocalPlane', a place to share microscopy news, events, and resources.

To achieve the Company's aims, the Trustees have looked at both short-term and longer-term strategies and implemented those considered to be most appropriate. In addition to those listed within 'Plans for future periods' within the Strategic Report, the short-term aims of the Company include experimenting with new models within Review Commons framework; review, assess and research the development and use of AI in the publishing process; and develop and collate new sustainability resources and information for sharing within the community.

The longer term aims of the Company are to ensure the Company is a leading publisher in the life sciences, continuing to publish internationally recognised, quality life-science research; strive to achieve the Transformative Journal targets set by Plan S; develop a financial model with agreements and workflows that enable a smooth transition to Open Access and financial stability for the future of the journals; increase and expand the breadth of reinvestment in science by way of grants and workshops.

The Company is committed to the widest possible dissemination of the research it publishes to the greatest number of people who can benefit from it, irrespective of their ability to pay, and to educational and charitable initiatives that seek to build awareness of the tremendous importance of developments in life sciences in all our lives.

All the articles the Company publish are freely available online after 6 months without restriction and the Company's digital archives (going back as far as 1853 in the case of Journal of Cell Science) makes a wealth of classic material freely available to everyone in perpetuity. As participants in the United Nation's HINARI and OARE initiatives, the Company makes all its online articles freely available to users in developing countries immediately on publication. A fee-free Read & Publish agreement with EIFL (Electronic Information for Libraries) also provides authors in 30 developing and transition countries in Africa, Asia, Europe, and Latin America the opportunity to both read and publish articles in the three hybrid journals and two fully Open Access journals at no cost.

The Company was an early adopter of the contractual principle that authors should retain copyright of their own works. Our contract with authors leaves them free to disseminate their work in a wide variety of ways, such as posting it on their own websites, re-using it in other publications and storing it in public (PMC) or institutional repositories (if required by their funder or institute), thus offering unrestricted access to many different communities.

Trustees are careful to ensure that a significant proportion of charitable giving each year is reserved for educational initiatives that aim to bring biology to life for all. Much of the Company's charitable giving is focussed on helping young biologists gain a wider appreciation of the work done by other biologists and in other countries

Trustees' Report and Financial Statements for the year ended 31 December 2023

through the many travelling fellowships and travel grants offered each year. The Company website features stories from grant and travelling fellowship recipients.

Public benefit

The Trustees have considered the Charity Commission's general guidance on public benefit and consider that the requirements have been met. Examples of activities that provide direct public benefit include publishing publicly available journals, organising scientific meetings, providing educational materials for outreach, and offering a variety of funding grants which are open to all.

Financial review

In the year to 31 December 2023, the Company's publishing income remained stable on the prior year from £7,001,410 (2022) to £7,266,905 (2023). The Company has several income streams, including subscriptions, Read & Publish agreement income and article processing fees on the Open Access journals. Our double dipping policy continues to proportionately reduce subscription prices as the volume of Open Access content increases.

<u>Overview</u>	<u>2023</u>	<u>2022</u>
	<u>£m</u>	<u>£m</u>
Total income	7.8	7.6
Total expenditure	8.9	6.9
Investment gains/losses	5.4	-6.9
Gains/losses on hedging instruments	0.1	0.0
Net movement per the SOFA	4.3	-6.2

Publishing expenditure increased by 31.7% on the prior year from £5,032,543 to £6,630,313, as the economy continued to recover from the effects of the pandemic. The Company continued to strive to provide the products and services demanded of its scientific community. This included:

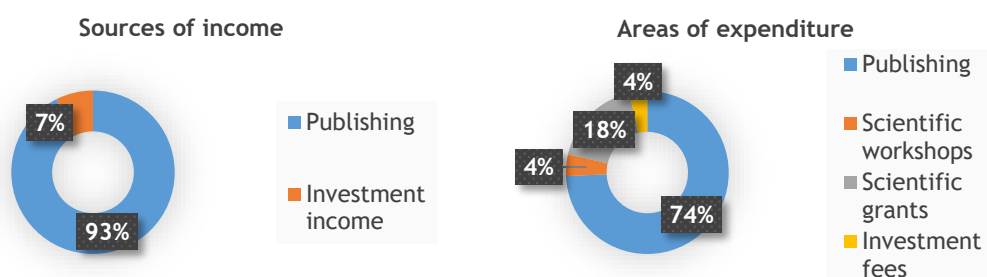
- Completion of the digitization of the back content for the hybrid journals.
- Begin the migration of the manuscript tracking system to support third party OA payment management and streamline Read & Publish workflows
- Continuation of the roll out of Read & Publish agreements, expanding into new territories, and experimenting with new variations of the standard agreement.
- Reporting on the hybrid journals transformative status, which reached their growth target for 2023 set by cOAlition Plan S.
- Continue to develop and begin to implement plans for the Company's 2025 centenary celebrations.

Expenditure on charitable activities included scientific workshops £385,393 (2022 £591,334) and grant funding £1,590,970 (2022 £955,860). Further details of grants made in excess of £5,000 are given in the notes to the financial statements.

The Company achieved a surplus of £4,313,330 compared to a deficit of -£6,113,077 in 2022 after exceptional items and movement on financial instruments.

The activities undertaken during 2023 were carried out within the budget approved by Trustees and all income generated by the Company has been spent on charitable activities or retained in reserves. Overall, the Company's financial position remains healthy, with reserves readily available to fund future activities. The Company will continue to focus on allocating resources to deliver the Company's strategy in a sustainable and effective way.

A breakdown of the Company's sources of income and areas of expenditure are shown in the following charts:



Trustees' Report and Financial Statements for the year ended 31 December 2023

Investments

The purpose of the Company's investments is to provide security for its continuing business activities, to provide for the development of future business activities and to provide in perpetuity for the achievement of the Company's charitable aims - the general advancement and promotion of research and knowledge and study of biology in all its branches.

The Company has wide powers to invest surplus funds at its discretion. Responsibility for investment strategy resides with the Finance and Investments Committee, who agree the investment parameters with the Company's discretionary managers, while monitoring performance in the context of long-term objectives and external benchmarks.

Investment policy is to maximize the real value of the portfolio over the long term, subject to an acceptable level of risk and, from 2020, to divest from companies actively extracting fossil fuels.

Trustees adopt an investment time horizon of at least 10 years, over which they aim to achieve their objectives and expect the portfolio to remain substantially invested. Trustees accept that investment performance objectives may not be achievable every year and, as a result, will review investment performance over relevant timeframes.

Risk is managed through diversification of the portfolio between different asset classes and geographic markets. Rebalancing, thereby maintaining the agreed level of risk within the portfolio, is considered at each quarterly review. The Trustees recognise that the policy to divest from fossil fuels will reduce the spread of investments and increase the risk of lower performance.

The Company received investment income of £543,945 (2022 £558,487) which was reinvested. Investment gains of £5,429,943 (2022 -£6,879,686) and investment management costs of £316,398 (2022 £315,579) contributed to the value of the Company's investments increasing overall to £65,933,210 (2022 £60,587,220), an increase of £5,345,990 during the financial year.

The investment gains in 2023 represent the world stock market starting to recover from the second largest fall on record in 2022, and the steady reduction in inflation rates.

Reserves policy

Overview	2023 £m	2022 £m	Change %
General fund (unrestricted)	33.7	33.0	2%
Charity reserve (designated)	36.7	33.0	11%

The Trustees review the need for, and the appropriate level of, reserves on an annual basis, considering all relevant information, to ensure our financial resilience and sustainability, including protecting the Company against risks identified in the risk register.

The annual review includes an analysis of the Company's income and expenditure streams, the necessity to match any large financial commitments with variable incoming resources over the financial period and the current operational liquidity requirements.

Trustees aim to strike the appropriate balance between ensuring a sustainable financial position and using the Company's funds to fulfil its charitable mission.

The general fund is retained to provide sufficient resources to enable the Company to continue to fund its publishing activities and to fund the development of new projects.

The strategic reasons for the Company to retain the general fund at its current level, rather than to simply spend all its income as it arises, are as set out below:

- In the event of a material and sustained fall in publishing income, to provide sufficient reserves to enable the Company to make changes in its organisation and activities necessary to respond in an orderly and planned way.
- To be able to make short- and medium-term expenditure commitments without the risk of short-term fluctuations in income forcing reduction in, or cancellation of, planned activity.
- To plan for growth and grasp opportunities as they arise.

The charity reserve is retained as a designated fund in order that any income generated from investments held by the Company may be used to make grants to support scientific events, conference travel, travelling fellowships, hosting of scientific workshops and development of technology to support virtual conferences. Currently the capital within the charity reserve is retained in order that grant payments of more than £1m may continue to be made annually from the investment income received.

For the year ended December 2023, the Company held total unrestricted funds of £70,391,835 (2022 £66,091,065) of which £30,641,210 (2022 £29,893,083) represents 'free' reserves for operational purposes.

Trustees' Report and Financial Statements for the year ended 31 December 2023

The Finance and Operational Performance Audit Committee and Board of Trustees have reviewed the level of the reserves and believe that approximately £25m is required to mitigate financial risks associated with operational and capital expenditure identified in the risk register whilst maintaining ongoing operations and charitable giving. Consequently, the current level of reserves is considered sufficient.

The Trustees are satisfied that the Company's assets are available and adequate to fulfil the objectives of the Company.

Structure, governance, and management

The Company of Biologists Limited is a charity registered in England and Wales and was incorporated by guarantee on 31 December 1952. It has no share capital, and the liability of each member is limited to £10.

All Trustees give their time freely and receive no remuneration. Details of the Trustees' expenses are disclosed in notes to the accounts. Internal controls are in place to ensure that any related party transactions involving Directors, or their connected persons are carried out on an arm's-length basis and are properly recorded and disclosed where appropriate. There were no related party transactions with any Trustees during 2023.

Board composition

The Chairperson is elected by the existing Trustees of the Company. The appointment is for 5 years, with a maximum of two re-appointment terms of 3 years.

New Trustees are appointed by the Trustees after a process of selection with the Trustees being mindful of any shortfall in knowledge or experience within their ranks. There were no new appointments during 2023.

Trustees' induction and training

New Trustees receive on appointment a link to the Company's secure online board portal, which provides access to all key governance documents, the annual financial accounts, terms of reference for the Board and its subcommittees, together with links to documents on the Charity Commission and Companies House websites. In addition, Trustees are encouraged to attend external training courses.

Trustees are also encouraged to visit the Company's premises to meet with the Senior Managers and gain an understanding of how the business operates. This also gives new Trustees an opportunity to discuss the Company's business plan and objectives with senior management.

At appointment, Trustees are required to sign a Deed of Confidentiality and declare any applicable conflicts. On an ongoing basis the Trustees have in place a formal procedure for identifying, assessing, and reviewing any situations where a Trustee has an interest that conflicts, or may possibly conflict, with the interests of the Company. These conflicts are included on the conflict register, which is reviewed at the start of each Board and committee meeting.

Management and organisation

Trustees are responsible for the overall strategy and direction of the Company and meet quarterly.

Committees have been established by Trustees and a summary of their key responsibilities are set out below. All Committees have written Terms of Reference. Membership is not limited to Trustees and may include specialists and senior staff. Agendas for the committees are prepared by their respective Chairs with support from the Company Secretary.

In addition, each journal has an Advisory Group consisting of three Trustees who take special responsibility for the journal, advise its Editor-in-Chief and act as a nucleus of an assessment committee.

The Trustees delegate day-to-day management and decision making to its senior management team but maintains oversight of the Company's performance and reserve specific matters for Board approval, including significant new business initiatives. Through regular updates on business objectives, initiatives and progress, the Trustees monitor that management is acting in accordance with agreed strategy.

Scientific content of the journals and editorial policy is the sole responsibility of each journal's Editor-in-Chief. The Editors-in-Chief are not employees of the Company.



Trustees' Report and Financial Statements for the year ended 31 December 2023

Remuneration policy

The aim of the remuneration policy is to maintain sustainable, fair levels of pay at the same time as attracting and retaining the right people to deliver the Company's charitable objectives.

Remuneration for all staff is periodically benchmarked using proprietary pay surveys and external advisers. The Trustees consider staff to be central to the Company's success and aim to be a good employer by making sure the pay structure is fair and transparent.

The Trustees consider the Company Secretary and Publisher as comprising the key management personnel of the Company, in charge of directing and controlling the Company and running and operating the Company on a day-to-day basis.

In setting appropriate levels of key management pay, the Trustees consider the skills, experience and competencies required and the remuneration level for those roles in sectors where suitable candidates would be found.

Remuneration of the Company Secretary and Publisher is reviewed on an annual basis simultaneously with the annual staff pay review and approved by the Trustees.

Editors-in-Chief are appointed by the Trustees and serve an initial term of 5 years, which may be extended on expiry. Editors receive a stipend for their services.

Trustees are unremunerated.

Volunteers and fundraising

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate. It does not currently fundraise from the public or use any internal fundraisers or external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year. The Charity is not a member of the Fundraising Regulator.

Equity, diversity and inclusion (EDI)

Trustees are committed to providing an environment free from discrimination, bullying, harassment or victimisation and creating a culture of inclusivity where individual differences and the contributions of all staff are recognised and valued.

The Company provides equality of opportunity for all and will not tolerate discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, or sexual orientation.

The Company is proud of its inclusive culture and aims to maintain and improve our working environment so that everyone is included and able to give their best. We build on current thinking and best practice to ensure that diversity, equity and inclusion are embedded in everything we do.

The Trustees continue to place a significant focus on the Company's approach to inclusion and diversity and understand that the Company needs the contributions of people from a wide range of backgrounds, with different experiences and ideas to achieve real innovation for our stakeholders around the world.

Our workforce is 82% female (2022: 82%) and 18% male (2022: 18%), with managers being 100% female. At year end 2023, women made up 46% of the Trustees (2022: 43%).

During 2023 we became a member of the Disability Confident scheme, a government initiative designed to encourage employers to recruit and retain disabled people and those with health conditions, obtaining Level 1 status. The idea of the scheme is to challenge attitudes and increase understanding of disability, enabling companies to draw from a wider pool of talent, secure high-quality, skilled staff and improve employee morale and commitment by demonstrating fair treatment. It also helps identify those employers who are committed to inclusion and diversity in the workplace.

Trustees' Report and Financial Statements for the year ended 31 December 2023

Reference and administration information

Registered charity no: 277992

Registered company no: 514735

Registered office Bidder Building, Station Road, Histon, Cambridge CB24 9LF

Statutory Auditor Price Bailey LLP, Tennyson House, Cambridge CB4 0WZ

Legal advisors Penningtons Manches LLP, Clarendon House, Clarendon Road, Cambridge CB2 8FH
K&L Gates LLP, 70 West Madison Street, Suite 3100, Chicago, Illinois, 60602-4207, USA
Charles Russell Speechlys LLP, 5 Fleet Place, London EC4M 7RD
Blake Morgan LLP, 4th Floor, 6 New Street Square, London EC4A 3DJ
Rickert Rechtsanwaltsgesellschaft mbH, Colmantstraße 15, 53115 Bonn, Germany

Bankers Barclays Bank UK plc, 9-11 St Andrews Street, Cambridge. CB2 3AA
Scottish Widows, PO Box 883, Leeds. LS1 9TY

Investment managers Partners Capital LLP, 5th Floor, 5 Young Street, London W8 5EH

Web page <https://www.biologists.com>

Trustees

Directors of the charity are its Trustees for the purpose of charity law. The Trustees and officers serving during the year were as follows:

Appointed under Articles 45(b) and 46

M Freeman (retired 5 July 2023)	L M Machesky
C M Isacke	R D St Johnston
S E Lowell	

Appointed under Article 45(a)

S J Bray	P W J Rigby
J F Burke	S J Royle
J A Langdale	H A Shiels
B S Munro	A M Wilson
G E Nilsson	

Secretary C Ward (appointed 24 August 2023)
K A Richmond (retired 23 August 2023)

Key management personnel

O C Moulton, Publisher	claire.moulton@biologists.com
C Ward, Company Secretary	katie.ward@biologists.com

Trustees' responsibilities statement

The trustees (who are also directors of The Company of Biologists Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);

Trustees' Report and Financial Statements for the year ended 31 December 2023

- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Auditors

The Auditors, Price Bailey LLP, will be proposed for re-appointment at the next annual retirement meeting.

In approving the Trustees' report, the Trustees are also approving the Strategic report in their capacity as Trustees of the charity.

Approved by the board of Trustees on 3 May 2024 and signed on its behalf by:



C Ward
Company Secretary

Independent Auditor's Report to the Members of The Company of Biologists Limited for the year ended 31 December 2023

Independent Auditor's report to the members of The Company of Biologists Limited

Opinion

We have audited the financial statements of The Company of Biologists Limited (the 'charitable company') for the year ended 31 December 2023, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 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; 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 12 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 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 Auditor's Report to the Members of The Company of Biologists Limited for the year ended 31 December 2023

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 strategic report and the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report included within the Trustees' report have 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 strategic report or the Directors' report included within 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 and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on pages 16 and 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 extent to which our procedures are capable of detecting irregularities including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and how it operates and considered the risk of the charitable company not complying with the applicable laws and regulations, including fraud, and in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity, this included data protection, health and safety, employment law and financial reporting.

Independent Auditor's Report to the Members of The Company of Biologists Limited for the year ended 31 December 2023

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- Reviewing minutes of Trustee Board meetings, minutes of Audit Committee meetings and correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, enquiries of management including those responsible for the key regulations and a review of the risk management processes and procedures in place. We have also reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, for our audit work, for this report, or for the opinions we have formed.

Shaun Jordan (Senior Statutory Auditor)
For and on behalf of Price Bailey LLP
Chartered Accountants
Statutory Auditors
Tennyson House
Cambridge
CB4 0WZ

Date: 28 August 2024

Trustees' Report and Financial Statements for the year ended 31 December 2023

STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure account)

	notes	General Fund (unrestricted) £	Charity Reserve (unrestricted designated) £	Baker/Godfrey Fund (restricted) £	2023 Total £	2022 £
Income						
Income from:						
Charitable activities	4	7,266,905	-	-	7,266,905	7,001,410
		7,266,905	-	-	7,266,905	7,001,410
Investments	3	-	543,945	-	543,945	558,487
		-	543,945	-	543,945	558,487
Other	5	-	-	-	-	-
Total Income		7,266,905	543,945	-	7,810,850	7,559,897
Expenditure on:						
Raising funds						
Investment Manager Fees		-	316,398	-	316,398	315,579
Charitable activities						
Scientific & Educational Grants	6	-	1,451,754	-	1,451,754	848,917
Sustainability Grants	6	-	139,216	-	139,216	106,943
Scientific workshops	6	-	385,393	-	385,393	591,334
Publishing	6	6,630,313	-	-	6,630,313	5,032,543
Total expenditure		6,630,313	2,292,761	-	8,923,074	6,895,316
Net income/ (expenditure) before investment gains/ (losses)		636,592	(1,748,816)	-	(1,112,224)	664,581
Net gains/ (loss) on investments		-	5,417,383	12,560	5,429,943	(6,879,686)
Net gains on forward currency contracts		58,447	-	-	58,447	37,426
Net income for the year		695,039	3,668,567	12,560	4,376,166	(6,177,679)
Other recognised gains						
Foreign exchange (losses)/ gains	14	-	(62,836)	-	(62,836)	64,602
Net movement in funds for the year		695,039	3,605,731	12,560	4,313,330	(6,113,077)
Reconciliation of funds:						
Fund balances at 1 January 2023		33,015,316	33,075,749	117,262	66,208,327	72,321,404
Fund Balances at 31 December 2023		33,710,355	36,681,480	129,822	70,521,657	66,208,327

All amounts relate to continuing activities.

There were no recognised gains or losses other than those included above.

The attached notes form part of these Financial Statements.

Trustees' Report and Financial Statements for the year ended 31 December 2023

BALANCE SHEET

Registered no 514735 - Charity no 277992

	notes	2023 £	2023 £	2022 £	2022 £
Fixed Assets					
Tangible assets	13		3,069,125		3,122,233
Investments	14		<u>65,933,210</u>		<u>60,587,220</u>
			69,002,335		63,709,453
Current Assets					
Debtors	15	2,128,610		1,158,151	
Cash at bank and in hand		<u>5,108,402</u>		<u>7,059,707</u>	
		<u>7,237,012</u>		<u>8,217,858</u>	
Creditors: amounts falling due within one year					
Journal subscriptions in advance	16	3,604,481		3,569,948	
Publishing income in advance	16	1,272,634		1,210,992	
Author fees in advance	16	47,607		65,029	
Trade creditors		205,408		476,390	
Other creditors & accruals	17	509,573		299,269	
Other taxation & social security costs		<u>77,987</u>		<u>97,356</u>	
		<u>5,717,690</u>		<u>5,718,984</u>	
Net current assets			<u>1,519,322</u>		<u>2,498,874</u>
Net Assets	19		<u><u>70,521,657</u></u>		<u><u>66,208,327</u></u>
The funds of the Charity					
Restricted income funds:					
P Baker & P Godfrey Memorial Funds (restricted)			129,822		117,262
Total restricted funds			<u>129,822</u>		<u>117,262</u>
Unrestricted income funds:					
General Fund (unrestricted)			33,710,355		33,015,316
Charity Reserve (designated)			36,681,480		33,075,749
Total unrestricted funds			<u>70,391,835</u>		<u>66,091,065</u>
Total funds	19		<u><u>70,521,657</u></u>		<u><u>66,208,327</u></u>

Approved by the Board and authorised for issue on 3 May 2024

Sarah Bray
Chair

The attached notes form part of these Financial Statements.

Trustees' Report and Financial Statements for the year ended 31 December 2023

STATEMENT OF CASH FLOWS

	notes	2023 £	2022 £
Cashflow from operating activities	21	(2,153,689)	729,619
Cashflow from investing activities	21	2,379,974	(387,830)
Net increase/ (decrease) in cash and cash equivalents in the year		226,285	341,789
Cash and cash equivalents at 1 January	21	8,901,683	8,495,292
Change in cash and cash equivalents due to foreign exchange gains		(62,836)	64,602
Total cash and cash equivalents at 31 December		9,065,132	8,901,683

The attached notes form part of these Financial Statements.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

These accounts have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and with the Statement of Recommended Practice Accounting and Reporting by Charities' FRS 102, (effective 1 January 2019) together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011.

The Company of Biologists 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 note, stated in pounds sterling.

b) Going Concern

The trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis as there are no material uncertainties about the Company's ability to continue to operate.

Trustees review the strategic plans of the Company regularly and income is monitored against budget. In addition, the Company's reserves policy aims to ensure that the Company is not solely dependent on a single year's income.

c) Fund Accounting

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

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

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity.

d) Income

Investment income is recognised on a receivable basis, when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. This is normally upon notification by our investment managers or our bankers.

Income from charitable activities includes all income from publishing and is recognised as earned (as the related goods or services are provided). Income from journal subscriptions received in advance is deferred and recognised in the period to which it relates. See note 16.

e) Expenditure

Expenditure is recognised when a legal or constructive obligation to make a payment to a third party is established, when it is probable that the payment will be required and the amount of the expenditure can be measured reliably.

Contractual arrangements are recognised as goods and services are supplied.

Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable. (See accounting policy m).

Costs of raising funds are those costs incurred in attracting voluntary income and investment management fees.

Expenditure on charitable activities includes expenditure associated with publishing and includes both the direct costs and support costs relating to these activities.

Support costs include governance costs which are those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (cont.)

f) Allocation of support costs

Support costs are those costs which assist the operation of the Charity but are not directly attributable to one particular charitable activity. These costs include administration costs, personnel costs, governance costs, consultancy and finance costs, and have been allocated to activity categories based on staff headcount and use of the resources. For those resources used exclusively by a particular activity, 100% of the cost has been allocated to that category.

g) Irrecoverable VAT

All resources expended are classified under headings that aggregate all costs related to this category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

h) Tangible fixed assets

Tangible fixed assets exceeding £1,000 are capitalised. The assets are stated within the financial statements at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Freehold buildings	2%-10% on cost
Fixture, fittings and equipment	10% - 20% on cost

Freehold land is not depreciated.

i) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value, and subsequently measured with reference to the most recent valuations provided by the fund managers, all of which were as at the year end. All unlisted investments are stated at investment manager's declared net asset values.

The Statement of Financial Activities includes all gains and losses arising on revaluations and disposals throughout the year.

Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value or purchase value when 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 gains and losses on investments are combined in the Statement of Financial Activities.

j) Debtors

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

k) Cash at bank and in hand

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

l) Creditors

Creditors and provisions are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Grants payable

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

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies (cont.)

n) Financial instruments

The Company uses various derivative financial instruments to reduce exposure to foreign exchange risks, including forward currency contracts. Derivatives are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through the Statement of Financial Activities. The forward foreign exchange contracts which the Company uses all mature within one month of the end of the financial period.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for foreign exchange derivatives.

The charity also has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of unlisted investments which are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date.

o) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are recorded at the official HM Revenue & Customs rate of exchange rate for the month and any differences are taken to the Statement of Financial Activities.

p) Pensions

The Company operates a defined contribution scheme, the assets of which are held separately from those of the Company. The Company's contributions are written off in the year in which they are incurred.

q) Critical accounting estimates

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The critical accounting estimates or judgements applied by the Trustees which have a significant impact on the amounts disclosed in the financial statements are as follows:

Investment valuations (Note 14)

The investments held by the Company comprise of a range of asset categories including common investment funds, unit trusts and open-ended investment companies, some of which are not listed or are not frequently traded. These investments are stated at the Trustees best estimate of fair value and are based on the most recent valuations provided by the fund managers, all of which were as at the year end and are based on the declared net asset values of the underlying funds. The Trustees do not believe there that there is any evidence of any material reduction in these valuations subsequent to the balance sheet date.

2 Company status

The charity is a private company limited by guarantee, incorporated in the United Kingdom, registered in England. The 85 members of the company (2022: 96) are drawn from the current trustees, former trustees, current employees, current editors and former editors. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

3 Investment Income

	2023		2022	
	Charity Reserve	Baker/Godfrey Fund	Charity Reserve	Baker/Godfrey Fund
	£	£	£	£
Income				
from UK unlisted investments	482,233	-	528,594	-
from overseas unlisted investments	40,475	-	28,304	-
Bank, building society and other interest	21,237	-	1,589	-
	<u>543,945</u>	<u>-</u>	<u>558,487</u>	<u>-</u>

The Charity Reserve represents unrestricted reserves, the Baker/Godfrey Fund restricted.

4 Analysis of charitable activity income by geographical sectors

	2023	2022
	£	£
Distribution of readership:		
North America	1,942,303	2,256,065
South America	47,693	47,543
Europe	636,810	714,100
Asia & Pacific	680,428	770,358
Rest of World	210,943	287,972
United Kingdom	133,100	193,160
	<u>3,651,277</u>	<u>4,269,198</u>

	2023	2022
	£	£
Distribution of readership and publication agreements:		
North America	1,156,095	594,856
South America	10,095	-
Europe	614,143	489,112
Asia & Pacific	99,903	28,211
Rest of World	287,503	212,309
United Kingdom	527,844	472,907
	<u>2,695,583</u>	<u>1,797,395</u>

	2023	2022
	£	£
Analysis of other charitable activity income		
North America	316,441	356,955
South America	1,573	801
Europe	173,312	217,130
Asia & Pacific	122,993	137,710
Rest of World	31,421	29,033
United Kingdom	274,305	193,188
	<u>920,045</u>	<u>934,817</u>

Charitable activity income	<u>7,266,905</u>	<u>7,001,410</u>
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In 2023 and 2022 all the income from charitable activities was unrestricted.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

5 Other income

	2023 £	2022 £
Investment recovery	-	-

An exceptional item in 2008 related to a cash reserve held at Kaupthing, Singer & Friedlander Bank, which was declared insolvent in October 2008. As a result the Company made a provision of £694,564 at that time. Subsequently, from 2009 to date, recoveries totalling £605,623 (2022: £605,623) have been received.

In 2023 and 2022 all other income was unrestricted.

6 Analysis of expenditure on charitable activities

	Scientific, Educational & Grants £	Sustainable Grants £	Workshops £	Publishing £	2023 Total £
Grants	1,227,504	-	-	-	1,227,504
Grant costs	15,532	-	-	-	15,532
Sustainable grants	-	64,151	-	-	64,151
Sustainability costs	-	21,726	-	-	21,726
Workshop costs	-	-	232,601	-	232,601
Publication costs	-	-	-	1,230,547	1,230,547
Staff costs	129,239	21,955	99,210	3,329,420	3,579,824
Support costs	79,479	31,384	53,582	2,070,346	2,234,791
	<u>1,451,754</u>	<u>139,216</u>	<u>385,393</u>	<u>6,630,313</u>	<u>8,606,676</u>

	Scientific, Educational & Grants £	Sustainable Grants £	Workshops £	Publishing £	2022 Total £
Grants	706,428	-	-	-	706,428
Grant costs	10,674	-	-	-	10,674
Sustainable grants	-	54,168	-	-	54,168
Sustainability costs	-	10,004	-	-	10,004
Workshop costs	-	-	472,292	-	472,292
Publication costs	-	-	-	1,021,788	1,021,788
Staff costs	108,097	17,099	94,436	3,124,618	3,344,250
Support costs	23,718	25,672	24,606	886,137	960,133
	<u>848,917</u>	<u>106,943</u>	<u>591,334</u>	<u>5,032,543</u>	<u>6,579,737</u>

Staff costs comprise the salaries of permanent employees, agency staff costs and academic editors' stipends.

In 2023 and 2022 all expenditure on charitable activities was unrestricted.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

7 Analysis of support costs

		2023 Total £	2022 Total £
Support costs	Basis of allocation		
Depreciation	Pro rata to staff head count, and actual use	99,388	99,337
Administration expenses	Pro rata to staff head count	898,431	-85,474
Editorial expenses	Allocated to activity of use	761,873	478,633
Sales and Marketing expenses	Allocated to activity of use	379,158	363,529
		<u>2,138,850</u>	<u>856,025</u>
Governance costs			
Company Secretarial costs		55,771	67,931
Trustee meeting costs		21,455	19,130
Trustee insurance costs		1,700	2,072
Audit costs		17,015	14,975
		<u>95,941</u>	<u>104,108</u>
		<u>2,234,791</u>	<u>960,133</u>

Governance costs are allocated evenly to all four charitable activities.

Company Secretarial costs include an allocation of staff costs.

8 Scientific/ Educational/ Sustainable Grants & COB Scientific Workshops

		2023 Charity Reserve £	2023 Baker/ Godfrey Fund £	2022 £
a)	No		No	
The following grants were made during the year:				
Block grant	2	70,000	-	35,000
Society Travel Grants	6	313,260	-	9,275
Sustainability Grants	51	64,151	-	54,168
Other grants	240	496,054	-	430,835
		<u>943,465</u>	<u>-</u>	<u>529,278</u>
Returned funds or cancelled grants	12	(16,897)	17	(36,859)
		<u>926,568</u>		<u>492,419</u>
Journal Travelling Fellowships	109	287,500	-	245,308
JEB Centenary grants	4	9,998	-	-
DEV Pathway to Independence	19	17,007	-	-
DMM Conference Attendance Grants	128	74,143	-	59,388
		<u>388,648</u>	<u>-</u>	<u>304,696</u>
Returned funds or cancelled grants	28	(23,561)	33	(36,519)
		<u>365,087</u>		<u>268,177</u>
		<u>1,291,655</u>	<u>-</u>	<u>760,596</u>

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

8 Scientific/ Educational/ Sustainable Grants & COB Scientific Workshops (cont.)

Grants made in excess of £5,000 include:	Block Grant £	Travel & Travelling Fellowships £	Other £
British Society of Developmental Biology	70,000	86,164	-
British Society for Cell Biology	70,000	102,500	-
Society For Experimental Biology	-	54,596	-
Journal of Experimental Biology	-	109,014	-
Development	-	55,549	-
Disease Models & Mechanisms	-	53,882	-
Journal of Cell Science	-	51,910	-
DEV Pathway to independence	-	16,626	-
JEB Kickstart	-	9,998	-
Marine Biological Laboratory	-	-	28,500
Marine Biological Association	-	-	24,000
The University of Sydney	-	-	6,000
Biomedical Neuroscience Institute	-	-	5,500
Indian Institute of Science	-	-	5,500
Max Planck Institute for Evolutionary Biology	-	-	5,500
Saint Mary's University	-	-	5,400
Other grants below £5,000	-	-	571,474
Total	140,000	540,239	651,874

2022:

Grants made in excess of £5,000 include:	Block Grant £	Travel & Travelling Fellowships £	Other £
British Society of Developmental Biology	35,000	-	-
Journal of Experimental Biology	-	93,161	-
Journal of Cell Science	-	45,467	-
Development	-	58,613	-
Disease Models & Mechanisms	-	27,650	-
Marine Biological Laboratory	-	-	11,000
Washington University School of Medicine	-	-	5,500
British Neuroscience Association	-	-	5,500
Other grants below £5,000	-	-	552,083
Total	35,000	224,891	574,083

Where a number of grants have been provided to a single institution to undertake different activities or projects, the individual grant total may not be material, but the total value of the grants to that institution is required to be disclosed. The below information shows the total material value of the grants, and the number of grants which comprise that figure.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

8 Scientific/ Educational/ Sustainable Grants & COB Scientific Workshops (cont.)

	2023		2022	
	Total grants awarded		Total grants awarded	
	No	£	No	£
Marine Biological Laboratory	2	28,500	-	-
Marine Biological Association	1	24,000	-	-
Weizmann Institute of Science	5	16,500	-	-
European Association for Cancer Research	6	15,500	-	-
CNRS	6	13,500	-	-
KU Leuven	3	11,300	-	-
University of Edinburgh	5	11,050	-	-
Francis Crick Institute	5	11,000	-	-
Indian Institute of Science	3	10,500	-	-
University of Cambridge	4	9,292	5	10,500
ENS Lyon	3	9,200	-	-
University of Manchester	4	8,632	-	-
The University of Sydney	2	8,500	-	-
University of Sheffield	3	7,600	-	-
Institut Pasteur	2	7,500	-	-
Max Planck Institute for Evolutionary Biology	2	7,000	-	-
University of Pennsylvania	2	7,000	-	-
University of Turin	3	6,520	-	-
Covenant University Ota	2	6,500	-	-
Duke University	3	6,500	-	-
International student Congress of Medical Sciences	2	6,500	-	-
UCL Institute of Ophthalmology	3	6,500	-	-
Biomedical Neuroscience Institute	2	6,100	-	-
Jaiellonian University	3	6,050	-	-
University of Bristol	2	6,025	-	-
Instituto de Investigaciones Bioquimicas de Bahia Blanca	2	6,000	-	-
University of Helsinki	3	6,000	-	-
Achucarro Basque Center for Neuroscience	3	5,700	-	-
University of Oxford	3	5,500	4	11,000
Saint Mary's University	1	5,400	-	-
Peter MacCallum Cancer Centre	2	5,000	-	-
Washington University School of Medicine	0	-	2	7,500
INSERM	0	-	3	6,000

Grants and Workshops are charged to the Statement of Financial Activities when made.

Grants were made in support of meetings, workshops, conferences, summer schools, plenary/keynotes speakers, educational initiatives and prizes for conference presentations by young scientists. Grants were also made via the Company's journals and each grant fulfilled reinforces the Company's mission, being the general advancement and promotion of research and the knowledge of study of biology in all its branches.

In addition to the above grants detailed, there were 207 (2022: 176) grants made of less than £5,000 to institutions around the world in support of Biology. Case studies of how some of these grants have been used can be found on the Company's website: <https://www.biologists.com/storycategory/grant-recipients>.

In 2021 the Company introduced the Sustainable Conferencing initiative with the aim to help biologists make their conferences more sustainable. This involved building and launching a dedicated website for biological conference organisers, alongside offering grants to encourage conference organisers to pilot specialised IT and innovative technology solutions, and attendees to switch plane travel to train. In 2023 51 grants (2022: 48) were awarded under this scheme, all under £5,000.

	2023		2022	
	Total		Total	
	No	£	No	£
b)				
The Company of Biologists Scientific Workshops	4	232,601	9	472,292

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

8 Scientific/ Educational/ Sustainable Grants & COB Scientific Workshops (cont.)

The Company hosted four in person Scientific Workshops during 2023 (2022: 9)

These workshops are run annually and are intended to support cutting edge research in the areas of Cell and Developmental Biology, including disease models and mechanisms, with emphasis on cross-disciplinary interactions and the application of new technologies.

It is hoped the workshops might also serve to provide input for strategic funding decisions by Research Councils and major charities, as well as for Government policy.

No grants were made from restricted funds in 2023 or 2022.

9 Analysis of Staff Costs

	2023 £	2022 £
Staff costs include:		
Salaries	2,761,618	2,535,350
Social Security costs	296,508	284,803
Other pension costs	225,398	200,336
	<u>3,283,524</u>	<u>3,020,489</u>
Editorial stipends	<u>342,074</u>	<u>352,026</u>

The average number of employees, analysed by function was:

	2023	2022
Charity administration	4	3
Charitable activities and publishing	61	56
Management and administration of the charity	2	2
	<u>67</u>	<u>61</u>

Emoluments including taxable benefits in kind was as follows:

No of employees earning £60,001 to £70,000	3	2
No of employees earning £70,001 to £80,000	2	-
No of employees earning £80,001 to £90,000	-	1
No of employees earning £90,001 to £100,000	-	2
No of employees earning £100,001 to £110,000	1	-
No of employees earning £110,001 to £120,000	1	-

The Key Management of the Charity comprise the Trustees, the Company Secretary and the Publisher.

The Trustees were not paid nor received any other benefit from employment during the year, or the preceding year.

	2023 £	2022 £
During the year total emoluments paid to Key Management were:		
Staff costs	243,859	216,928
Social Security costs	33,692	28,594
Pension costs	24,756	22,038
	<u>302,307</u>	<u>267,560</u>

10 Trustees' Remuneration

The Articles of Association do not permit trustees to be employed by the Company. However, expenses totalling £3,488 were reimbursed/ incurred by the Charity on behalf of 7 trustees.

	No	2023 £	No	2022 £
Travel and subsistence	7	<u>3,488</u>	8	<u>4,738</u>

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

11 Related Party Transactions

Trustees were associated with the following organisations during the year:

All transactions with these organisations occur at arms length, on a commercial basis.

Director	Relationship	Organisation
Bray, S	Member	BSDB, EMBO, Biochemical Society, SDB (USA), GSA, Anatomical Society
Bray, S	Head of Department	University of Cambridge
Burke, J	Member	Biochemical Society, Genetics Society
Freeman, M	Member	BSDB, EMBO
Freeman, M	Head of Research Group	University of Oxford
Isacke, C M	Member	BSCB, AACR, EMBO
Isacke, C M	Team Leader	Institute of Cancer Research
Langdale, J	Member	EMBO, SEB, UK Genetics Society, BBSRC committee member, SAB
Langdale, J	Lab Leader	University of Oxford
Lowell, S	Member	BSCB, ISSCR
Lowell, S	Member, officer	BSDB
Lowell, S	Senior Research Fellow	University of Edinburgh,
Machesky, L	Member	EMBO, ASCB, BSCB, Biochemical Society
Machesky, L	Lab Leader	CRUK/University of Cambridge
Munro, B S	Member	ASCB, BSCB, EMBO, AAAS
Munro, B S	Group Leader	Medical Research Council
Nilsson, G	Member	SEB
Rigby, P	Member	EMBO, BSDB
Rigby, P	Chair of Trustees	Babraham Institute
Royle, S	Lab Leader	University of Warwick
Royle, S	Member	BSCB and ASCB
St Johnston, R D	Member	BSDB, EMBO
St Johnston, R D	Lab Leader	Cambridge University
Shiels, H	Lab Leader	University of Manchester
Shiels, H	Member	SEB
Wilson, A	Member	SEB

The Company provided support to the British Society for Developmental Biology for £70,000 (2022:£36,091); The British Society for Cell Biology for £63,664 (2022: £0); The Society of Experimental Biology (SEB) for £17,096 (2022: £14,184); European Molecular Biology Organisation (EMBO) for £0 (2022: £5,500); University of Edinburgh for £11,050 (2022: £2,900); Cambridge University for £9,292 (2022: £10,500); University of Oxford for £5,500 (2022: £11,000); the University of Dundee for £0 (2022: £1,500); The Institute of Cancer Research for £0 (2022: £2,000); University of Manchester £8,632 (2022: £2,0000); Babraham Institute £2,000 (2022: £1,500) and the University of Warwick for £4,000 (2022: £0).

Of the grant commitments made to related organisations during the year, £232,500 (2022 - £1,500) was outstanding and included within creditors at the year end.

During the year the Company made stipend payments totalling £2,635 (2022 - £2,359) to S L Nilsson, the wife of G Nilsson, a Trustee of the charity. All payments occurred at arms length, on a commercial basis.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

12 Net income/ (expenditure) for the year is stated after charging:	2023 £	2022 £
a) Foreign currency (gains)/ losses	88,806	(513,601)
b) Depreciation	99,388	99,337
c) Trustee indemnity insurance	1,700	2,072
d) Auditors' remuneration		
Audit services	16,390	14,350
Other services	625	625
	17,015	14,975

13 Tangible fixed assets	Freehold Land & Buildings £	Fixtures, fittings & equipment £	Total £
Cost at beginning of year	3,570,243	356,894	3,927,137
Additions at cost	20,946	25,334	46,280
Disposals at cost	-	(11,670)	(11,670)
Cost at end of year	3,591,189	370,558	3,961,747
Accumulated depreciation at beginning of year	493,267	311,637	804,904
Charged in year	84,234	15,154	99,388
On disposal	-	(11,670)	(11,670)
Accumulated depreciation at end of year	577,501	315,121	892,622
Net book value at end of year	3,013,688	55,437	3,069,125
Net book value at beginning of year	3,076,976	45,257	3,122,233

Tangible fixed assets are all used for the purposes of journal production.

14 Investments	UK Unlisted £	Overseas Unlisted £	Cash £	Total £
2023:				
Market value at beginning of year	36,071,977	22,673,267	1,841,976	60,587,220
Additions at cost	654,774	7,955,860	-	8,610,634
Disposal at opening book value	(1,454,965)	(8,022,320)	-	(9,477,285)
Net unrealised loss	2,165,228	1,932,659	-	4,097,887
Foreign exchange gain	-	-	(62,836)	(62,836)
Cash movement in the year	-	-	2,177,590	2,177,590
Market value at end of year	37,437,014	24,539,466	3,956,730	65,933,210
Actual cost at year end	30,840,117	23,020,003	3,956,730	57,816,850

At the end of the year, included within investment cash there was a balance of £3,907,294 which was not deposited to the investment portfolio until 1 January 2024.

Investment manager fees of £316,398 (2022 - £315,579) are reflected in the market value of the funds at the year end and are recognised in full in the Statement of Financial Activities

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

14 Investments (cont.)

2022:	UK Unlisted £	Overseas Unlisted £	Cash £	Total £
Market value at beginning of year	42,081,905	22,975,324	2,138,875	67,196,104
Additions at cost	392,183	5,812,052	-	6,204,235
Disposal at opening book value	(2,707,943)	(2,719,151)	-	(5,427,094)
Net unrealised gain	(3,694,168)	(3,394,958)	-	(7,089,126)
Foreign exchange gain	-	-	64,602	64,602
Cash movement in the year	-	-	(361,501)	(361,501)
Market value at end of year	<u>36,071,977</u>	<u>22,673,267</u>	<u>1,841,976</u>	<u>60,587,220</u>
Actual cost at year end	<u>31,412,208</u>	<u>23,580,131</u>	<u>1,841,976</u>	<u>56,834,315</u>

At the end of the year, included within investment cash there was a balance of £1,793,505 which was not deposited to the investment portfolio until 1 January 2023.

2022 Investment manager fees of £315,579 (2021 - £567,161) are reflected in the market value of the funds at the year end and are recognised in full in the Statement of Financial Activities

The Company has wide powers to invest surplus funds at its discretion. The Trustees have established a Finance and Investments Committee which includes external advisors and makes investment recommendations to the Board of Trustees. The agreed investment policy is to maximize overall long term return without undue risk by sustained investment in equities with significant exposure to all the main stock markets of the world. This involves purchases of units, partly in actively managed funds which have the aim of getting superior returns to the other main part of the company's investment in index tracking funds that track stock market indices of the US, UK, Europe and, to a lesser extent, Japan, the Far East and other Emerging Markets.

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

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges.

15 Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	1,671,500	669,613
Other debtors	24,033	127,801
Prepayments	433,077	360,737
	<u>2,128,610</u>	<u>1,158,151</u>

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

16 Deferred income

Deferred income relates to journal subscription and read and publish income received in advance of the start of the subscription year (1 January), and author fees received in advance of articles being published.

	Journal Subscriptions £	Read & Publish income £	Author Fees £	Total £
Deferred income at 1 January 2023	3,569,948	1,210,992	65,029	4,845,969
Amount released to income earned from charitable activities	(3,569,948)	(1,210,992)	(65,029)	(4,845,969)
Amount deferred in year	3,604,481	1,272,634	47,607	4,924,722
Deferred income at 31 December 2023	<u>3,604,481</u>	<u>1,272,634</u>	<u>47,607</u>	<u>4,924,722</u>

17 Other creditors & accruals

Included within other creditors & accruals is £388,762 (2022: £162,257) of grants which were committed at the year end, and which will be paid within one year.

	£
Movement in funding commitments during the year	
Grant commitments recognised at the start of the year	162,257
New grant commitments charged to the SoFA in year	949,178
Grants paid during the year	(722,673)
Amount of grant commitments recognised as at 31 December 2023	<u>388,762</u>

18 Financial instruments

	2023 £	2022 £
Financial Assets		
Financial assets measured at fair value through profit or loss	71,041,612	67,713,445
Financial assets that are debt instruments measured at amortised cost	1,695,533	730,896
	<u>72,737,145</u>	<u>68,444,341</u>
Financial Liabilities		
Financial liabilities measured at fair value through profit or loss	(2,297)	-
Financial liabilities measured at amortised cost	(712,684)	(775,659)
	<u>(714,981)</u>	<u>(775,659)</u>

Financial assets measured at fair value through profit or loss comprise investments, cash and gains on derivative hedging instruments (forward contracts).

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at fair value through profit or loss comprise loss on derivative hedging instruments (forward contracts).

Financial Liabilities measured at amortised cost comprise trade creditors, grants committed, accruals and other creditors excluding amounts owed to employees.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

19 Analysis of Net Assets Between Funds 2023:

	General Fund (Unrestricted)	Charity Reserve (Designated)	Baker/Godfrey Funds (Restricted)	Total Funds
	£	£	£	£
Fund balances at 31 December 2023 are represented by:				
Tangible fixed assets	3,069,125	-	-	3,069,125
Investments	-	65,811,094	122,116	65,933,210
Current assets	7,229,306	-	7,706	7,237,012
Current liabilities	(5,328,928)	(388,762)	-	(5,717,690)
Internal balance	28,740,852	(28,740,852)	-	-
Total Net Assets	33,710,355	36,681,480	129,822	70,521,657

Summary of fund movements

	Fund balances brought forward	Income	Expenditure	Gains and losses	Fund balances carried forward
	£	£	£	£	£
General Fund	33,015,316	7,266,905	(6,630,313)	58,447	33,710,355
Designated fund	33,075,749	543,945	(2,292,761)	5,354,547	36,681,480
Restricted Funds	117,262	-	-	12,560	129,822
Total Funds	66,208,327	7,810,850	(8,923,074)	5,425,554	70,521,657

2022:

	General Fund (Unrestricted)	Charity Reserve (Designated)	Baker/Godfrey Funds (Restricted)	Total Funds
	£	£	£	£
Fund balances at 31 December 2022 were represented by:				
Tangible fixed assets	3,122,233	-	-	3,122,233
Investments	-	60,477,664	109,556	60,587,220
Current assets	8,210,152	-	7,706	8,217,858
Current liabilities	(5,556,727)	(162,257)	-	(5,718,984)
Internal balance	27,239,658	(27,239,658)	-	-
Total Net Assets	33,015,316	33,075,749	117,262	66,208,327

Summary of fund movements

	Fund balances brought forward	Income	Expenditure	Gains and losses	Fund balances carried forward
	£	£	£	£	£
General Fund	31,009,023	7,001,410	(5,032,543)	37,426	33,015,316
Designated fund	41,175,861	558,487	(1,862,773)	(6,795,826)	33,075,749
Restricted Funds	136,520	-	-	(19,258)	117,262
Total Funds	72,321,404	7,559,897	(6,895,316)	(6,777,658)	66,208,327

The General Fund comprises retained surpluses on journal production.

The Charity Reserve comprises a designated fund, established by the Company for the support of biological science. The general fund makes available to the charity reserve the Company's investments and cash and other deposit accounts, the income from which is credited to this fund each year. Expenditure from the fund comprises scientific grants and workshops.

The Peter Baker Memorial Fund and Philip Godfrey Fund are restricted funds established to support biological research.

Trustees' Report and Financial Statements for the year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

20 Pension Costs

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension costs charge represents contributions payable by the Company to the fund and amounted to £225,398 (2022: £200,336). Contributions of £50 were due to the fund at the year end (2022: £22,387).

21 Notes to the Statement of Cash Flows

	Note	2023 £	2022 £
a) Reconciliation of net income to net cash flow from operating activities			
Net income/ (expenditure) for year	SOFA	4,376,166	(6,177,679)
		<u>4,376,166</u>	<u>(6,177,679)</u>
Depreciation	13	99,388	99,337
Loss on sale of tangible fixed assets		-	-
Change in debtors	BALANCE SHEET	(970,459)	(686,722)
Change in creditors	BALANCE SHEET	(80,047)	122,786
Change in income in advance	16	78,753	735,119
Investment manager fees	SOFA	316,398	315,579
(Gains)/ Losses on investments	SOFA	(5,429,943)	6,879,686
Dividends and interest from investments	SOFA	(543,945)	(558,487)
Net cash provided by operating activities		<u>(2,153,689)</u>	<u>729,619</u>

		2023 £	2022 £
b) Cash flows from investing activities			
Payments to acquire tangible fixed assets	13	(46,280)	(63,037)
Payments to acquire investments		(8,610,634)	(6,204,235)
Receipts from sales of investments		10,485,138	5,297,009
Investment manager costs paid		7,804	23,946
Interest received	SOFA	21,237	1,589
Investment income received	SOFA	522,709	556,898
		<u>2,379,974</u>	<u>(387,830)</u>

c) Analysis of changes in net debt

2023:	At 1 Jan 23 £	Cash flow £	Foreign Exchange Movement £	At 31 Dec 23 £
Cash	7,059,707	(1,951,305)	-	5,108,402
Cash held in investment portfolio	1,841,976	2,177,590	(62,836)	3,956,730
Total cash and cash equivalents	<u>8,901,683</u>	<u>226,285</u>	<u>(62,836)</u>	<u>9,065,132</u>

2022:

	At 1 Jan 22 £	Cash flow £	Foreign Exchange Movement £	At 31 Dec 22 £
Cash	6,356,417	703,290	-	7,059,707
Cash held in investment portfolio	2,138,875	(361,501)	64,602	1,841,976
Total cash and cash equivalents	<u>8,495,292</u>	<u>341,789</u>	<u>64,602</u>	<u>8,901,683</u>