



BRITISH EXPLORING SOCIETY

A company limited by guarantee and not having share capital

Registered charity Number: 802196

Company Number: 2411786

Annual Report

and

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2022

Our vision is for all young people to be able to contribute confidently in the world. We want equal access to challenging learning and adventure in the wilderness as an unbeatable preparation for adult life.

Our mission is to grow and celebrate a diverse, inclusive community of young people with the skills, resilience, and determination to make lasting positive decisions in their own lives, and to deliver community benefit and positive environmental change.

'I think the British Exploring Society is so exceptional because it is so accessible....It makes it unique.'

'British Exploring Society is the only organisation...that takes young people on this sort of expedition...as a young person it's so difficult to find opportunities...and do what you're interested in...I know I want to get involved in the environment.'



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President	Marvin Rees
Members of the Council	Ian Maginnis (Chair) David Tilston (Treasurer) Susan Redshaw Jane Park-Weir (resigned September 2022) Rahul Moodgal Carolyn Young Patrick Van Daele (retired April 22) David Bartles-Smith (resigned November 21) Mark Fawcett (appointed April 22) Tim Passingham (appointed April 22) Jim Hopkinson (appointed April 22) David Wells (appointed April 22) Dr Claire Royston (appointed April 22)
Chief Executive Officer and Secretary	Honor Wilson-Fletcher (Responsible for day-to-day management)
Charity Registration Number	802196

Company Number	2411786 (England and Wales)
Registered Office and Principal Address	1 Kensington Gore London SW7 2AR e-mail: info@britishexploring.org www.britishexploring.org
Bankers	Royal Bank of Scotland plc 49 Charing Cross London SW1A 2DX
Auditor	Kreston Reeves LLP Third Floor 24 Chiswell Street London EC1Y 4YX

The Council (board of trustees) presents its report and audited financial statements for the year ended 31 October 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the governing document (Articles of Association) the Charities Act 2011, Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

An introduction from our Chair, Ian Maginnis

“2022 was our 90th anniversary year, and we had many reasons to celebrate.

710 young people benefitted from our work this year: 171 taking part in our expeditions, and the remainder through our expedition workshops and ‘Wildestan’ virtual adventure programme. Most pleasing was the fact that, for the first time since 2019, and the Covid pandemic, we were able to run overseas expeditions. Two of these were to new locations: Lake Baikal and Kyrgyzstan.

Most importantly, our expeditions and programmes delivered great outcomes with young people from a diverse range of backgrounds.

Our strategic partners, who help us recruit and support young people, and the fact we offer fully funded places, mean we have made it easier for young people from all backgrounds to join us. More than 50% of our Young Explorers were from parts of the country with below average household income, 20% from areas with the most severe deprivation; 56% were from low-income families; 12% were from ethnic minorities; 24% had some form of disability and 34 were in care. Young Explorers reported improvements in their life-skills and mental well-being, and gave us highly positive feedback. Particularly encouraging was the fact that Young Explorers raised over £130,000 for British Exploring Society, while developing skills in fundraising and managing money at the same time.

Over 223 Young Explorers, parents and carers, and volunteer leaders recently joined us for 'Next Steps': the culmination of a successful season. Next Steps is a unique part of what we do, where Young Explorers reflect on their expedition experiences and plan for the future, and where we welcome them into our British Exploring Society community as members.

During the year, we also made good progress on 'A Wild Future', our new strategy launched earlier in the year.

A key part of A Wild Future is inclusivity: how we welcome and involve our people. In April we held a two-day consultation at St George's Chapel in Windsor, bringing together thought leaders from our sector to discuss how we can make exploration more sustainable and inclusive, and create better access to the outdoors for young people.

Environmental sustainability is another important part of A Wild Future. This year we developed a carbon plan. It lays out how we can continue to deliver high quality expeditions to wild locations but reduce our carbon emissions at the same time.

Everyone in the British Exploring Society community knows about the great things we do, but it is frustrating that there is not greater awareness of us outside our community. This year we were able to increase our public profile. Most notable were full page colour adverts in the Financial Times and being given a BBC Radio 4 charity appeal slot with one of our members, Andy Serkis, making the appeal for us.

Despite these successes, 2022 was not an easy year. The worlds of outdoor education and international travel are not back to normal after the pandemic, making planning and delivering expeditions extremely challenging; inflation has put significant pressure on our costs; and a slowing economy has made fundraising more difficult. I'm proud that everyone in the British Exploring Society community – our staff, our donors and supporters, our partners, and our volunteer Leaders – stepped up to make great things happen in 2022. On behalf of Council, I want to thank everyone in our community for what you do: Without your hard work and support, none of this would be possible."

'An incredible experience in which I have grown as a person..while having the most fun I've ever had.'

Our Charitable Object and What we Do

Our object is to advance the education of young people by providing inspirational and challenging scientific expeditions to remote, wild environments and so promote the development of their confidence, teamwork, leadership and spirit of adventure and exploration.

British Exploring Society has a unique heritage, founded on the belief that challenging experiences can define lives, empowering and equipping young people with the courage, skills, resilience, and determination to make the most of their future. We prepare and give young people access to adventures and expeditions to remote locations where they face challenges, gain skills and learn about themselves - as well as acquiring knowledge relevant to their lives and to the fragile environments that they explore with us.

The results are transformative – not just in terms of practical skills and resilience, but in a new-found confidence and self-belief which they carry forward to their future life.

'The best time of my entire life'.

More than this, through their adventure together, our young people forge friendships for life and become part of a unique supportive and continuing community of explorers with shared experiences, values and perspectives on the world.

Our focus is on responsive, high-impact, long lasting work with those who can benefit most.

Our effectiveness comes from the enduring expertise we have developed over our 90 years and from a commitment to learn from every programme we deliver.

Our scale comes from;

- the life-long community of support we work to build;
- the economic and societal contribution of our members;
- the social action and volunteering which participants undertake as part of their programme with us;
- our growing understanding of how to provide more support to each young person we work with;
- delivering more touch points so that we can support more young people – and support those young people more - on their journey with us.

Delivering on our strategy A Wild Future 2022 – 2032

A commitment to sustainability with our people, in our programmes and to our planet

Access to the outdoors is still not equal. We now provide fully funded programmes to ensure fairer access to our services (except for our professional training qualification for trainee leaders). **But everyone still makes a commitment** to us and to the programme they join. To acquire skills for life, we still ask young people to fundraise towards the work of the charity when joining us for full expedition programmes. Young people learned the skills with us to fundraise **£135,501** towards our core costs. The donations young people make help us enable future participation for other young people.

'fundraising and keeping track of money..is not a skill taught in schools'.

'I think it can be really difficult for young people, and women especially to put themselves out there and create opportunities for themselves, and fundraising has taught me a bit about how to do this.'

Each young person's contribution is subject to a simple means-test, to ensure equality of access for all - and to some extent reflects the scale of the challenge they are taking on through their programme. 29 young people exceeded their targets.

Means testing indicated that over 50% of the 171 young people who went on expedition with us this year came from households where income is **£23,000 or less a year**. Median income in the UK in 2021 was £31,400.

'For my fundraising, with the help of my dad I was able to come up with the idea of selling homemade curries....This helped me feel connected to my...Indian roots as well as to raising the money I needed.'

Our programmes and the planet. In A Wild Future we made a commitment to report on our greenhouse gas emissions, and to share our progress in becoming a more sustainable organization in our annual report.

Our overall carbon footprint which includes office costs and programmatic activities for 2021 is estimated at 60.5t CO₂e. In this year, all our expedition activities were in the UK. We will report in full on our 2022 emission in next year's annual report. This will be our first full year of UK and overseas programmes since 2019, pre-COVID.

'I have become far less wasteful after expedition.'

- We have provided IEEM accredited carbon management training to 12 staff and Leaders;
- We have designated a member of staff to help us calculate and report on our carbon management effectively;
- Going forward, we aim to deliver a 5% per annum reduction in our principal source of emissions; travel;
- We have purchased Pending Insurance Units* to offset our greenhouse gas emissions for 2020 and 2021.

*PIUs are carbon credits in mitigation of our carbon emissions as the units we have purchased on the site will accumulate over time to offset the emissions already incurred. Our PIUs will be available on the UK Land Carbon Registry and available for public scrutiny. We have sought high conservation/restoration value schemes where the projects are of genuine value to landowners, and with public access. We are working with ForestCarbon www.forestcarbon.co.uk at their site at Hawkshaw on the Scottish Borders, between Locherbie and Edinburgh. They are planting a good mix of native broadleaves (Downy Birch, Oak, Aspen, Willow, Alder, Scots Pine, Rowan, Thorny Scrub) since Spring 2021, and the scheme is supporting flood mitigation, improved water quality and wildlife. It has pedestrian access through the woodland site and being in Scotland there is the right to roam – including for us at British Exploring Society. We hope that this will be of programmatic/knowledge value as the site matures.

Our people. We will not be able to deliver on our mission and vision without the skills and capabilities of a more diverse and inclusive workforce and community. We have changed our approach to recruitment, and altered some terms of employment in order to support a more diverse workforce. We still have much more to do. We are grateful for the support and challenge of everyone who is helping us along the way.

Volunteering is core to British Exploring Society's community and to its impact. Professional volunteering explicitly and implicitly supports the delivery of key outcomes for the charity. The charity has thrived – and depended – on the support and contribution of professional volunteers in making back-office delivery possible, too.

The largest gift we receive each year is the charitable donation of hours worked we receive from our professional volunteers. In 2022 this was valued for audit at £170,014 (2021: £127,600). 98 volunteer professional Leaders and Experts prepared for and participated in induction and training. 78 participated in expeditions in the field in 2022.

We also benefit from a wide range of professional skills gifted to us to support our strategic development from our for their support with risk management, strategy and the sourcing of kit stores.

We welcome young people from right across society. The main beneficiaries of our work are 14 - 26. Our Explorers and Adventurers represent an inclusive, diverse cross section of young people from a wide range of communities and experiences of adolescence. We are proud to offer opportunities for those living in foster care, leaving care, the neurodiverse and those living with physical impairment as well as those growing up in communities identified as facing multiple disadvantages.

Many young people are introduced to us by trusted partners who provide invaluable support throughout the time the young people they refer spend with us. 45% of our Young Explorers in 2022 - where we have access to data - are designated as residing in areas of deprivation. The Indices data we use excludes Scotland, so the % of deprivation we declared in 2022 would be higher if Scottish postcodes were included.

The number of young people that find us through our community remains significant, with 23 joining us this year through family and friends.

Our partners

Partnership working helps us reach and support more marginalised groups. Our Leader roles in 2021 were in part filled by staff seconded from referring partner organisations including Catch22 and Outcomes First Group.

57% of Young Explorers were referred to us through our network of schools, youth organisations and partnerships this year.

Our Impact

Young people need the skills, behaviours, and confidence to make good decisions, seize opportunities and tackle contemporary challenges. In assessing our impact, we consider our success in supporting young people in securing that confidence and those skills and in recognising the value of those behaviours.

The impact of our work is always set against the backdrop of considerable change in young peoples' lives. We use a combination of quantitative and qualitative evidence to give us a more complete narrative of the difference our programmes make.

- Socio-economic data;
- The My compass tool;
- The Short Warwick-Edinburgh Mental Well-being Scale;
- Real Life Stories;

Outcomes of My Compass – across all expedition programmes

This year, the greatest significant average differences in intervals reported by Young Explorers using the My Compass tool across all programmes were in relation to making decisions that matter, staying on track and in communication.

The Short Warwick–Edinburgh Mental Well-being Scale

Using the Short Warwick-Edinburgh Mental Well-Being Scale our Explorers reported the largest average interval change in relation to being useful and feeling close to people.

We also consider how often the core My Compass themes are spontaneous referenced by Young Explorers in their anonymous feedback to us at the end of their programme. From this we can see that the world and me, confidence and people and me, problem solving stand out at by far the highest frequency of reporting.

Programmes and core activities in 2021/22

710 young people benefitted from our work during the financial year. We delivered 6 full scale expedition programmes in the UK and overseas in this year. All overseas programmes included;

- A UK training weekend
- A UK training expedition week
- An overseas phase of 3 or 5 weeks
- Next Steps reflection and presentation day

We delivered Expedition Workshops and Wildestan Adventures at points throughout the year. Our wilderness programmes in 21/22 were;

- Pinnacle in Siberia
- UK Explorers Spring in Scotland
- Dangoor Next Generation in Iceland
- 2 summer expeditions - in Krygyzstan and the Yukon, Canada.
- 2 back-to-back expeditions in the Highlands of Scotland.

Pinnacle Siberia March 2022. 4 weeks overseas. 9 Young Explorers and 4 Leaders were recruited in 2020 and then took part in extensive engagement and on-line training sessions in preparation for our first expedition to Lake Baikal, which is the largest lake in the world by volume, and frozen annually from January to May.

This programme - our most challenging - generously supported by Sandy and Zorica Glen Charitable settlement, was repeatedly postponed by world events until February 2022. During the course of postponement we took the opportunity to work with the team to adapt our travel plans to reduce our greenhouse gas emissions. The team travelled by Trans-Siberian railway from Moscow to Irkutsk.

The programme was for a journeying expedition – snow and ice travel and camping and field science and a winter traverse across the frozen surface of Lake Baikal dealing with very extreme low temperatures. The expedition was to be conducted on the frozen surface of the lake with minimal activity on the surrounding land.

The team travelled safely to their destination, but their cold weather kit was frustratingly delayed at Heathrow. Following the outbreak of war with Ukraine, the embargo on flights meant that the kit could not be despatched to the team, the expedition had to be curtailed and the team brought home (without incident).

UK Explorers Spring 2 weeks in Scotland .27 Young Explorers and 13 Leaders. The training weekend for this programme had to be cancelled at very late notice due to severe weather warnings, and the expedition itself also faced very challenging weather. The programme was based at Insh Scout Camp in the Highlands, which is adjacent to the river Spean and is an open meadow surrounded by wooded areas.

Dangoor Next Generation Iceland 3 weeks overseas. 29 Young Explorers and 13 Leaders travelled to Iceland. We are very pleased to work in partnership with Catch-22 to deliver this programme and remain indebted to the Dangoor family for their sustained support.

In 2021, we delivered this programme in Scotland to meet the restrictions imposed during COVID. Whilst this was very successful, we were very pleased to be able to return to Iceland in 2022.

The expedition provides opportunities for trekking, including river crossings. We work in an area of North East Iceland which includes the Askja Volcano and surrounding lava fields, Sellandafjall Mountain, Alderjarfoss waterfall and the southern edge of Lake Myvatn. Base Camp is located adjacent to the Sudura River 3km from the nearest settlement – Svartarkot Farm – on whose land the team are based, thanks to the ongoing generosity of the landowners.

Kyrgyzstan 2022 5 weeks overseas. 18 Young Explorers and 9 Leaders
This is our first expedition to the area - and therefore the routes the team investigated were genuinely exploratory. It provided opportunities for high altitude trekking based in the Naryn region towards the south of Kyrgyzstan. Although generally temperate, weather can be changeable and the team had to expect snow patches especially nearer summits. Base Camp was in a valley situated at the Northern-Eastern end of the At-Bashi mountain range at an altitude of 2756 metres and the terrain included mountain ridges are steep terrain including grass plains, rock, scree, and potential for ice.

Yukon 3 week and 5 week programme overseas. 38 Young Explorers and 19 Leaders.
Base in the Yukon Territory of northwestern Canada, it provides trekking and canoe-based river journeys of up to 3 days. The team used a base camp on privately owned land around Dezadeash Lake, situated approximately 50km south of Haines Junction. The team trekked in Kluane National Park and the surrounding area. The park is home to Canada's highest peak (5,959m Mount Logan) and its largest ice field. It is well-known for its fantastic scenic landscape and there are glaciers in the far west of the park. The entire area of the Yukon is home to abundant wildlife including black and grizzly bears.

Hartz Scottish Explorers 1 and Hartz Scottish Explorers 2 each 2 weeks in Scotland. 51 Young Explorers and 18 Leaders.

Hartz Scottish Explorers 2022 expeditions were delivered from a base camp in Ardtalnaig, on the banks of Loch Tay. Fires had the chance to participate in multi-day canoeing expeditions on the Loch where there are several small islands for exploration and trekking expeditions in the hills with the areas both on the North and South sides of Loch Tay available for exploration.

Wildestan Adventures. 3 adventures. 33 participants.

We were trialling new approaches to delivering Wildestan this year, to embrace 'post-COVID' ways of working. Each live, interactive virtual adventure was hosted by one of our professional Leaders, called an Expert, and was themed around – and where possible delivered in –the wilderness. We use as much as we can of the same mix of Adventure, Knowledge and Personal Development as we do in the wilderness to engage young people in lively activities.

Expedition Workshops November 21– October 2022. 478 young people attended an Expedition Workshop in 2021/2.

We worked in partnership with schools across England and Scotland and visited 7 locations. Lasting a full morning or afternoon, using ‘real’ resources from our expedition planning processes, we worked with Leaders to design active participation workshops for secondary schools. The workshops were designed to;

- provide valued content and stand-alone learning
- develop decision-making under pressure and support strategies for positive well-being
- present new and relatable adult role-models
- dispel myths -about fitness, suitability, and the purpose of modern adventure and exploration
- have fun and learn in an exciting context, as we do on our programmes.

Young people were asked after each Workshop to provide feedback on what they had learnt, what they enjoyed and what they would change:

Financial Review

The Statement of Financial Activities is shown on page [24].

2021/22 has been a challenging year for British Exploring Society. Following a successful prior year, when the charity bolstered its reserves following the pandemic, the fund-raising environment became much more challenging. Indeed one well known and long standing outdoor experiences charity was forced to cease trading. We have nevertheless received continuing support from our core donors and others as a result of the sterling work by our fundraising team. The Development Board has continued to raise significant sums and has organised a major event to celebrate our 90th anniversary, with some funds received prior to the year and further contributions shortly afterwards.

British Exploring Society generated £1,571,104 of income (2021: £1,255,362). The total cost of our charitable activities amounted to £1,622,872 (2021: £1,176,344).

There was net deficit on the unrestricted, restricted and endowment funds of £51,768 (2021: £79,018). The Council confirms that the charity's assets are available and adequate to fulfil the financial obligations of the Society.

The main activities in the year to 31 October 2022 are outlined in the sections above.

The income and expenditure of the charity are reflected in the Statement of Financial Activities on page 24 of these financial statements. We have made considerable efforts to provide refunds to young people where expeditions did not proceed due to the pandemic. Where young people have either not yet sought the refund, or are considering ‘carrying over’ their contribution, any unrefunded balances are held in creditors, as seen in note 9.

Investment Policy and Performance

In accordance with the Articles of Association, the Council has the power to invest in such stocks, shares, investments and property as they see fit. No fund managers are currently engaged.

Reserves Policy

The Reserves policy is implemented with other governance and financial controls and is intended to support these policies and the goals identified in British Exploring Society strategic and operational plans. The minimum amount to be designated as Reserves is designed to be enough to maintain ongoing operations and programmes for a set period, measured in months. The target minimum is equal to 3 months of average operating costs. The maximum level of the Reserves is equal to 6 months operating cost.

The Reserves target minimum will be calculated and agreed each year alongside approval of the annual budget and will be included in regular financial reporting. The level of the Reserves fund must be dynamic, will be reviewed by Finance Committee, and will be adjusted in response to internal and external changes.

For the purposes of this policy Reserves are defined as Unrestricted income funds less the net book value of tangible fixed assets and less any reserves designated for specific purposes by Council. Reserves would normally expect to be represented by freely available cash balances, bank deposits and other liquid investments as adjusted by the balance of short-term working capital items which are expected to convert into cash items in the near future

British Exploring Society sets as a requirement the addition of Reserves equivalent to one month's operating costs over a year if our Reserves stand at less than six months' worth of operating costs at its commencement, or to bring Reserves up to three months' worth of operating costs if at less than three months at the beginning of the year. The current calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, travel, programme delivery, and ongoing professional services. Depreciation, in-kind, and other non-cash expenses are not included in the calculation.

The balance held as unrestricted funds at 31st October 2022 was £285,588 of which £229,456 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets. The balance held as restricted and endowment funds at 31st October 2022 was £490,811. During the year to 31 October 2022 the target minimum reserves level of three months' worth of operating costs was breached, which led to the activation of more regular reviews by the Finance Committee in line with established policy. At the 31 October 2022 reserves stood at approximately [2.7] months' worth of average operating costs. The 90th anniversary fund raising event shortly after the end of the financial year led to an increase in reserves such that had additional funds raised been included in our accounts as of 31 October 2022 then Reserves would have stood above the minimum target Reserves level. Nevertheless, the Finance Committee and Council will remain focussed on the level of Reserves whilst the challenging fundraising environment persists.

Structure, Governance and Management

Our Council is ultimately accountable for the effectiveness of the charity in the achievement of its purpose. The Council's primary responsibilities relate to policy, strategy and performance, meeting, or exceeding standards in all areas of statutory regulation, financial performance and the safety and well-being of everyone, particularly the young people that the charity works with. The executive team under the direction of the Chief Executive Officer is responsible for implementing policy and strategy. The executive team and Chief Executive Officer design and deliver operational plans, manage risk on a day-to-day basis, make recommendations to Council in all areas of activity, and are accountable to Council for performance against all agreed performance indicators. The responsibility for all activities towards the achievement of the charity's charitable purpose which take place overseas during expeditions is delegated to contracted volunteer Chief Leaders.

As of the end of the financial year, the charity was employing 15 full-time and 3 part-time employees who manage the direction and day-to-day administration of the charity. Many volunteers offer their services regularly or on an ad hoc basis and assist Council and staff. A significant number provide specialist professional services to the charity as a donation.

Members of Council meet regularly in person or remotely, at a full Council meeting (minimum four per annum) or by way of sub-committee meetings, to manage its affairs. Individual Council members additionally dedicate their time to oversee specific areas of activity to support the executive staff team.

Council from time to time also appoints Advisors to the Board. These are individuals with expertise in areas of strategic significance to the charity and are listed on the website of the charity. They have no fixed term of office.

The Company is limited by guarantee and governed by Articles of Association which were updated in 2017 at its AGM.

Members of Council, listed on page 3, are the directors for the purposes of the Companies Act 2006 and trustees for the purposes of the Charities Act 2011. Members of the Council are appointed at Council or at the Annual General Meeting each year. Since the Company is limited by guarantee, none of the members of the Council has any beneficial interests in shares in the Company.

The Council is entitled to propose candidates for election to Council and to appoint additional members of Council. New members of Council are recruited to the Council by formal application and with the support of a nominations sub-committee. In selecting new members of Council, consideration is given to the specific contribution they can make to the Council and the charity. A regular skills and training audit is undertaken to ensure that appointments reflect the strategic priorities of the charity.

Members of Council are limited to two four-year terms, after which a two-year break is enforced before the possibility of a further term.

The pay and remuneration of the Chief Executive Officer is set by Council and is kept under annual review. Several criteria are used in setting pay:

- Nature of the role and responsibilities;
- The sector-average salary for comparable positions;
- General trends in pay.

Policies:

- Archive Management
- Conflicts of Interest
- Complaints Policycom
- Data & Privacy Protection
- Environmental Policy
- Ethical Fundraising and Partnerships
- Ethical Expeditions Policy
- Equity, Diversity and Inclusion Policy
- Fellowship Policy
- Finance Policy and Procedures
- Health & Safety at Work
- Membership Policy
- Photography and Filming Policy
- References Policy
- Reserves Policy
- Risk Management Policy
- Safe Operations Policy
- Safeguarding Policy & Procedures
- VIP Visits
- Visitors Policy
- Whistleblowing Policy
- Take Down Policy

Approach to Managing Risk

The charity must manage two categories of risk: those to itself and those to the Leaders and young people who participate on its programmes in wild and remote areas. Council is responsible for the oversight of both. The Executive works with Council to agree risk appetite and tolerance on a dynamic, case-by-case basis. Effective governance and oversight of risk provide assurance that British Exploring Society's activities will not be adversely affected by predictable risks, which in turn reduces the likelihood of not achieving its strategy, or the occurrence of material incidents that could have a significant impact on the charity's reputation and financial sustainability.

Council members and the Chief Executive's senior leadership team identify risks to British Exploring Society. The major risks are documented, monitored by the senior leadership team on a continuous basis, and reviewed at each Council meeting. An Operations sub-committee supports the Executive team in the oversight of risk in relation to programme development and delivery. At least two Council members serve on this committee.

Areas affected by risk include programmes, finances, governance, operations, insurance, compliance with law and regulation, and external perceptions and relationships.

Programme risk management process

The Chief Executive, supported by the Head of Expeditions and their Expeditions Managers, is responsible for establishing and operating a system for managing programmes and their associated risks. On expedition, this is delegated to Chief Leaders, who as agents of the charity are responsible for the system.

This system includes checking compliance with British Exploring Society standard operating procedures (SOPs). These cover all technical aspects of preparing and delivering a programme and the standards and skills expected of Leaders and Experts including their ability to dynamically assess and manage the changing risks to which an programme may be exposed.

SOPs are reviewed by the British Exploring Society senior leadership team and technical advisors. They are updated in the light of practical experience and changes in practice and regulation. Individual risk management plans and control measures are also subject to interrogation through a targeted desk-based process of research which considers environmental, political, and other risks which we may not have been previously encountered in the field just prior to departure.

Expedition Leadership

An experienced, capable Chief Leader is the bedrock upon which a safe, well-managed programme is founded. The Chief Executive, Head of Expeditions and/or Expeditions Managers question each candidate Chief Leader at length and satisfy themselves about their abilities and experience before appointment. The British Exploring Society executive team reserves the right to require a Chief Leader to stand down from expedition leadership at any point if they have reason to believe that the individual can no longer effectively manage dynamic risk assessment in the field or support the delivery of wider charitable objectives to the appropriate standard.

The responsibility for selecting and developing a strong, cohesive expedition leadership team which understands the ethos and expectations of British Exploring Society, rests with the Chief Leader, Head of Expeditions and Expeditions Manager, and is overseen by the Chief Executive who reports to Council. Each Chief Leader works closely with the British Exploring Society office throughout the planning process. They assess risks relevant to programme objectives, client group and environment, and, following the relevant operating procedures, develop a comprehensive set of plans including for communications, major incidents, and medical emergencies. The nominated expedition lead at British Exploring Society reviews the risk assessment, itinerary and plans.

Before each new programme, Explorers, Leaders and Experts are trained to identify and manage risks.

At the start of a programme further training is given. A Chief Leader, liaising with the British Exploring Society office in London, will adapt their plans, risk assessment and control measures to suit the circumstances in the field at the time.

Programme risk management oversight

- Council members monitor processes and review the Chief Executive's assessment of the readiness of each programme to commence before authorisation.
- 'Consent to deploy' is usually delegated to the Operations Committee.
- Council members may attend participant training or spend time in the field.
- Council reviews post-expedition reports and performance data and remedial actions to be incorporated into future planning. This ensures that the charity's system for identifying and managing risks to Leaders and participants on its expeditions and to the charity are robust and transparent.

The charity is a member of the Expedition Providers' Association. Learning Outside the Classroom, its accrediting body, assesses the following areas to seek assurance about expedition risk:

- British Exploring Society standard operating procedures and the risk management process;
- The expeditions/operations team;
- The CEO as risk manager;
- Technical advisors who support the design of policies, procedures and mitigation of risk;
- Chief Leaders as agents in the field;
- Compliance with British Standard 8848; and
- Members of Council monitoring all stages of an expedition.

British Exploring Society's Council and its Operations sub-committee is satisfied that the charity's ability to identify, manage and review risks to the safety of expeditions and programmes is sound, and worked effectively in 2021/2.

Financial Risk

Financial risk represents the risk to the charity of having insufficient funds to carry out its committed charitable activities, due to over-reaching in planning such activities, insufficient fund-raising or general poor management or funds and expenses. Council mitigates financial risk through the appointment of a finance sub-committee of Council chaired by the Treasurer, which meets approximately two weeks before every Council meeting, and in the event that the target minimum Reserves is not met then more frequently. Executive staff present the latest accounts, forecasts and operating data for review and cross-checking by the sub-committee before such information is submitted to Council. Members of the sub-committee can request ad hoc reports on financial and operating matters. The finance sub-committee is given delegated authority to manage the deposits and investments of the Society. The Charity's Finance Policy and Procedures and Reserves Policy are reviewed annually.

Public Benefit, Fundraising and Council Responsibilities

Statement of Public Benefit

The trustees have taken due note of their responsibilities, under the Charity Commission's guidance on public benefit and are confident of the impact of British Exploring Society in the following areas:

- The advancement of education through the development of individual capabilities, competencies, skills and understanding;
- The relief of those in need because of disadvantage through specific programmes to provide progression opportunities for young people most at risk in society;
- The advancement of community development through the active promotion of volunteering and civic responsibility;
- The advancement of science through research, and independent research projects;
- and
- The advancement of environmental protection through the promotion and better understanding of sustainable development and biodiversity.

Statement of responsibility in relation to fundraising

British Exploring Society takes its duties in relation to fundraising under Data Privacy and Protection regulation and per The Code of Fundraising Practice seriously and is registered with the Fundraising Regulator. The Code of Fundraising Practice outlines the standards expected of all charitable fundraising organisations across the UK. Those standards were developed by the fundraising community through the work of the Chartered Institute of Fundraising (CioF) and the Fundraising Regulator. Council has overall accountability for fundraising standards at British Exploring Society. Any material issues that arise are reviewed by the Finance Committee in the first instance, before escalation to Council as appropriate.

We rely on fundraising received as:

- Restricted and unrestricted donations from Individuals or members;
- Corporate donations;
- Sponsorship;
- Legacy or donating in memory; and
- Trusts and Foundation giving.

Our fundraising activities are delivered by our in-house fundraising team, who are obliged to observe our policies and the highest standards in fundraising.

We received no complaints in relation to fundraising activities in the 2021/22 financial year. Finance

Committee had no cause to review any non-compliance with any area of fund-raising activity.

Our work brings us into regular contact with young people between the ages of 14 and 26, some of whom may be particularly vulnerable. We work and fundraise alongside our community of members, families and carers, schools and public institutions, other charities, and local communities. British Exploring Society is committed, and recognises that it has an obligation, to always protect those in vulnerable circumstances. Should we ever suspect that someone we engage with through our fundraising activity is lacking capacity or is in vulnerable circumstances, we will take steps to terminate any contract or commitment in a way which seeks to protect that person and their dignity, having due regard for any desire they have expressed to support British Exploring Society.

Statement of Council Members' Responsibilities

Members of Council are responsible for preparing the Council's Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires members of Council to prepare financial statements for each financial year, which give a true and fair view of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the members of the Council are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 (FRS102);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

Disclosure of information to the Auditor

So far as each member of Council at the date of approval of this report is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- certain members of Council, on its behalf, have made the appropriate enquiries and have taken all reasonable steps to make themselves aware of any relevant audit information and to ensure that the auditors are aware of that information.

BRITISH EXPLORING SOCIETY A company limited by guarantee and not having share capital.

Small company special provisions

The Council Report has been prepared taking advantage of the small companies' exemption in Section 415A of the Companies Act 2006. The accounts comply with the current statutory requirements, the governing document and SORP 2019.

This report was approved on ... 8 February 2023 ... and signed on behalf of the Council by:



David Tilston
Treasurer



Ian Maginnis
Chair of Trustees

INDEPENDENT AUDITOR'S REREPORT TO THE MEMBERS OF BRITISH EXPLORING SOCIETY

Opinion

We have audited the financial statements of British Exploring Society (the 'charitable company') for the year ended 31 October 2021 which comprise Statement of Financial Activities incorporating income and expenditure account, the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 statement is appropriate.

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

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

Other information

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

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

We have nothing to report on this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken during the audit:

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the Trustees Report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, 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

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and sector, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment law. We considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risk was related to posting inappropriate journal entries to increase income or reduce expenditure. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant regulatory authorities; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and

- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

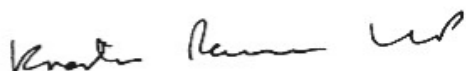
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Stephen Tanner BSc(Econ) FCA, Senior Statutory Auditor
For and on behalf of Kreston Reeves LLP, Statutory Auditor

2nd Floor

168 Shoreditch High Street

London

E1 6RA

Date 9 February 2023

Kreston Reeves LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

BRITISH EXPLORING SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31ST OCTOBER 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total 2022 £	Total 2021 £
Income						
Donations	2	650,831	301,377	310	952,518	674,648
<i>Income from charitable activities</i>						
Contributions from participants, supporters and sponsors'	3	85,127	531,029	-	616,156	580,115
income from investments	4	1,189	-	-	1,189	80
Other income	5	1,241	-	-	1,241	519
Total incoming resources		738,388	832,406	310	1,571,104	1,255,362
Expenditure						
Expenditure on raising funds		-	-	-	-	7,631
Expenditure on charitable activities	6	577,826	1,045,046	-	1,622,872	1,168,713
Total Expenditure		577,826	1,045,046	-	1,622,872	1,176,344
Net income/(expenditure) and net movement in funds for the year before transfers		160,562	(212,640)	310	(51,768)	79,018
Transfers between funds		(206,967)	206,967	-	-	
Net income/(expenditure)		(46,405)	(5,673)	310	(51,768)	79,018
Reconciliation of funds						
Total funds brought forward		331,993	452,458	43,716	828,167	749,149
Total funds carried forward	15	285,588	446,785	44,026	776,399	828,167

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

All income and expenditure derive from continuing activities.

BRITISH EXPLORING SOCIETY
BALANCE SHEET AS AT 31ST OCTOBER 2022

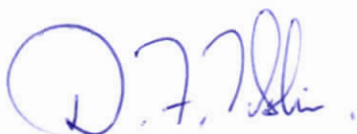
BALANCE SHEET AS AT 31ST OCTOBER 2022						
	Notes	Unrestricted Funds £	Restrict ed Funds £	Endowment Fund £	Total 2022 £	Total 2021 £
FIXED ASSETS						
Tangible fixed assets	7	56,132	-	-	56,132	76,536
Total Fixed Assets		56,132	-	-	56,132	76,536
CURRENT ASSETS						
Cash at bank and in hand		138,832	446,785	44,026	629,643	734,440
Debtors	8	172,195			172,195	86,867
TOTAL CURRENT ASSETS		311,027	446,785	44,026	801,838	821,307
CREDITORS: Amounts falling due within one year	9	(81,571)	-	-	(81,571)	(69,676)
NET CURRENT ASSETS		229,456	446,785	44,026	720,267	751,631
NET ASSETS		285,588	446,785	44,026	776,399	828,167
CHARITY FUNDS						
Endowment		-	-	44,026	44,026	43,716
Restricted income funds		-	446,785	-	446,785	452,458
Unrestricted income funds		285,588	-	-	285,588	331,993
		285,588	446,785	44,026	776,399	828,167

The notes on page 28 to 38 form part of the financial statements.

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2016.

The financial statements were approved and authorised for issue on 1 and signed on behalf of Council by:

David Tilston
Treasurer



8 FEBRUARY 2023

Ian Maginnis
Chair



BRITISH EXPLORING SOCIETY**STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31ST OCTOBER 2022**

STATEMENT OF CAHSFLOWS FOR THE YEAR ENDING 31ST OCTOBER 2022

		<u>2022</u>	<u>2021</u>
Net Cash used in operating activities	16	(90,002)	74,889
Cashflow from investing activities			
Interest		1,189	80
Purchase of assets		(15,984)	(31,509)
Transfer of cash from investment		<u>-</u>	<u>-</u>
Net cash flow by investing activities		<u>(14,795)</u>	<u>(31,429)</u>
 Change in cash and cash equivalents in the year		 (104,797)	 43,460
 Cash and cash equivalent brought forward		 734,440	 690,980
 Cash and cash equivalents carried forward		 <u>629,643</u>	 <u>734,440</u>

1. Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The accounting policies set out below have been consistently applied to all years presented unless otherwise stated.

British Exploring Society 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.

The financial statements have been prepared in sterling, which is the functional currency, and are rounded to the nearest £1.

1.2 Income

Expedition contributions are accounted for as receivable by the Company and recognised in the statement of Financial Activities, except where they relate to an expedition occurring in a later year, when they are deferred within creditors and credited to the Statement of Financial Activities in the year the expedition takes place. Donations in kind or by way of donated equipment are accounted for on receipt, at the estimated value. Voluntary income and donations are accounted for on receipt by the charity and recognised in the Statement of Financial Activities. Legacies are accounted for where there is a reasonable degree of certainty as to the amounts receivable.

1.3 Recognition of donated services

Donated services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated services are recognised on the basis of the value of the voluntary time contribution to the organisation, which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.4 Expenditure

Expenses and grants payable are recognised in the accounts when they are accrued when they are incurred by the charity, with the exception of costs for future expeditions, which are deferred within debtors and charged to the Statement of Financial Activities in the year the expedition takes place. Grant applications are considered by the Expedition Co-ordinators and Chief Executive and awards are given to deserving cases to fund participation in expeditions.

Expenditure is allocated to the activity where the cost relates directly to that activity. The staff and office costs incurred on each activity are apportioned on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity:

Cost of expeditions	95%
Management and administration of the charity	5%

1.5 Capitalised staff policy

Staff costs which are directly attributable to bringing a fixed asset into working condition for its intended use are capitalised as a tangible fixed asset.

1.6 Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life. The useful economic lives of expedition equipment items are reviewed and adjusted annually. The brought forward values are then written off over this period. Depreciation is calculated on the following basis:

Expedition equipment	between 1 and 10 years, straight line basis
Office equipment and computers	25% straight line basis

Individual items of equipment costing less than £100 are not capitalised.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount due.

1.8 Cash at bank and in hand

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

1.9 Creditors

Creditors are recognised at their settlement amount.

1.10 Reserves

The charity holds reserves which have been designated for the following purposes: -

- **Restricted Permanent Endowment Funds** are maintained as required by the individual trust deeds; some of these allow for the income to be accumulated to provide a meaningful grant at a later date.
- **Restricted Funds** are certain donations made with conditions attached (e.g. for use in subsidising Explorers from particular areas or supporting the outreach project) and are kept in a Restricted Fund until applied.

1.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of transaction. Exchange differences are reflected in the Statement of Financial Activities.

1.12 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

1.13 Pensions

Contributions in respect of the defined contribution pension scheme are charged to the Statement of Financial Activities for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end. At the year end, there were no accruals or prepayments (2021: £0).

Employer contributions made to the scheme during 2022 amount to £19,241 (2021: £17,339).

1.14 Members' liability

The society is a company limited by guarantee. In the event of the society being wound up, the liability in respect of the guarantee is limited to £1 per member.

1.15 Going Concern

The financial statements have been prepared on a going concern basis as the members of Council believe that no material uncertainties exist. Members of the Council have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements in the light of the global COVID-19 pandemic. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

2. Income from donations

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022	Total 2021
	£	£	£	£	£
Cash donations	646,331	135,863	310	782,504	547,038
				-	
Donated services	4,500	165,514	-	170,014	127,610
	650,831	301,377	310	952,518	674,648

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2021
	£	£	£	£
Cash donations	546,913	-	125	547,038
				-
Donated services	2,400	125,210	-	127,610
	549,313	125,210	125	674,648

3. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022	Total 2021
	£	£	£	£	£
Contributions from participants, supporters and sponsors	85,127	531,029	-	616,156	

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2021
	£	£	£	£
Contributions from participants, supporters and sponsors	-	580,115	-	580,115

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

4. Income from investments	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022	Total 2021
	£	£	£	£	£
Interest receivable on cash deposits	1,189	-	-	1,189	80
	1,189	-	-	1,189	80

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2021
	£	£	£	£
Interest receivable on cash deposits	80	-	-	80
	80	-	-	80

5. Other income

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022	Total 2021
	£	£	£	£	£
Insurance pay-outs					
Miscellaneous receipt	1,241	-	-	1,241	519
	1,241	-	-	1,241	519

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2021
	£	£	£	£
insurance pay-outs				
Miscellaneous receipts	519	-	-	519
	519	-	-	519

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

6. Charitable activities	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022
	£	£	£	£
<i>Cost of expeditions</i>				
Total expedition costs	37,386	628,411	-	665,796
Donated services	4,500	165,514	-	170,014
Salary cost	452,987	241,706	-	694,693
Depreciation	-	9,415	-	9,415
Total cost of expedition	494,873	1,045,046	-	1,539,918
<i>Governance cost</i>				
Salary cost	36,563	-	-	36,563
Office cost	12,617	-	-	12,617
Auditor's fees	6,800	-	-	6,800
Depreciation	26,973	-	-	26,973
Total governance cost	82,953	-	-	82,953
Grant awarded to individuals	-	-	-	-
	-	-	-	-
Total charitable activities	577,826	1,045,046	-	1,622,871

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2021
	£	£	£	£
<i>Cost of expeditions</i>				
Total expedition costs	110,486	221,983	-	332,469
Donated services	2,400	125,210	-	127,610
Salary cost	470,394	159,224	-	629,618
Depreciation	4,680	-	-	4,680
Total cost of expedition	587,960	506,417	-	1,094,377
<i>Governance cost</i>				
Salary cost	33,138	-	-	33,138
Office cost	7,602	-	-	7,602
Auditor's fees	6,150	-	-	6,150
Depreciation	24,841	-	-	24,841
Total governance cost	71,731	-	-	71,731
Grant awarded to individuals	-	2,605	-	2,605
	-	2,605	-	2,605
Total charitable activities	659,691	509,022	-	1,168,713

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

7. Tangible fixed Asset	Expedition equipment	Office equipment & computers	Total
Cost	£	£	£
At 1 November 2021	245,536	158,979	404,515
Additions	13,224	2,760	15,984
At 31 October 2022	<u>258,760</u>	<u>161,739</u>	<u>420,499</u>
Depreciation			
At 1 November 2021	226,269	101,710	327,979
Provided in the year	9,415	26,973	36,388
At 31 October 2022	<u>235,684</u>	<u>128,683</u>	<u>364,367</u>
Net Book Value at 31 October 2022	<u>23,076</u>	<u>33,056</u>	<u>56,132</u>
Net Book Value at 31 October 2021	<u>19,267</u>	<u>57,269</u>	<u>76,536</u>
Per Balance Sheet			

8. Debtors	2022	2021
	£	£
Other Debtors	172,195	15,950
Prepayment & Accrued Income	-	70,917
	<u>172,195</u>	<u>86,867</u>

9. Creditors: Amount falling due within one year	2022	2021
	£	£
Trade creditors	32,898	28,993
Other creditors	3,968	6,528
Expedition Contributions in advance	20,000	10,540
Social Security	17,905	17,465
Accruals	6,800	6,150
	<u>81,571</u>	<u>69,676</u>

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

10. Deferred income

Deferred income comprises expedition contributions received in advance for the 2023 expedition

	2022	2021
	£	£
Balance as at 1 November 2021	-	10,540
Amount released to income from charitable activities	-	(10,540)
Amount deferred in the year	20,000	-
	<u>20,000</u>	<u>-</u>

11. Other Financial commitments

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

	2022	2021
	£	£
- within one year	-	-
- within two to five years	-	15,381
	<u>-</u>	<u>15,381</u>

12. Staff Cost

	2022	2021
	£	£
Staff Wages and Salaries	647,033	589,375
Social security cost	64,982	56,042
Other Pension cost	19,241	17,339
	<u>731,256</u>	<u>662,756</u>

	2022	2021
	No.	No.
Full time Employees	15	13
Part-Time Employees	3	5
Total number of employees	<u>18</u>	<u>18</u>

1 Staff member received benefits above £60,000. The number of employees whose employee benefits (excluding employer pension costs) was £60,000 or more was:

	2022	2021
£90,001 to £100,000	1	1

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

Staff Cost (Cont'd)

No members of Council received any remuneration or benefits in kind in the year. No members of Council received expenses relating to travel and subsistence, and staff entertaining (2021: nil).

British Exploring Society considers its key management personnel comprise Council members and the Chief Executive Officer. The total employment benefits paid to key management personnel (including employer pension contributions) were £102,999 (2021: £102,999).

The charity paid £3,293 (2021: £2,199) for Trustees' indemnity insurance.

13. Taxation

British Exploring Society is a registered charity and is exempt from taxation on income applied for charitable purposes under section 505(1) of the Income and Corporation Taxes Act 1988.

14. Analysis of nets assets between funds	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2022
Tangible Fixed Assets	56,132	-	-	56,132
Debtors	172,195	-	-	172,195
Cash at bank and in hand	138,832	446,785	44,026	629,643
Creditors	(81,571)	-	-	(81,571)
	285,588	446,785	44,026	776,399
				Total 2021
Tangible Fixed Assets	76,536	-	-	76,536
Debtors	86,867	-	-	86,867
Cash at bank and in hand	238,266	452,458	43,716	734,440
Creditors	(69,676)	-	-	(69,676)
	331,993	452,458	43,716	828,167

The restricted and permanent endowment funds totalling £490,811 (2021: £496,174) are represented by cash balances of £490,811 held within Cash at Bank. Further detail relating to the fund structure is provided in the accounting policies note (page 28, note 1.10).

BRITISH EXPLORING SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2022

15. Analysis of funds balances: Movement in resources	Brought forward	Income	Expenditure	Transfer	Carried forward
Unrestricted Funds					
General funds	331,993	738,388	577,826	(206,967)	285,588
Total Unrestricted Funds	331,993	738,388	577,826	(206,967)	285,588
Restricted funds	Brought forward	Income	Expenditure	Transfer	Carried forward
Sandy and Zorica Glen Charitable settlement	64,711	240,782	105,493	-	200,000
The Exilarch's Foundation	29,500	120,000	149,500	-	-
The Band Trust	143,046	-	118	-	142,928
The Hartz Family Foundation	5,821	85,127	90,948	-	-
Other Restricted Funds	209,380	336,497	648,987	206,967	103,857
Four Acre Trust		50,000	50,000	-	-
Total Restricted Funds	452,458	832,406	1,045,046	206,967	446,785
Restricted Permanent Endowment Funds	Brought forward	Income	Expenditure	Transfer	Carried forward
Michael Gavey Bursary	11,458	250	-	-	11,708
Alexander Eastwood Award	25,014	60	-	-	25,074
Tim Ward-Wilson Memorial Award	7,244	-	-	-	7,244
Total Permanent Endowment Fund	43,716	310	-	-	44,026
Total Funds	828,167	1,571,104	1,622,872	-	776,399

Total restricted and permanent endowment funds totaling £490,811 are represented by cash balances of £490,811.

Sandy and Zorica Glen Charitable settlement – restricted to Pinnacle expedition

Band Trust – restricted fund related to relocation to new stores

Hartz Family foundation and Four-Acre trust - restricted to Spring and summer expeditions

BRITISH EXPLORING SOCIETY**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 October 2022****16. Reconciliation of net movements in funds to new cashflow from operating activities**

	2022	2021
	£	£
Net (Expenditure)	(51,768)	79,018
Add back depreciation	36,388	29,521
Less interest income shown in investing activities	(1,189)	(80)
 (Increase) in debtors	 (85,328)	 (3,623)
 (Decrease) Increase in Creditors	 <u>11,895</u>	 <u>(29,947)</u>
Net cash used in Operating activities	<u><u>(90,002)</u></u>	<u><u>74,889</u></u>

17. Related party transactions

There are no other related party transactions during the year.