

# 2019 Annual Report



## Company information

### TRUSTEES

PRESIDENT:

**Prof. Mark Fielder**

VICE-PRESIDENT:

(appointed 10 July 2019)

**Prof. Brendan Gilmore**

GENERAL SECRETARY:

**Dr Clare Taylor**

SCIENTIFIC PROGRAMMES

SECRETARY:

**Prof. Ian Feavers**

TREASURER:

**Mr Oern Greif**

**Dr Tim Aldsworth**

**Dr Linda Thomas**

**Mrs Claire Hill**

**Dr Mike Dempsey**

**Prof. Stephen Forsythe**

**Prof. Sally Cutler**

**Dr Elaine Cloutman-Green**

**Dr Marcela Hernandez Garcia**

(appointed 10 July 2019)

**Dr Catherine Ludden**

(appointed 10 July 2019)

### COMPANY REGISTERED NUMBER

06462427

### CHARITY REGISTERED NUMBER

1123044

### REGISTERED OFFICE

Salisbury House  
Station Road  
Cambridge  
CB1 2LA

### COMPANY SECRETARY and CHIEF EXECUTIVE

**Dr Lucy Harper**

### INDEPENDENT AUDITORS

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

### SOLICITORS

Veale Wasbrough Vizards LLP  
24 King William Street  
London  
EC4R 9AT

### BANKERS

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

### INVESTMENT MANAGER

Brewin Dolphin Securities  
12 Smithfield Street  
London  
EC1A 9BD

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

# Trustees' report

for the year ended 31 December 2019

The Trustees present their Annual Report together with the audited financial statements of the company for the year 1 January 2019 to 31 December 2019. 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) (second edition of the Charities SORP (FRS102) October 2019).

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

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## Objectives and activities

The Society has formulated a strategy for the three years from 2018 to 2021:

### Vision

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

### Mission

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

### Values

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

The following were identified as strong strategic themes:

#### 1: Impact

#### 2: Voice

#### 3: Sustainability

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

To demonstrate we're having an impact we organise our output in the form of self-contained projects/campaigns, each with their own aims, objectives, events, scientific meetings and communications output. These will focus on our priority areas and the following strategy will underpin each campaign.



# Aims and objectives

## Theme 1: Impact

In an environment where it is becoming increasingly important for scientists to have an impact we will continually support our members throughout their career. Our current strengths, such as the work we do to support early career researchers, will enable us to negate future threats such as skills gaps, to ensure the Society provides relevant career support to academic and non-academic microbiologists and scientists. Within this theme of 'Impact', SfAM set four organisational aims:

### AIM 1: EARLY CAREER SCIENTIST (ECS) SUPPORT

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

### AIM 2: COMMUNITY

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

### AIM 3: INTERDISCIPLINARITY

We are applied microbiologists, so to aid researchers' interdisciplinary collaborations, as is increasingly necessary in the current research environment, we will provide support for innovation and fostering of interdisciplinary and inter-sector collaborations. Over time this will position the Society as the go-to organisation for academic scientists who are looking to find other academic and corporate/ industry connections.

### AIM 4: MICROBIOLOGY IN THE UK

We will undertake thorough market research into the applied microbiology landscape to assess which institutions, institutes and industry laboratories are researching applied microbiology, whether there are skills gaps and areas that the Society can help to fill.

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

## Theme 2: Voice

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



# Aims and objectives

continued

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

### AIM 1: POLICY

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

### AIM 2: COLLABORATION

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

### AIM 3: COMMUNICATION

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

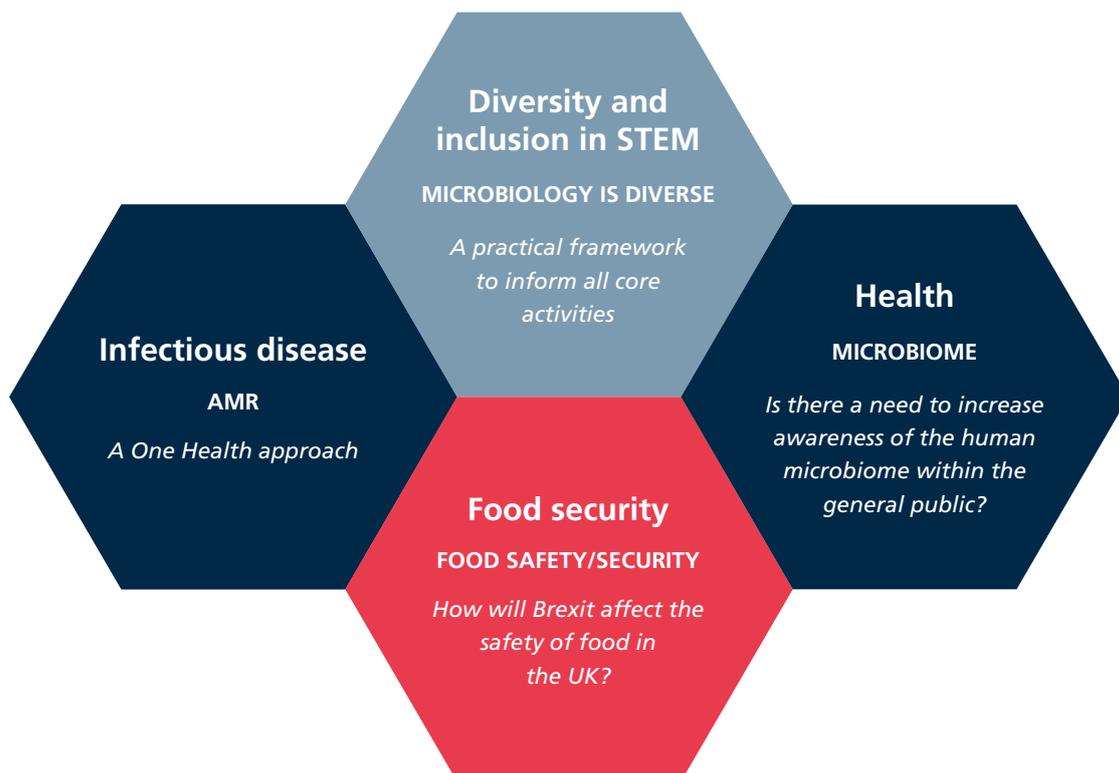
## Theme 3: Sustainability

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

## Strategic priority areas

Our focus will be on three or four priority areas over the period of this strategy (2018–2021), to which our themes (Aims, Objectives and Key Performance Indicators) can be applied. Each one is linked to a significant challenge, as described in the Society's vision.

Within each priority area we will organise our output in the form of campaigns/projects. These campaigns were reviewed during 2019 and the following were agreed by the Trustees:



## Activities and achievements

### Governance

Underpinning each of our strategic aims and objectives has been a thorough governance review, which began in March 2018. This review provided key recommendations for the Society to ensure openness and transparency in the way we operate. These recommendations, which aim to increase efficiency in decision-making and encourage active Trustee engagement, were implemented throughout 2019.

The second phase of the review involved an update to our Articles of Association. The primary purpose of this exercise was to future-proof our decision-making processes and bring them more into line with the ways the staff team operates. The most notable change was provision for valid decision-making at virtual Executive Committee (Trustee) meetings. Subsequently this has proven a very useful addition during the SARS-CoV-2 pandemic.

During 2019, the Society also took the decision to broaden the remit of the Meetings Subcommittee to include all the Society's scientific output (with the exception of the journals' content). This grouping became the Scientific Programmes Subcommittee, tasked with oversight of all scientific meetings, conferences and webinars. The detailed organisation of each of these events will be delivered by project-based task-and-finish groups, to include experts in the field as well as members and staff with event organisation expertise.

### Diversity and inclusion

In line with the values of the Society, the Executive Committee of Trustees agreed to implement a diversity and inclusion action plan, identifying opportunities to better support all our members and the wider microbiology community. In addition, at each Executive Committee meeting and all subcommittee meetings, diversity and inclusion has been a primary consideration, enabling it to become entrenched in all aspects of the work of the Society.

The Society also contributed to support for the whole scientific community, through the diversity and inclusion-related activities of partner organisations.

- Royal Society of Biology Diversity and Inclusion Working Group.
- All Party Parliamentary Group on Diversity and Inclusion – launched by the British Science Association.
- Equality, Diversity and Inclusion in Science and Health – SfAM has become a member of this group.

## Activities and achievements

continued



### Impact

#### EARLY CAREER SCIENTIST (ECS) SUPPORT

The Society continues to support and benefit from the work of our ECS Committee. This motivated and committed group of early career researchers organised the 2019 ECS Research Symposium in Manchester. The theme was sexually transmitted infections and this event featured the Society's second Policy Corner, where delegates engaged in a 'dotmocracy' vote and asked questions about our policy work.

In March, SfAM also continued its representation at the Voice of the Future event in UK Parliament, through the superb efforts of members Lucy Kelly, Alison Cartwright, Madhumita Shrotri and Temilola Olukayode Olanrewaju.

Through the latter part of 2019, SfAM also hosted ECS member Lucky Cullen for an internship, where she supported all aspects of the Society's science policy and public affairs work.

ECS Committee members have continued to play a key role in the work of the Society, providing contributions to Executive Committee meetings, as well as those of the Scientific Programmes and Policy Subcommittees. The ECS Committee also continues to contribute to the networking and social programme of the Society's events, providing a friendly, professional environment for students to network and engage with one another. This group were key to the success of the Fellowship event at which Prof. Dame Sally Davies was awarded her Fellowship of the Society, details of which are described below.

#### COMMUNITY AND MICROBIOLOGY IN THE UK

2019 saw a third Fellowship awarded by the Executive Committee in recognition of the impact of their work in the promotion of the importance and relevance of applied microbiology. In 2019 the Society awarded a Fellowship to Prof. Dame Sally Davies, who received her award at an evening reception event hosted by the

# Activities and achievements

continued

Society. Guests comprised members of the Society, as well as representatives of external organisations with which the Society collaborates in order to deliver its charitable aims and objectives. Prof. Dame Sally Davies was kind enough to answer questions from our ECS committee on the impact she's had on the awareness of medical microbiology issues, including antimicrobial resistance.

## INTERDISCIPLINARITY

The Society's events calendar for 2019 saw a shift in focus away from small focused meetings, to the Society's contribution to partnering with the Federation of Microbiology Societies, for their bi-annual Congress, which was held at the SEC Centre in Glasgow. This was a significant departure from the Society's Annual Conference, attracting 1,911 delegates, around 10 times the number of delegates attending previous Annual Conferences, and covering all aspects of microbiology. FEMS2019 brought together leading scientists spanning different fields of microbiology to celebrate the best of microbiology. This congress showcased the most recent developments in microbiology to address some of the global challenges we face today, such as antimicrobial resistance, environmental pollution and the emergence of pathogenic disease.

The Society provided a significant contribution to the scientific programme of the congress, as well as an excellent programme of events led by Dr Clare Taylor,

which focused on several aspects of diversity and inclusion issues. The Society was able to incorporate into the Congress many of the events that would normally take place during an Annual Conference, such as the Annual General Meeting and an extremely well-attended W H Pierce Prize Lecture, presented by Dr Lindsay Hall.

## Voice

### POLICY

The Society always welcomes the views of members, whose expertise and knowledge informs our priorities and actions.



TOPIC	NUMBER OF DELEGATES	ADDITIONAL OUTPUT
<b>ECS RESEARCH SYMPOSIUM: sexually transmitted infections</b>	82	
<b>FEMS Congress</b>	1,911	Launch of Food Safety Policy Project, SfAM AGM, W H Pierce Prize Lecture, New Lecturer Research Grant lectures
<b>Fellowship event</b>	73	Interview with Prof. Dame Sally Davies by ECS members

# Activities and achievements

continued

## Evidence Week

The Society ran an 'evidence pod' for 4 hours on Wednesday 26 June in collaboration with the Food Standards Agency at Sense About Science's 'Evidence Week' event. The aim of this exercise was to demonstrate how evidence informs policy and to give insights on types of evidence and how to understand risk.

Our pod was busy throughout the morning, resulting in engagement with a diverse audience. 13 individuals were engaged in total: 4 MPs, 3 Peers and 6 others (parliamentary staff, advisors and civil servants). For comparison, the 20 evidence pods above combined engaged a total of 198 individuals, meaning our engagement was above average (10).

Follow-up on these engagements included the National Audit Office who contacted the Society regarding future information-sharing.

## My Science Enquiry

The Society was selected to pitch on Microbiome Research and Application to the House of Commons Science and Technology Select Committee. Chris Brown suggested that the Committee might wish to explore the potential benefit of a national microbiome roadmap and whether it could help to identify the key opportunities for growth, determine ways to coordinate funding, accelerate innovation, stimulate the early adoption of technology, and consider the case for regulation of microbiome research and innovation. As a result of this pitch, the Committee committed to write to Ministers on whether the UK should have a microbiome roadmap and what lessons we can learn from actions taken by international partners in this area.



## The future of food safety

The Society embarked on its first science policy project in 2018, with the aim of raising awareness of the importance of food microbiology to food security and safety. To achieve this, a series of briefings have been produced that focus on topics including:

- Food Safety after Brexit
- Food Safety and Food Manufacturing and Processing.

The project officially launched in 2019 at a well-attended event held at the FEMS Congress. Key stakeholders were in attendance, including Matthew Harvey, the Managing Director of FEMS, and Dr Jacqui McElhiney, Head of Food Protection Science at Food Standards Scotland.

# Activities and achievements

continued

## Consultations

During 2019, the Society responded to the following consultations:

MONTH	CONSULTATION	OUR ACTION	RELEVANT OUTCOMES
JAN	<i>UK Parliament House of Commons Science &amp; Technology Select Committee: Preparations for no-deal Brexit</i>	SfAM response	Pending
JAN	<i>UK Parliament House of Commons Science &amp; Technology Select Committee: My Science Inquiry</i>	SfAM response	Invited to oral pitch
JULY	<i>UK Parliament House of Commons Environment, Food &amp; Rural Affairs Committee: Plastic food and drink packaging</i>	Brief SfAM response (based on food safety report)	Published on EFRA's website here: <a href="https://bit.ly/38Fz5T2">https://bit.ly/38Fz5T2</a> *
SEPT	<i>UK Parliament House of Lords Science &amp; Technology Select Committee: Ageing: Science, Technology and Healthy Living</i>	SfAM response based on experts in the microbiome field	SfAM was invited to provide oral evidence for the Committee. Dr Marina Ezcurra, who contributed to SfAM's response, represented SfAM at the session
OCT	<i>UK Department for Environment, Food &amp; Rural Affairs: National Food Strategy – call for evidence</i>	SfAM response (based on food safety report)	Pending
NOV	<i>Dasgupta Review on the Economics of Biodiversity</i>	RSB response on behalf of MOs whereby Prof. Diane Purchase provided input	Pending
DEC	<i>Organisation for Economic Co-operation and Development's STEM Education: A Vision for the Future Survey</i>	SfAM response based on members' feedback (from PSC, EC and SciPro Comm)	Invited to panel discussion, which took place in February 2020

\* <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/environment-food-and-rural-affairs-committee/plastic-food-and-drink-packaging/written/103845.html>

# Activities and achievements

continued

## COLLABORATION

Throughout 2019 we extended our engagement with key policy stakeholders to increase the strength of our voice for the applied microbiology community. Key achievements include:

- Representing the learned society sector as a member of the UK Plant Microbiome Initiative steering committee.
- Membership of the Advisory Board for a new Knowledge Transfer Network Special Interest Group on Microbiomes.
- A joint policy workshop for members of SfAM and Microbiology Society.
- Attendance at a Foreign and Commonwealth Office UK marine science stakeholder meeting on access and benefit sharing.
- Strengthened links with the Parliamentary Office of Science and Technology (POST).

During 2018, the Society was represented on the following external committees and groups:

COMMITTEE	SfAM REPRESENTATIVE
FEDERATION OF MICROBIOLOGICAL SOCIETIES	Clare Taylor
PARLIAMENTARY AND SCIENTIFIC COMMITTEE	Mark Fielder
ROYAL SOCIETY OF BIOLOGY: Parliamentary Steering Group	Lucy Harper
ROYAL SOCIETY OF BIOLOGY: Strategic Partnership Group	Lucy Harper
ROYAL SOCIETY OF BIOLOGY: Diversity & Inclusion Working Group	Chris Brown / Lisa Rivera
CAMPAIGN FOR SCIENCE AND ENGINEERING – JOINT FUNDERS GROUP	Chris Brown / Lisa Rivera
ROYAL SOCIETY OF BIOLOGY: Audit Committee	Lucy Harper
UK PLANT MICROBIOME INITIATIVE: Steering Committee	Chris Brown / Lisa Rivera
DEFRA ACCESS AND BENEFIT SHARING STAKEHOLDER GROUP	Chris Brown / Lisa Rivera
UK STANDARDS FOR MICROBIOLOGY INVESTIGATIONS COMMITTEES: - Steering committee - Virology working group - Bacteriology working group	Mark Fielder Laura Ryall Andrew Sails
BRITISH STANDARDS INSTITUTE TECHNICAL COMMITTEES: - AW/9 Microbiology - Microbiological methods - CH212 Chemical disinfectants and antiseptics panel	Sue Passmore Sue Passmore John Rigarlford

# Activities and achievements

continued

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

- Royal Society of Biology
- Federation of Microbiological Societies
- European Federation of Biotechnology
- CaSE
- Sense About Science
- Science Media Centre
- Foundation for Science and Technology
- American Society of Microbiology
- Campaign for At Risk Academics
- Science Policy Advisors Network
- Learned Society Partnership on Antimicrobial Resistance (LeSPAR)
- British Science Association – APPG on Diversity and Inclusion
- Parliamentary and Scientific Committee

## COMMUNICATION

Engagement via the website and social media channels increased during 2019 with an audience including the general public and other relevant organisations:

- **Facebook** increased from 35,277 to 35,945 (1.89%)
- **Twitter** increased from 17,030 to 20,274 (20.22%)
- **LinkedIn** increased from 5,726 to 6,151 (7.4%)

These increases are in line with the Society's expectations.

The SfAM website continued to attract a large audience of 40,273 unique visitors in 2019 (38,387 in 2018). We introduced clear and streamlined sections on membership, knowledge and careers that help direct visitors to the information they are looking for. In terms of engagement with our own members, the 35% open rate for newsletter emails (40% in 2018) and 51% open rate for the membership renewal emails (32% in 2018) are all above the industry standard rate of 21%. The new website and Contact Relationship Management went live towards the end of 2018, with the transition having a slightly negative impact upon the usage metrics.

The SFAM/ECS blog pulled in twice as many readers as in 2018 and continued to engage and educate with the following highlights:

TITLE	NUMBER OF VIEWS
Everything you need to know about AMR	1,994
Microbes – part of our DNA	1,841
Tap water – source of bacterial contamination?	1,453
Is immunotherapy the key to curing cancer?	1,392
Insectamageddon	1,329

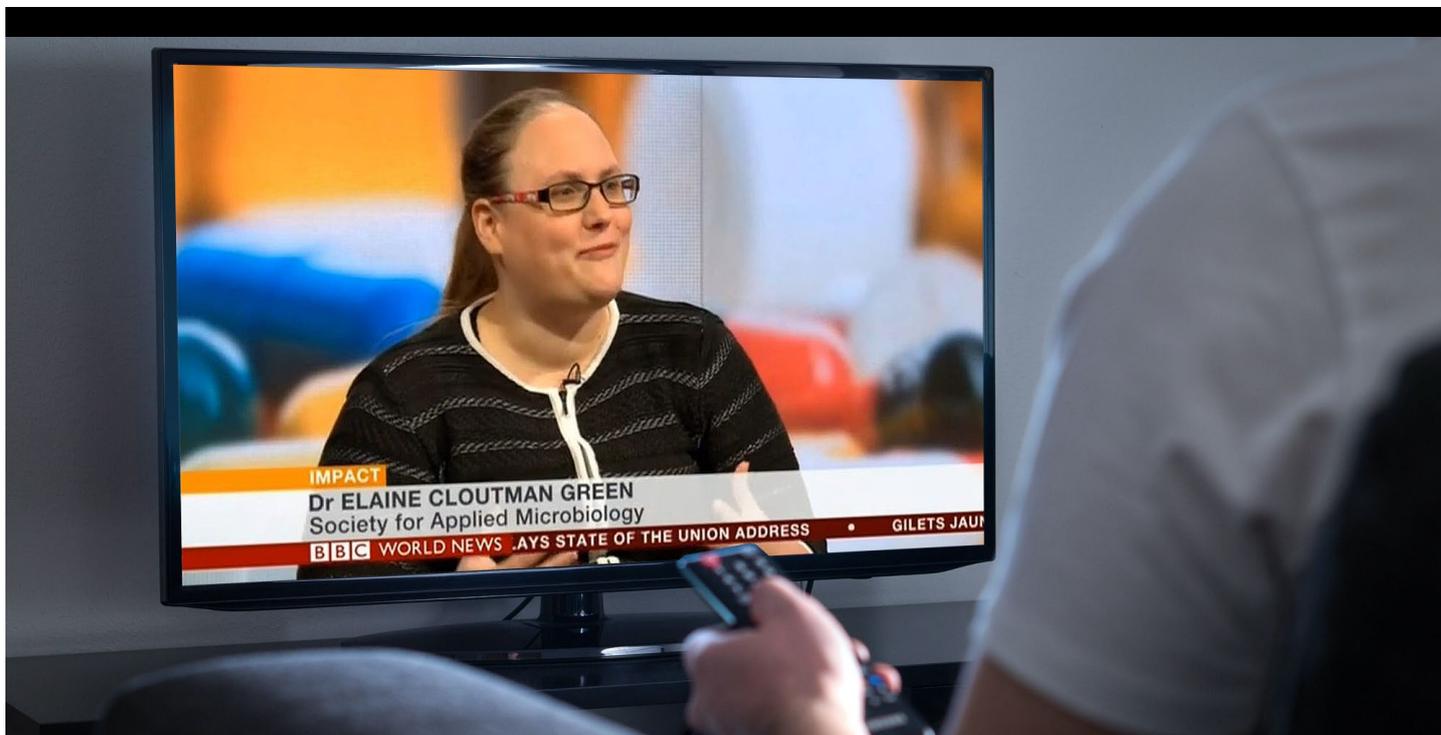
Bringing the blog on to the SfAM website has doubled the average views of our blog posts.

Building on the relationship with Sense about Science, the Society ran a competition to design a public engagement initiative on the topic of microbiology. The winner was Tom Crowley, with his concept of the 'Micro-Heroes' campaign, designed to educate the public on the fact that not all microbes are harmful, and many are beneficial. Tom's proposed project targeted young adults, and featured posters for universities that would link to a website via a QR code that had more information as well as podcast episodes surrounding the microbe featured on the poster. SfAM approached Tom to develop this project, and this will be undertaken during 2020.

The Society also continued to work with the Science Media Centre, providing member expertise for journalists in key areas of AMR, epidemiology and infection control, food safety and public engagement. Notable articles included *Your pills' nasty side effects are not as rare as you think*, Daily Mail, 24 August 2019; *Changing food sector could impact microbiological safety risks*, Food Safety News, 25 July 2019; *Even Cleaning Procedures Can't Kill C. Diff in Hospitals*, MedPage Today, 12 July 2019; *Soapbox Science*

## Activities and achievements

continued



*speakers get set to share passion for their profession, Wales 247, 9 June 2019; Candida auris: The new superbug on the block, BBC News, 16 August 2019; T Level campaign launches to help accelerate young people to 'Next Level', GOV.UK, 7 Oct 2019.*

The obituary of well-loved and long-time member and former president of SfAM, Basil Jarvis (1936–2018) appeared in The Times during February and reminded us of the pipe-shaped hole he left in our membership: *Prof. Basil Jarvis, 82: Pipe-smoking microbiologist who loved hosting fancy dress parties, The Times, 8 February 2019.*

The UK 5-year action plan for antimicrobial resistance was published on 24 January 2019 and SfAM President Prof. Mark Fielder, Fellow Lord Jim O'Neill and Executive Committee Member Dr Elaine Cloutman-Green widely appeared across the UK media.

Elaine Cloutman-Green was praised heavily by the BBC for a much-quoted BBC World News TV interview in which she did a good job explaining AMR in a way that a non-scientist could easily follow and explaining the use of antibiotics in agriculture.

SfAM was also delighted to support the British Science Association's Media Fellowships, which provide an opportunity for practising scientists and clinicians to spend two to six weeks working at the heart of a media organisation in the UK. This year SfAM sponsored researcher Michael Pascoe from Cardiff University who spent several weeks with BBC Wales.

### Sustainability

The majority of the Society's income is from journal revenue, and this income is returned to the scientific community to provide valued support to applied microbiologists globally. This support takes the form of grant funding, scientific meetings, networking opportunities, and career development. In 2019, 85% of this income funded activities to achieve the Society's charitable objectives, such as public engagement, science policy work and supporting our membership.

The Society's journals continue to adapt to an ever-changing publishing landscape, which, during 2019, saw developments in the implementation plan for Plan S, an initiative for Open Access (OA) publishing that was launched in September 2018, which requires that scientific publications that result from research funded by public grants must be published in compliant Open



# Activities and achievements

continued

Access journals or platforms. The plan is supported by cOAlition S, an international consortium of research funders.

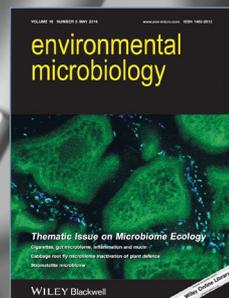
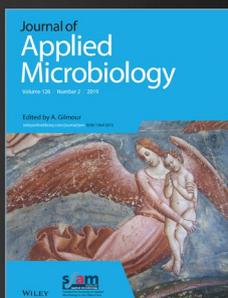
The Society Publishing Coalition (SocPC), of which SfAM is a member, continued to follow developments on Plan S and OA closely. During 2019, the SocPC established and maintained dialogue with funders including cOAlition S and UK Research and Innovation. This group has also written two consultation responses in relation to Plan S and jointly hosted a series of free webinars on learned societies, funding pathways, and transitioning to OA. SocPC has also had direct input into UKRI's policy review, promoting the interests of this group and the many communities it serves.

In parallel to this, the Society's Trustees, Chief Editors and Wiley have been working hard to develop a new strategy for our journals to enable the Society's and our journals' sustainability in a more Open Access world.

Wiley works with the Chief Editors and Editorial Boards to ensure each journal is utilising all technological developments relevant to each journal, and to enable content availability to as wide an audience as possible, globally. The Society's Environmental Microbiology (EMI) and Journal of Applied Microbiology (JAM) lectures enabled the Society to recognise the success of these two journals.

In 2019 the EMI lecture was given by Prof. Juan Luis Ramos who presented his lecture on the topic of *Advancing the circular economy: leveraging the wealth of environmental microbes*.

JOURNAL	DOWNLOADS (000) 2019 (2018)	OPEN ACCESS ARTICLES (n) 2019 (2018)
JOURNAL of APPLIED MICROBIOLOGY	1,941 (1,686)	11 (13)
LETTERS in APPLIED MICROBIOLOGY	808 (741)	7 (6)
ENVIRONMENTAL MICROBIOLOGY	1,020 (684)	65 (58)
ENVIRONMENTAL MICROBIOLOGY REPORTS	156 (104)	19 (9)
MICROBIAL BIOTECHNOLOGY	429 (310)	141 (111)



Five internationally acclaimed journals

# Activities and achievements

continued

## Grant provision

During 2019, the Society provided the following grant support to our members:

### GRANTS REVIEW 2019

GRANT NAME	n				2019 (£0)	
	Applications	Rejected	Withdrawn	Accepted	ACTUAL	BUDGET
Student placement scholarship	29	1	0	28	68,834	80,000
President's fund	87	9	21	57	65,645	70,000
Microbiology outreach grant	14	5	0	9	19,237	30,000
New lecturer research grant	15	11	0	4	39,750	40,000
PhD	n/a	n/a	n/a	1	22,417	22,500
FEMS Congress studentships	48	0	9	39	50,572	67,000
International capacity building fund	8	5	0	3	12,791	15,000
FEMS Congress accommodation grant	61	0	17	44	13,056	15,000
Events support grant (meeting and lecture)	11	3	0	8	12,800	12,000
Registration fees grant	30	9	3	20	5,363	6,000
Prizes					6,000	6,000
Research support grant	2	1	0	1	2,498	2,500
Contingency/emergency fund	0	0	0	0	0	2,000
Caregiver support grant	9	1	3	5	1,454	3,000
Educational resources grant	2	1	0	1	5,000	5,000
ECS Symposium grant (2020)	16	1	0	15	773	1,000
Policy training travel grant	9	0	1	8	526	1,250
ECS policy training	8	0	0	8	595	1,250
<b>TOTAL</b>	<b>332</b>	<b>47</b>	<b>53</b>	<b>251</b>	<b>327,311</b>	<b>379,500</b>

Grant expenditure as shown above is grants paid during the year; the value shown on page 35 of the accounts is the value of grants committed during 2019. The reason for the discrepancy between the grants budget and the value paid, is primarily due to a lower value of Congress Studentships and Microbiology Outreach grants than budgeted.

## Financial review

### Going concern

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

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

### Surplus/loss

The Society made a gain in 2019 after crediting investment gains of £973K, and net assets remain strong at £10.07M at 31 December 2019. As an incorporated limited company and registered charity, the strong financial position of the Society ensures that we remain in a position to expand benefits for members, whilst further building the reputation of SfAM worldwide. To this end, our members received £327K worth of grants in 2019 and benefited from a financial subsidy for meetings.

### Investment policy and performance

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

The service type provided is discretionary, so if the manager sees opportunities in the market they can be actioned without first seeking Trustee approval.

However, all transactions are communicated in a timely manner to the Society headquarters. The investment mandate from the Trustees is for diversified risk, which should produce income and growth of capital over an investment time period of 10 years. Staff from Brewin Dolphin provide regular quarterly valuation updates of the investment portfolio, including market commentaries. A member of Brewin Dolphin staff provides verbal presentations on the portfolio's performance to the Society's Finance Subcommittee and the Treasurer and Chief Executive have access to the portfolio's online platform.

The Society's portfolio performance is in line with the chosen investment strategy and has shown year-on-year gains.

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

Since the sale of a 7.2% share of Charles Darwin House Limited and the associated buildings, the Society has been researching investment opportunities for the proceeds of these sales. Environmental, Social and Governance (ESG) funds invest in companies who are making positive impacts in these three non-financial areas of their operations. The Trustees agree that this form of investment aligns well with the values of the Society.

# Financial review

continued

## Reserves policy

The Society holds income funds of £8.9M, of which £6.8M is held in investments for the purpose of income generation. The Society's Trustees have calculated that a level of £1.5M would allow the Society to operate and deliver its charitable activities for 12 months. The current level of reserves would provide the Society with several years of its current charitable activity in the form of scholarly publishing, grant provision, events, policy work and public engagement. There are no designated or restricted funds.

In 2019 the Society's expenditure on charitable activities was around £1,316K including £699K (£773K 2018) on support costs.

The potential move towards open access journal publishing as a result of Plan S presented itself as a risk to the Society's revenue towards the end of 2018 and made progress during 2019, as outlined on page 15.

The compliance of hybrid journals with Plan S, and the potential impact of this on our revenue from scholarly publishing is under review.

In the event of loss of income from scholarly publishing, which comprises over 85% of the Society's revenue, holding this level of reserves would allow the Society to undertake a managed approach to decreasing expenditure, as well as providing sufficient time to invest in future income-generating activity.

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

# Structure, governance and management

## Constitution

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

## Organisational structure and decision-making

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

The Society is governed by the Executive Committee consisting of 14 members. Of these, from July 2019 five members are Officer positions (President, Vice President, General Secretary, Treasurer and Scientific Programmes Secretary); these are nominated by the Executive Committee and elected by the membership.

The other members are nominated and elected by the membership. The Executive Committee meets three times a year. In addition, a variety of subcommittees report to the Executive Committee.

These subcommittees include Scientific Programmes, Finance, Microbiologist Editorial Group, Policy, Remuneration and Grants.

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

At the start of each Presidential term, the Society holds a Strategy Day during which Trustees consider and decide upon the future direction of the Society. In 2019, there were several changes to the membership of the Executive Committee (EC). Brendan Gilmore took the role of Vice President and Oern Greiff took the role of Treasurer. An election of the Executive Committee in 2019 to fill three vacancies saw the re-election of Stephen Forsythe and the election of Catherine Ludden and Marcela Hernandez Garcia as new Trustees.

## Operations

As a result of the sale of Charles Darwin House, the Society relocated to flexible office space in the heart of central London (Holborn). The space is shared with the Biochemical Society, a like-minded learned society.

Here, the staff team have continued to benefit from being at the heart of the science policy community, enabling our members to easily provide expertise to influence science policy. We remain close to media centres and companies, enabling the Society to have a voice via traditional media outlets. The increased ease of connectivity with our Trustees, volunteers and members will also remain, as will the increased efficiencies associated with being located close to partner organisations. There were staff changes to the communications and policy teams during 2019. In Policy, Chris Brown left the team to take up a position at the House of Commons and Lisa Rivera joined the team in the role of Policy and Public Affairs Manager. In addition, Lucky Cullen joined the SfAM team as Policy Officer. In the communications team, Stewart Cumiskey left the Society and Robert Millar joined the team as an intern.

# Structure, governance and management

continued

## Policies adopted for the induction and training of Trustees

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

## Pay policy for senior staff

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

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

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

## Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Trustees consider the major risks to the Society to be a decrease in revenue and poor investment performance. The potential decrease in revenue from journal publishing due to changes in the publishing landscape specifically

concerns open access publishing, which could threaten the Society's ability to carry out its charitable objectives. The Society is mitigating this risk by increasing the resource available to focus on the publishing landscape and its implications for the success and sustainability of SfAM's journals, as well as the maintenance of the Society's relationship with Wiley.

The Society is mitigating the risk of poor performance of the investment portfolio, through continuous monitoring of its performance and management.

## Governance

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

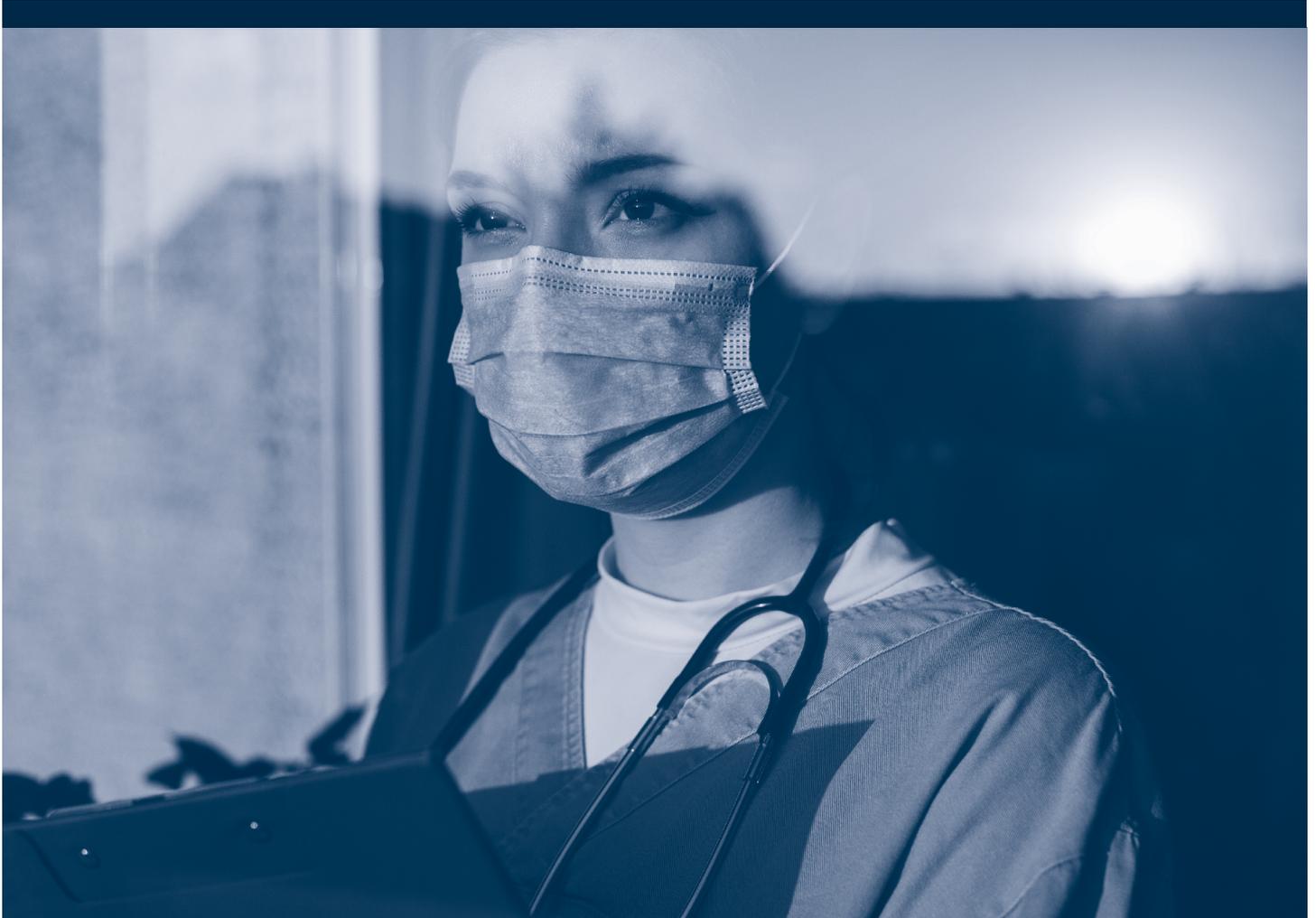
## Strategy

For the first part of 2020, the Society will continue to deliver on the strategic plan 2018–2021. As set out during 2018, the following campaigns and projects were agreed by the Executive Committee and work began during 2018 and 2019:

- **The microbiome** – a public engagement project targeting a variety of audiences
- **Microbiology is diverse** – a practical framework to inform all core activities of the Society
- **AMR** – a series of activities to promote and continue awareness of the importance of AMR
- **The future of food safety** – a policy project tackling various aspects of food safety and the potential impact of Brexit. This project was launched during 2019.

This year (2019), the decision was taken to refocus resources away from the microbiome project and towards the final three campaigns. These were progressed well as described on pages 06 to 16, and work on these areas continues into 2020.

## Plans for the future



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

### SARS-CoV-2/COVID-19

The global pandemic and lockdown measures have impacted the Society's operations. The welfare, health and safety of everyone who contributes to the work of the Society is paramount. With this in mind and following advice from the UK Government and WHO, we have taken the following steps to maintain the safety of our staff team and volunteers during the course of the SARS-CoV-2 pandemic.

### SUPPORTING OUR MEMBERS

During April 2020 we held a number of focus group meetings for members to discuss with us the challenges they are facing as a result of the SARS-CoV-2 pandemic. We will also be surveying our members to find out how the pandemic has affected their work and life. We will

## Plans for the future

continued

use the feedback we receive from these pieces of work to shape future activities and contribute to evidence-based policy work in our priority areas of microbiology.

We are also exploring various potential grant support opportunities with our members whose work has been disrupted by the pandemic.

### EVENTS

The decision has been taken to cancel or postpone the events we had planned for 2020 or move them online. The first example of our moving a conference online was a result of the reaction of our Early Career Scientists Committee whose Research Symposium was cancelled. Within days of the cancellation, all poster presenters were provided the opportunity to display their posters online and highlight them, and/or a flash presentation, via Twitter on the day the Research Symposium had originally been due to take place. We are now exploring options to take many of our scientific events online.

### PUBLISHING

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

### POLICY

Our Policy Subcommittee has identified a number of priority areas as a focus for our policy work to contribute to preparedness for future disease outbreaks. These priority areas will require input from our members to ensure we're contributing to evidence-based policymaking.

### THE SfAM TEAM

We have equipped all team members to work from home and have provided equipment and furniture to ensure all team members are as secure and comfortable as possible in doing so. Flexible and home-working is something that, prior to lockdown, many of the team were used to doing a few times a week. However, for others, working from home was a significant change and, in some cases, a real challenge. The mental health challenges of the current situation are well documented and openly discussed online and amongst the team. To support the team, we provide regular catch-ups, the provision of welfare information and resources and an online 'room' for all team members to drop into if they need to feel connected. Throughout the pandemic, the overarching message to the team has been: 'You are not working from home, you are living through a pandemic and trying to get some work done. Be kind to yourselves.'

### CONTRIBUTING TO THE CRISIS

We have been working alongside the Science Media Centre and directly with broadcast and print journalists to convey appropriate messages about SARS-CoV-2. These interviews have been covered by a number of members including the current President, Mark Fielder (members of his team are working on coronaviruses and disease spillover) and colleagues on the frontline such as Trustee Dr Elaine Cloutman-Green. There have also been opportunities for question and answer sessions with members of the public via BBC local radio stations facilitating direct public engagement in relation to COVID-19 and SARS-CoV-2.

We are aware that many of our members have been working hard to support the management of this crisis, whether through laboratory testing, working on the front line, researching this novel virus or providing evidence and expertise to government organisations. Our industry members including Trustee, Claire Hill, are working to ensure that essential laboratory supplies are available to support frontline testing efforts. Many members are also using their skills outside microbiology to help by redirecting their

# Plans for the future

continued

laboratory resources to the manufacture of Personal Protective Equipment, sewing masks/scrubs, assisting with deliveries and other means of support. We would like to sincerely thank all our members who are contributing to the management of the SARS-CoV-2 pandemic and assure them that we will continue to seek the best ways in which to support them both throughout and following these challenging times.

## SUSTAINABILITY

The Society's Trustees, Chief Editors and Wiley will continue to take forward the new strategy for our journals to enable the Society's and our journals' sustainability in a more Open Access world. In addition, the Society will remain in touch with developments regarding the implementation plans for Plan S and other global issues, such as the new policy in China through the Society Publishers' Coalition and other collaborative relationships. The implications of these plans, together with the impact of the SARS-CoV-2 pandemic upon the future of the Society's journals will remain a high priority for the Society during 2020 and beyond.

Having successfully shared office space with the Biochemical Society, a like-minded organisation with whom the Society already has shared resources in HR and Business Technology Management, SfAM will be reviewing our working arrangements in light of the current pandemic situation. During 2019 we changed the way we work, adding to our flexible working arrangements by introducing a hot-desking policy for the team within an office that contains a huge variety of working and meeting spaces.

The Society's cost-base is continually under review and will change as a result of the global pandemic. Further development of the flexible working opportunities presented by the current situation will enable the Society to remain responsive and agile.

These future activities are set against the backdrop of the dissolution of Charles Darwin House Limited which, at time of writing, is undergoing a liquidation process.

# Trustees' responsibilities statement

The Trustees (who are also Directors of Society for Applied Microbiology for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

## Disclosure of information to auditors

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

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

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

.....  
**Prof. Mark Fielder**  
*President*

.....  
Date

# Independent auditors' report

to the members of Society for Applied Microbiology

## Opinion

We have audited the financial statements of Society for Applied Microbiology (the 'charitable company') for the year ended 31 December 2019 set out on pages 28 to 44. They comprise the Statement of Financial Activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

# Independent auditors' report

to the members of Society for Applied Microbiology continued

## Opinion on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

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

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

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

## Responsibilities of Trustees

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

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

## Auditors' responsibilities for the audit of the financial statements

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

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](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our Auditors' report.

# Independent auditors' report

to the members of Society for Applied Microbiology continued

## Use of our report

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

.....  
**Jayne Rowe**

(Senior statutory auditor) for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants and Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

.....  
Date

# Statement of financial activities

(incorporating income and expenditure account)

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Total funds 2019 £000	Total funds 2018 £000
<b>INCOME FROM:</b>			
Charitable activities	2	1,364	1,333
Investments	3	156	216
<b>TOTAL INCOME</b>		<b>1,520</b>	1,549
<b>EXPENDITURE ON:</b>			
Raising funds:			
Voluntary income	4	2	7
Investment management	5	34	36
Charitable activities		1,361	1,453
<b>TOTAL EXPENDITURE</b>		<b>1,397</b>	1,496
<b>NET (EXPENDITURE)/INCOME BEFORE INVESTMENT GAINS/(LOSSES)</b>			
Net gains/(losses) on investments	13	973	(552)
<b>NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>1,096</b>	(499)
<b>NET MOVEMENT IN FUNDS</b>		<b>1,096</b>	(499)
<b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward		8,976	9,475
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>10,072</b>	8,976

There were no other recognised gains or losses other than those listed above. All income and expenditure derives from continuing activities.

All income and expenditure for 2019 and 2018 relates to unrestricted funds. The notes on pages 31 to 44 form part of these financial statements.

## Balance sheet

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

### AS AT 31 DECEMBER 2019

	Note	£000	2019 £000	£000	2018 £000
<b>FIXED ASSETS</b>					
Tangible assets	12		–		920
Investments	13		<b>7,407</b>		6,821
			<b>7,407</b>		7,741
<b>CURRENT ASSETS</b>					
Debtors	14	<b>850</b>		819	
Cash at bank and in hand		<b>2,010</b>		482	
		<b>2,860</b>		1,301	
<b>CREDITORS:</b> amounts falling due within one year	15	<b>(195)</b>		(66)	
<b>NET CURRENT ASSETS</b>			<b>2,665</b>		1,235
<b>NET ASSETS</b>			<b>10,072</b>		8,976
<b>TOTAL FUNDS</b>	16		<b>10,072</b>		8,976

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

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

.....  
**Prof. Mark Fielder**  
*President*

Date

The notes on pages 31 to 44 form part of these financial statements.

## Statement of cash flows

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £000	2018 £000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by/(used in) operating activities	17	68	(35)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Dividends, interest and rents from investments		156	216
Movement in cash at investment broker		47	83
Proceeds from the disposal of fixed assets		1,419	–
Net cash moved (to)/from portfolio		(162)	(260)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>1,460</b>	39
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>1,528</b>	4
Cash and cash equivalents brought forward		482	478
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	18	<b>2,010</b>	482

The notes on pages 31 to 44 form part of these financial statements.

# Notes to the financial statements

FOR THE YEAR ENDED 31 DECEMBER 2019

## 1. Accounting policies

### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

### 1.2 GOING CONCERN

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

### 1.3 COMPANY STATUS

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

### 1.4 FUND ACCOUNTING

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

### 1.5 INCOME

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

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

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

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

Income received in advance is included in deferred income.

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

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

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

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 1. Accounting policies continued

### 1.6 EXPENDITURE

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

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

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

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

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

All expenditure is inclusive of irrecoverable VAT.

### 1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

### 1.8 FINANCIAL INSTRUMENTS

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

# Notes to the financial statements

continued

## FOR THE YEAR ENDED 31 DECEMBER 2019

### 1.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably, in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

### 1.10 REALISED GAINS AND LOSSES

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

### 1.11 OPERATING LEASES

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

### 1.12 DEBTORS

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

### 1.13 CASH AT BANK AND IN HAND

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

### 1.14 LIABILITIES AND PROVISIONS

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

### 1.15 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

### 1.16 PENSIONS

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

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 2. Income from charitable activities

	<b>Total funds 2019 £000</b>	Total funds 2018 £000
Journals and other publications	<b>1,296</b>	1,231
Subscriptions from members	<b>50</b>	50
Meetings and conferences	<b>13</b>	47
Other income	<b>5</b>	5
	<b>1,364</b>	1,333
Total 2018	1,333	

## 3. Investment income

	<b>Total funds 2019 £000</b>	Total funds 2018 £000
Investment income – listed investments	<b>156</b>	216
Total 2018	216	

## 4. Costs of raising funds

	<b>Total funds 2019 £000</b>	Total funds 2018 £000
Investment property costs	<b>2</b>	7
Total 2018	7	

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 5. Investment management costs

	Total funds 2019 £000	Total funds 2018 £000
Investment manager's fees	34	36
Total 2018	36	

## 6. Analysis of expenditure by activities

	Activities undertaken directly 2019 £000	Grant funding of activities 2019 £000	Support and governance costs 2019 £000	Total 2019 £000	Total 2018 £000
Meeting and conference costs	149	–	84	233	396
Journal costs	69	–	85	154	135
Publication/policy and communication expenses	81	–	410	491	504
Members subscription	–	–	105	105	181
Grants and studentships	–	362	15	377	237
Total 2019	299	362	699	1,360	1,453
Total 2018	443	237	773	1,453	

## 7. Analysis of grants

	Grants to institutions 2019 £000	Grants to individuals 2019 £000	Total 2019 £000	Total 2018 £000
Grants and studentships	215	147	362	241
Total 2018	158	79	237	

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 7. Analysis of grants continued

In 2019, 67 grants were made to various institutions (2018: 56) and 176 grants to individuals (2018: 85).

Grants paid to institutions are as follows:

	2019 £000	2018 £000
University of Birmingham	10	–
Cardiff University	6	6
Coventry University	–	5
Edge Hill University	–	5
Edinburgh International Science Festival	–	3
Great Ormond Street Hospital	–	3
Kingston University London	–	7
Liverpool School of Tropical Medicine	–	3
Manchester Metropolitan University	3	4
Newcastle University	10	–
Nottingham Trent University	7	–
Queen's University Belfast	15	7
Sheffield Hallam University	–	5
Solent University	10	–
Ulster University	5	–
University of East London	3	–
University of New Hampshire	–	6
University of Plymouth	22	25
University of Nigeria	–	5
University of Nottingham	–	9
University of Roehampton	10	–
University of Sheffield	7	7
University of Salford Manchester	15	–
University of Southampton	–	5
University of South Wales	10	–
University of Zimbabwe	–	5
RUWESA, Osun State	3	–
University College London	3	–
Other grants for £2.5K or less	76	48
<b>Total</b>	<b>215</b>	<b>158</b>

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 8. Direct costs

	Meeting and conference costs £000	Journal costs £000	Publication costs £000	Total 2019 £000	Total 2018 £000
Plant pathology meeting	–	–	–	–	9
FEMS Annual Conference	68	–	–	68	99
Other meetings	34	–	–	34	70
Journal provision	–	69	–	69	54
<i>Microbiologist</i>	–	–	51	51	56
Promotion	28	–	–	28	80
Other publications	–	–	30	30	42
President's dinner	19	–	–	19	24
AMR meeting	–	–	–	–	9
<b>Total 2019</b>	<b>149</b>	<b>69</b>	<b>81</b>	<b>299</b>	<b>443</b>
<b>Total 2018</b>	<b>291</b>	<b>54</b>	<b>98</b>	<b>443</b>	

## 9. Support costs

	Event costs £000	Journal costs £000	Communications costs £000	Grant and studentships £000	Policy costs £000	Membership costs £000	Total 2019 £000	Total 2018 £000
Professional fees	1	1	4	–	3	1	10	1
CRM	–	–	–	–	–	20	20	100
Office	19	20	59	–	39	20	157	141
Accountancy	5	4	13	–	9	4	35	35
VAT adjustment	3	5	14	–	9	5	36	–
Office relocation expense	–	1	2	–	1	1	5	–
Committee meetings	1	2	6	–	4	2	15	14
Impairment of property	–	–	–	–	–	–	–	83
Wages and salaries	43	42	114	13	85	42	339	304
National insurance	4	4	12	1	9	4	34	34
Pension cost	4	6	16	1	11	6	44	42
Depreciation	4	–	–	–	–	–	4	19
<b>Total 2019</b>	<b>84</b>	<b>85</b>	<b>240</b>	<b>15</b>	<b>170</b>	<b>105</b>	<b>699</b>	<b>773</b>
<b>Total 2018</b>	<b>104</b>	<b>81</b>	<b>243</b>	<b>–</b>	<b>162</b>	<b>181</b>		

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 9. Support costs continued

Included within support costs are governance costs amounting to £78,000 (2018: £68,000). This comprises accountancy fees of £35,000 (2018: £39,000), committee meeting costs of £15,000 (2018: £14,000) and other governance costs of £28,000 (2018: £15,000).

The difference between governance costs in 2018 vs 2019 is due to the costs associated with the changes to the Articles of Association.

## 10. Auditors' remuneration

	2019 £000	2018 £000
Fees payable to the auditor for the audit of the annual accounts	9	9
Fees payable to the auditor in respect of:	–	–
Taxation advisory services not included above	4	4
Other financial services	22	26
	<b>35</b>	<b>39</b>

## 11. Staff costs

	2019 £000	2018 £000
Staff costs were as follows:		
Wages and salaries	339	304
Social security costs	34	34
Other pension costs	44	42
	<b>417</b>	<b>380</b>

During the year one individual received redundancy pay of £4,725 (2018: £nil).

	2019 No.	2018 No.
The average number of persons employed by the company during the year was as follows:		
Management and administration of the charity	7	7
The number of higher paid employees was:	2019 No.	2018 No.
In the band £60,001 – £70,000	1	0
In the band £80,001 – £90,000	0	1
In the band £90,001 – £100,000	1	0

# Notes to the financial statements

continued

## FOR THE YEAR ENDED 31 DECEMBER 2019

The Charitable company considers its key management personnel comprise the Trustees and the Chief Executive. During the year, no Trustees received any remuneration (2018: £NIL).

The total employment benefits including employer national insurance and employer pension contributions of the key management personnel were £119,000 (2018: £106,000).

9 (2018: 9) Trustees received reimbursement of expenses amounting to £16,000 (2018: £14,000). All Trustees' expenses are reimbursement of travel and subsistence costs for Trustees attending meetings on behalf of the Charity.

## 12. Tangible fixed assets

	Freehold property £000	Fixtures and fittings £000	Office equipment £000	Total £000
<b>COST</b>				
At 1 January 2019	1,023	15	45	1,083
Disposals	(1,023)	(7)	–	(1,030)
At 31 December 2019	–	8	45	53
<b>DEPRECIATION</b>				
At 1 January 2019	106	13	44	163
Charge for the year	–	2	1	3
On disposals	(106)	(7)	–	(113)
At 31 December 2019	–	8	45	53
<b>NET BOOK VALUE</b>				
At 31 December 2019	–	–	–	–
At 31 December 2018	917	2	1	920

Included in freehold property in 2018 was land of £341,000, which is not depreciated. The property was sold in 2019.

The Society owned a 7.2% share in Charles Darwin House 1, 2 and Limited.

Charles Darwin House 1 has been used as the Charity's primary office and was included in Freehold property until it was sold during the year.

Similarly, a decision was made in 2018 with the sale completed in 2019 to sell Charles Darwin House 2, an investment property in which the Society owned a 7.2% share. Sale proceeds were £502,000, resulting in a realised loss of £9,000.

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 13. Fixed asset investments

	Listed securities £000	Investment cash £000	Investment property £000	Total £000
<b>MARKET VALUE</b>				
At 1 January 2019	6,212	98	511	6,821
Additions	677	–	–	677
Disposals at opening market value (Proceeds: £725,000)	(663)	–	(511)	(1,174)
Revaluations	920	–	–	920
Movement in cash held at investment broker	–	163	–	163
At 31 December 2019	7,146	261	–	7,407

Investment gains of £973,000 comprises of revaluations of listed securities of £920,000 and the realised gains on disposals of £53,000.

### INVESTMENT RISK MANAGEMENT

All the fixed asset investments are held in the UK.

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

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

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

### INVESTMENT IN UNLISTED ENTITIES

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

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 14. Debtors

	2019 £000	2018 £000
Prepayments	21	32
Accrued income	829	787
	<b>850</b>	819

## 15. Creditors: amounts falling due within one year

	2019 £000	2018 £000
Other taxation and social security	53	–
Grants payable	88	13
Accruals and deferred income	54	53
	<b>195</b>	66

	£000
<b>DEFERRED INCOME</b>	
Deferred income at 1 January 2019	1
Resources deferred during the year	14
Amounts released from previous years	(1)
Deferred income at 31 December 2019	<b>14</b>

Deferred income consists of subscription income received in advance of £14,000 (2018: £1,000), of which £28 (2018: £169) is shown in amounts falling due after more than one year.

	2019 £000	2018 £000
<b>RECONCILIATION OF GRANT MOVEMENTS</b>		
Creditors brought forward	13	5
Commitments made in the year	363	241
Grants paid	(288)	(233)
Grants carried forward	<b>88</b>	13

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 16. Statement of funds

### STATEMENT OF FUNDS – CURRENT YEAR

	Balance at 1 January 2019 £000	Income £000	Expenditure £000	Gains/ (losses) £000	Balance at 31 December 2019 £000
<b>UNRESTRICTED FUNDS</b>					
Accumulated fund	8,976	1,520	(1,397)	973	10,072

### STATEMENT OF FUNDS – PRIOR YEAR

	Balance at 1 January 2018 £000	Income £000	Expenditure £000	Gains/ (losses) £000	Balance at 31 December 2018 £000
Accumulated fund	9,475	1,549	(1,496)	(552)	8,976
Total unrestricted funds	9,475	1,549	(1,496)	(552)	8,976

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

	<b>2019</b>	2018
	<b>£000</b>	£000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>1,096</b>	(499)
<b>Adjustment for:</b>		
Depreciation charges	<b>3</b>	20
(Losses)/gains on investments	<b>(973)</b>	552
Dividends, interest and rents from investments	<b>(156)</b>	(216)
Impairment of freehold property	–	83
(Increase)/decrease in debtors	<b>(34)</b>	64
Increase/(decrease) in creditors	<b>132</b>	(39)
<b>Net cash provided by/(used in) operating activities</b>	<b>68</b>	(35)

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 18. Analysis of cash and cash equivalents

	2019 £000	2018 £000
Cash in hand	2,010	482
Total	2,010	482

## 19. Analysis of net debt

	At 1 January 2019 £000	Cash flows £000	Changes in market value and exchange rate movements £000	At 31 December 2019 £000
Cash at bank and in hand	482	1,528	–	2,010

## 20. Pension commitments

The Charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the Charitable company to the fund and amounted to £44,000 (2018: £42,000). No contributions were outstanding at the Balance sheet date.

## 21. Operating lease commitments

At 31 December 2019 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2019 £000	2018 £000
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	21	–

# Notes to the financial statements

continued

FOR THE YEAR ENDED 31 DECEMBER 2019

## 22. Related party transactions

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There were no related party transactions in 2019 (2018: none).

## 23. Post-Balance sheet events

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The COVID-19 pandemic has had an impact on the Society. The majority of the Society's revenue is received through the publication of its five journals. The Society will be in close liaison with Wiley, our publishing partner, to monitor the potential longer-term impact of the SARS-CoV-2 pandemic on the Society's revenue. It is known that the effects will be minimal in the short term and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements. Since the year end the investment portfolio valuation has fallen due to the COVID-19 pandemic. As at 8 July 2020 this amounted to a reduction of 3.4% on the year-end valuation.

## 24. Prior year restatement

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The basis of allocation support costs was amended during 2019. 2018 comparative support costs have been restated on the same basis.



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