

# Royal Statistical Society

Report and financial statements  
For the year ended 31 December 2021

## Contents

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## Reference and administrative information

For the year ended 31 December 2021

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<b>Charity number</b>	306096	
<b>Registered office and operational address</b>	12 Errol Street London EC1Y 8LX	
<b>Country of registration</b>	England & Wales	
<b>Trustees</b>	Trustees who served during the year and up to the date of this report were as follows:	
<b>President/ Vice Presidents</b>	Professor Sylvia Richardson Professor Deborah Ashby Dr Sophie Carr  Professor Christl Donnelly Professor Jon Forster Professor Rachel Hilliam Ms Sharon Witherspoon	President Past President Vice President for Education and Statistical Literacy (from 1 January 2022) Vice President for External Affairs Vice President for Academic Affairs Vice President for Professional Affairs Vice President for Education and Statistical Literacy (to 31 December 2021)
<b>Honorary Officers</b>	Mr Kevin Barnes Professor Paul Allin  Dr Shirley Coleman Mr Blaise Egan  Professor Steve Gilmour  Mr Scott Heald  Dr Sara Hilditch  Dr Eugenie Hunsicker  Dr Johanna Hutchinson  Professor John Kent  Mr Stephen Penneck  Mr Richard Pugh	Honorary Treasurer Honorary Officer for National Statistics (from 22 March 2022) Honorary Officer for Discussion Meetings Honorary Officer for Sections & Local Groups Honorary Officer for Publications (from 1 January 2022) Honorary Officer for Conferences & Events Honorary Officer for Membership (to 31 December 2021) Honorary Officer for Equality, Diversity and Inclusion (from 1 January 2022) Honorary Officer for Remuneration and Staffing Honorary Officer for Publications (to 31 December 2021) Honorary Officer for National Statistics (to 31 December 2021) Honorary Officer for Membership (from 22 March 2022)

**For the year ended 31 December 2021**

<b>Ordinary members</b>	Professor Mario Cortina Borja	
	Dr Mark Briers	(to 31 December 2021)
	Dr Sophie Carr	(to 31 December 2021)
	Ms Tricia Dodd	(from 1 January 2022)
	Professor Peter Elias	
	Professor Richard Emsley	(from 1 January 2022)
	Ms Daria Gromyko	(from 1 January 2022)
	Professor Beverley Hale	(from 1 January 2022)
	Dr Katie Harron	
	Professor Uma Kambhampati	(from 1 January 2022)
	Professor Mona Kanaan	(from 1 January 2022)
	Dr Ruth King	(to 31 December 2021)
	Dr Anthony B Masters	(from 1 January 2022)
	Dr Anjali Mazumder	
	Dr Emma McCoy	(to 31 December 2021)
	Dr Lisa McFetridge	
	Dr Claire Miller	
	Dr Robin Mitra	
	Professor Brendan Murphy	
	Dr Murray Pollock	(from 1 January 2022)
	Mr Richard Pugh	(from 1 January 2022 until 22 March 2022)
	Professor Gesine Reinert	
	Dr Jamie Sergeant	
	Dr Tom Smith	
	Dr Lucy Teece	
	Dr Deirdre Toher	
	Dr James Weatherall	
	Dr Simon White	(to 31 December 2021)

<b>Senior Management Team</b>	Stian Westlake	Chief Executive
	Jack Beeby	Director of IT and Digital
	Nicola Emmerson	Director of Membership and Professional Affairs
	Stuart McKendrick	Director of Training and Commercial
	Charlotte Stovell	Director of Finance

## Reference and administrative information

**For the year ended 31 December 2021**

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<b>Bankers</b>	Royal Bank of Scotland Drummonds 49 Charing Cross London SW1A 2DX
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL
<b>Investment Managers</b>	Cazenove Capital 12 Moorgate London EC2R 6DR

The trustees present their report and the audited financial statements for the year ended 31 December 2021.

The reference and administrative information set out on pages 3-5 form part of this report. The financial statements comply with current statutory requirements, the charity's Royal Charter, supplemental Charter, Bylaws and Regulations and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP, applicable to charities preparing their accounts in accordance with FRS 102.

## Statement from the RSS President, Professor Sylvia Richardson

2021 was the first year of my Presidency, and I'm keen to reflect here on the positive impact the Society had during a challenging twelve months. I very much enjoyed getting to know the breadth of work that the Society is involved in and was impressed by the responsiveness and energy of the fellowship. One highlight for me was the RSS conference, where there was such palpable excitement about being able to get back to the lively in-person impromptu discussion of statistical ideas that results from listening to colleagues. In 2021, through our work and engagement in the response to the Covid-19 pandemic, we raised the profile of statistics with the public and government, and we continue to build on these achievements.

It is gratifying and reassuring to note that, despite the difficult times we find ourselves living through, our membership has remained strong. Having broken the 10,000 barrier for the first time in 2019, at the close of 2021 we had more than 10,300 members, in over 120 countries worldwide.

Our policy and external relations work has been heavily influenced by the pandemic. Our Covid-19 Task Force continues to have an active voice on the statistical issues relating to it, from calling for better data on the vaccine roll-out to urging the UK government to publish the evidence behind its travel lists. In 2021, the Task Force also published its Covid 'Lessons learned' memo – outlining ten statistical lessons for the government; this is currently the Society's most-downloaded policy document. Testing has been a particular focus, with the Task Force's March 2021 statement on schools testing generating approx. 700 pieces of media coverage. Our Working Group on Diagnostic Tests published its review of diagnostic tests in June, and we are pursuing discussions with Medicines and Healthcare products Regulatory Agency (MHRA) on how to take these recommendations forward.

You may be aware that I have a particular focus on increasing the Society's interactions with the data science ecosystem – so I am especially pleased that in 2021 we helped to form, and became part of, the Alliance for Data Science Professionals. The RSS's vice president for professional affairs, Rachel Hilliam, will serve as the inaugural Chair until the end of 2022. The Alliance is working to create industry-wide professional standards for data science, ensuring an ethical and well-governed approach so the public, organisations and governments can have confidence in how data is being used. We have also convened a Data Science Task Force to investigate how the RSS can deepen and extend its impact in the field of data science, and its offering to fellows who work as data scientists.

I am also delighted that we are continuing our commitment to promoting equality, diversity, and inclusion (EDI) across the organisation and the profession, with the creation of a new role of Honorary Officer for EDI. This role will be supported by a committee of fellows to drive forward this important work. I am pleased to say that in 2021 the RSS Council appointed Eugenie Hunsicker as our first Honorary Officer for EDI, and she took up this role in January 2022.

In 2022, a key focus is implementing our strategy for further engagement with data science. We have also launched a new campaign, 'Statistics are Vital', to promote the fantastic work that statisticians have done during the pandemic. I am delighted to be working with our members and partners to build on these remarkable achievements going forward.

Professor Sylvia Richardson

## Objectives and activities

The vision of the Royal Statistical Society (RSS) is 'A world where data are at the heart of understanding and decision making.'

To help achieve this vision we structure our work around the six strategic objectives outlined below. The first four of these are outward facing and demonstrate our charitable activity. The last two are more internal and governance related and support the achievement of the four external impact objectives:

- 1 For statistics to be used effectively in the **public interest**, so that policy formulation and decision making are informed by evidence for the good of society
- 2 For society to be more **statistically literate**, so that people's understanding of data, risk and probability can inform their daily decision making, leading to better outcomes
- 3 For a strong body of **professional statisticians** to maintain and develop the skills they need so that they can critically apply methodology, interpret results and communicate findings
- 4 For statistics as a **discipline** to thrive, so that methodology is advanced, applied and made accessible, leading to greater understanding of an increasingly complex world
- 5 For an engaged and energised **membership and staff** to work collaboratively with partner organisations and other stakeholders in meeting these goals, so that the Society can maximise its impact
- 6 For the RSS to be a financially sustainable and **well run organisation**, with effective governance and use of technology, so that it will grow in relevance, exert influence and have wider impact

These strategic objectives are to fulfil the Society's charitable objectives as set out in its Royal Charter:

- (i) To foster and encourage the growth, development and application of statistical science in all areas of activity which can benefit from it
- (ii) To establish, uphold and advance high standards of statistical competence
- (iii) To foster the production and publication of statistics on aspects of society
- (iv) To serve the public interest by acting in an advisory, consultative or representative capacity in matters relating to the science of statistics and its application
- (v) To promote the public understanding of statistics and the competent use and interpretation of statistics

## Activities and public benefit

The trustees confirm that they have complied with the duty in section four of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The RSS's work contributes to public benefit by:

- Ensuring statistics are used in the **public interest**, leading to better quality policy making and decision making
- Supporting **statistical education and literacy**, enabling organisations and individuals to make better choices
- Supporting the development of the **discipline** of statistics, which in turn leads to improvements on a wide range of social, environmental and economic issues
- Supporting the **professionalisation** of those working with data and statistics in the UK and overseas, contributing to the skills demanded by a 'data economy'

The RSS develops a detailed activity plan on an annual basis to take forward the activities of the Society. Key areas of activity are outlined below.

## Statistics in the public interest

Activities include:

- Policy work on a range of topics to improve the use of data and statistics in public policy and the public interest
- Running working groups on topics such as health and national statistics
- Holding events and conducting research on topics of public interest
- Working in partnership with other organisations to secure change in the public interest
- Giving awards for outstanding work in journalism, official statistics and the pharmaceutical industry



## Education and statistical literacy

Activities include:

- The Society's campaign to improve statistical literacy
- Influencing education policy and curricula
- Campaigning for greater quantitative skills in higher education
- Publishing Significance magazine

## Supporting the discipline

Activities include:

- Publication of academic journals
- Running meetings and conferences
- Awarding honours
- Supporting Sections and Local Groups
- Monitoring and supporting statistics in higher education

## Professional affairs

Activities include:

- Offering professional membership and qualifications
- Accreditation of university courses
- Training and continuing professional development

## Structure, governance and management

Founded in 1834, the Society is a learned society and professional body incorporated by Royal Charter. It is an international membership body with over 10,000 members (of whom over 6,000 are designated 'fellows'). Fellows with suitable qualifications, training and experience are able to apply for professional accreditation.

The Society's governing documents are the supplemental Charter (which came into effect on 1 April 2006), the Bylaws and the Regulations, which are reviewed annually. The Society's governance is largely in line with the recommendations of the Charity Governance Code.

The Society's Council is its board of trustees, and consists of:

- The President
- Twenty four other fellows who are ordinary members of Council and are elected by the fellowship
- Any Vice Presidents and Honorary Officers appointed from outside the Council
- The most recent Past President who is willing to serve on Council
- Any additional person(s) co-opted to Council under the provisions in the Bylaws

The President serves a two year term. The ordinary members of Council are elected by a ballot of all fellows. Vice Presidents and Honorary Officers are appointed by Council. If not already members of Council, Vice Presidents and Honorary Officers are co-opted to membership of Council.

Members of Council are normally expert in one or more branches of statistical science and its applications. They bring this expertise and their knowledge of the statistical profession to the strategic management of the Society.

With respect to their duties and responsibilities as trustees of the RSS, new members of Council receive an induction into the Society including its governance, finances, strategy and activities, as well as their role as trustees. Updates to the whole trustee board are given where appropriate - due to, for example, changes in legislation or regulation. During the past year, the major risks to which the charity is exposed have been identified and Council is satisfied that adequate systems are in place to manage those risks. An Audit and Risk Committee is in place to review risks in-depth and to advise Council. On an annual basis, Council reviews the key risks and its approach to managing them. The Senior Management Team and the Audit and Risk Committee escalate any major risks to Council.

Council has a formal and detailed scheme of delegation laid out in its Regulations which are reviewed and renewed annually by Council. Responsibilities are delegated to the Executive Committee and various other committees. The Professional Affairs Committee leads on the Society's work as a professional body. The President and Vice Presidents have the authority to speak for and represent the Society and to take urgent decisions between meetings.

The Society employs a Chief Executive to manage the day-to-day operations of the charity, its staff and facilities. The Society has a small permanent staff and is heavily dependent on the input of volunteers in the whole range of its activities. Volunteers are drawn from the membership and serve in a variety of ways including through committees and working groups.

The Society has 17 Sections, which hold meetings and discussions about their specialist area topics. For example, there are Sections on social statistics, medical statistics and business and industrial statistics. Sections are driven by the fellowship. The Society also has Local Groups which run events in their local and regional areas.

During 2021, Professor Sylvia Richardson led the Society as President. Professor Richardson's term of office commenced on 1 January 2021 and will conclude on 31 December 2022.

#### **Related Parties and connections with other organisations:**

The RSS has a wholly owned subsidiary trading company, RSS (Services) Ltd, which gifts all of its profits to the Society. The main activities of the subsidiary are running training courses, and the sale of print and online advertising. The subsidiary also hires the Society's meeting space to external clients; however, no bookings were taken during 2021 due to the Covid-19 pandemic. The organisation is a company limited by share capital, incorporated on 28 April 2000.

**For the year ended 31 December 2021**

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The following persons served as directors of the company during the year and up to the date of this report:

Mr Stian Westlake  
Professor Paul Baxter  
Mr Stuart McKendrick  
Mr Chris Murphy  
Mr Ed Swires-Hennessy

The Society also works with a number of organisations in the pursuit of its charitable activities. *Significance* is the official magazine and website of the Royal Statistical Society, the American Statistical Association (ASA) and the Statistical Society of Australia (SSA). The magazine is published by Wiley.

The RSS is a founding member of the Council for the Mathematical Sciences (CMS) which was established in 2001 by the Institute of Mathematics and its Applications (IMA), the London Mathematical Society (LMS) and the RSS. The CMS comprises representatives and observers from the mathematical sciences community, including the Presidents and Chief Executives of these three societies. The CMS is an authoritative and objective body that exists to develop, influence and respond to UK policy issues that affect the mathematical sciences in higher education and research, and therefore the UK economy and society in general.

Through the CMS the RSS is also a member of the Royal Society's Advisory Committee on Mathematics Education (ACME) which provides advice to government and others to inform policy related to mathematics and quantitative education for 3-19 year olds, and the transition into further or higher education or employment.

**Remuneration Policy:** The Society sets remuneration according to a salary policy. It strives to offer a fair and affordable rate of pay for each role, seeking to ensure consistency and transparency. It is committed to ensuring that:

- Its salaries remain competitive in the labour market, broadly benchmarked to other professional societies and the public sector in London
- It informs employees how their pay has been determined and considers any feedback received

Staff are not discriminated against because of gender, marital or civil partnership status, race, religion or belief, sexual orientation, age, disability, pregnancy or maternity or because they work part-time or on a fixed-term contract.

The Society rewards staff through salary and a number of other benefits. These include a pension scheme, holiday allowance, flexible working where appropriate, season ticket loans, and access to staff development opportunities including training. The Society has three salary bands.

The Executive Committee is responsible for determining the annual salary increase for all staff. There is an annual cycle of salary review and staff are made aware of this cycle through the salary

policy. When determining an increase, the Executive Committee takes into account a range of factors including inflation, wage increases in the wider economy, and affordability.

In addition to the annual pay award, individual salaries are also reviewed and further increases are considered to reflect changes in job roles (e.g. taking on new responsibility). The Chief Executive and Executive Committee look at a variety of factors when reviewing individual salaries including affordability in the context of the Society's finances and the current market rate for roles (what it would cost to replace a particular role in the market).

The Executive Committee may also undertake periodic benchmarking of individual and overall salaries as and when they see a need to do so.

The ratio of remuneration of the highest paid to the median salary is 2.64 (2020: 2.64) based on the employees in place at the end of the financial year.

**Reserves Policy:** The Society maintains reserves according to a set policy which is regularly reviewed by the Audit and Risk Committee and Council. The Society keeps reserves for a number of purposes and these include: providing an income to the Society from investments; paying for unanticipated in-year costs such as maternity pay or long term staff sickness; allowing trustees to invest in new areas of work in order to achieve the long term vision of the Society; and providing for a gap in funding if a core funding source were to unexpectedly shrink. The Society's level of free reserves, calculated as general reserves less tangible assets and the pension deficit from the latest FRS102 accounting valuation, was £1.538m at the end of 2021 (2020: £875k).

**Fundraising:** Most of the Society's income is earned from its regular activities. The RSS does not generally engage in public fundraising and does not use external fundraisers. It has received no complaints during the year relating to its fundraising practices.

**Risk:** The detailed Risk Register is monitored by the Senior Management Team (SMT) and the Audit and Risk Committee (ARC). The top risks, listed below, are reported to the Society's Council.

<b>Risk</b>	<b>Metrics, controls and recent developments</b>
<b><u>Strategic risks</u></b>	
<b>Failure to deliver against one of the Society's six strategic objectives</b>	The Society's governance is aligned with its strategy, and there is a Vice President for each of the four outward facing goals. Council and Executive Committee monitor performance via regular reports on the Society's work and hold the staff to account on this. Detail on activities for each strategic goal are listed in the annual report and the time and cost allocated to each goal is in note 1j in the annual accounts.
<b>Decline in membership of the Society reduces the impact and reach of the Society</b>	Membership is a key theme of the RSS strategy. The Society are also reaching out to new communities such as data scientists. In addition, the RSS are undertaking research on membership trends within the Fellowship. Regular monitoring of membership numbers is undertaken at Senior Management, Executive Committee and Council meetings. Overall membership dipped in 2021 to 10,330 (2020: 10,700) due to a reduction in e-student members, a free category of membership, but paid membership has increased to 6,560 (2020: 6,304). This continues the trend of an increase each year since 2013. See page 19 for a full breakdown.
<b>Loss of journal income prevents the Society from achieving its objectives</b>	Journal income is the RSS' single largest source of income. The journal contract with Wiley runs until the end of 2022 and gives significant guaranteed payments. A new contract was signed with Oxford University Press which will begin in 2023. While the terms of this contract are not as generous as open access publishing has reduced the offer any publisher is prepared to make, it still offers an element of guaranteed income. This means the Society has protection against changes in the academic publishing market until 2027.
<b>The Society fails to remain relevant to data users and statisticians</b>	This is a key strategic priority for the Society. In 2020 the professional membership voted to add the Data Analyst membership category to increase the diversity of professional qualifications. There is an increasing focus on data ethics and improving the diversity of the membership with a new honorary officer role created in 2022 specifically focused on equality, diversity and inclusion.
<b>Business intelligence is insufficient to track and identify the key risks facing the Society</b>	The Customer Relationship Management (CRM) database allows the RSS to track, collect and analyse data from members and stakeholders. The "MyRSS" member portal on our website captures users' key data enabling us to target them with personalised content and adapt to their needs. We also conduct regular member surveys that focus on specific business areas. SMT collate the data and use it to determine the key performance indicators (KPIs) required to meet business needs, improve decision making and the appropriate allocation of resources.

Risk	Metrics, controls and recent developments
<b><u>External Risks</u></b>	
<b>Economic downturn reduces all income sources and reserves</b>	<p>The Society has resilience in the form of free reserves and an owned central London office. The Society's finances are monitored on a monthly basis by SMT. Trustees actively review the situation and if reserve levels drop then expenditure is cut back when appropriate. RSS free reserves were £1.538m at the close of 2021 (2020: £875k), calculated as general reserves less tangible assets and including the pension deficit.</p>
<b>Pension deficit requiring large payments</b>	<p>The Society's final salary pension scheme was closed to new entrants on 1 January 2017. The deficit is monitored via triennial reviews. A deficit of £2.029m was identified in the last triennial valuation dated 31 December 2020. A payment plan was negotiated between the Society trustees and the pensions trustees and signed on 31 March 2022. £100k has been paid up to the end of 2021 with a commitment of £200k each year until 2031.</p>
<b>Reputational risks</b>	<p>Upholding data ethics is critical to the Society's work and its reputation. All Society publications have a vetting procedure, and a limited number of designated people are able to issue statements on behalf of the Society. The Society has implemented data protection legislation, including guidance for Sections and Local Groups. The RSS needs to be particularly vigilant about maintaining high standards in its use of personal data. Social media is monitored. There were no complaints in 2021.</p>
<b>Virus and hacking risks</b>	<p>Cyber security threats have increased in recent years, particularly following the Russian invasion of Ukraine. The Society holds personal data on a large number of individuals, and therefore needs to be diligent in managing these risks. The RSS has gained the National Cyber Security Centre's "Cyber Essentials" certification which ensures that best practice is being followed to mitigate a wide range of online threats.</p> <p>Staff are regularly educated about IT security and only access systems via a dedicated business laptop with firewall, data encryption and the latest versions of anti-virus/malware software. Laptops are monitored for threats via cloud portals and regular manual checks by IT staff.</p> <p>Data is stored within the Microsoft Office 365/Azure infrastructure giving access to enterprise level security features such as automated alerts and action triggers based on machine learning. Multifactor authentication is used on all admin accounts and extensive use of granular security permissions is made to restrict unauthorized access to functionality and data.</p> <p>The Audit and Risk Committee reviews this risk annually, the latest review occurred in February 2022.</p>



<b><u>Risk</u></b>	<b>Metrics, controls and recent developments</b>
<b><u>Internal risks</u></b>	
<b>A lack of volunteers prevents the Society achieving its goals</b>	The Society is dependent on volunteers to fill roles on Council, Section and local group committees, working groups and to produce the Society's journals. Volunteer engagement is an increasing priority with volunteer workshops held in 2021 and an increase in the staff time allocated now and in the future.
<b>Loss of key staff prevents the Society achieving its goals</b>	Notice periods mirror staff seniority and difficulty of replacement. Key processes have been mapped, and SMT monitor the intentions of key staff members. In practice, when staff vacancies occur other staff rally round and cover their responsibilities.
<b>Customer Relationship Management (CRM) database failure</b>	<p>The Society is dependent on its CRM to manage operating activities. A single supplier maintains and develops bespoke functionality for the CRM and integrated website. This results in cost and efficiency savings but introduces a potential single point of failure.</p> <p>As the CRM and website are both customized versions of mature underlying technology from Microsoft and Kentico respectively, the level of risk is significantly reduced as data and functionality could be ported to a new supplier. Dynamics CRM software is part of the wider Office 365. The technology stack that is used by organisations all over the world, giving a wide range of suppliers and support specialists that can be turned to for help. As the CRM is cloud-based, all data is automatically backed up on a regular schedule and stored securely.</p>
<b>Errol Street building not fit for purpose</b>	The pandemic has led to a change in the needs of the RSS. Its Errol Street building in its current state is difficult to use for hybrid events and live streaming, and is not accessible to the disabled. It is also likely that staff will be working remotely more often. Council has nominated a taskforce to consider all the options available to RSS from refurbishment to selling, their recommendations will be presented to Council in June 2022. As part of this process a valuation of the building was completed in March 2022 which confirmed the current value of the building is well in excess of the historic cost shown in the accounts (see note 9).
<b>Fraud</b>	The Society has a series of financial procedures in place to minimise the risk of fraud. ARC review internal controls regularly to determine they are sufficient. The auditors review processes during the audit and SMT monitor and report any incidences of fraud to the trustees and the relevant bodies. To date there have been no known instances of fraud.
<b>General</b>	There are a wide variety of operational risks which are outlined in a detailed Risk Register. These are reviewed quarterly by SMT and annually by ARC. The detailed Risk Register was last reviewed in full in February 2022.

## Achievements and Performance

The trustees are proud of what the organisation is achieving and consider that the RSS is becoming increasingly influential in its work. The majority of the activity plan was completed in 2021 with some activities carried forward into 2022. A more detailed review of the Society's performance in 2021 against each of the goals is set out below.

**Goal One: For statistics to be used effectively in the public interest, so that policy formulation and decision making are informed by evidence for the good of society.**

**Covid-19:** During 2021, the Society and its members played an important role in the response to Covid-19. Our Covid-19 Task Force continued to have an active voice on statistical issues relating to the pandemic, from calling for better data on the vaccine roll-out to urging the UK Government to publish the evidence behind its travel lists. The Society's Sections also played an active role in the debate. In March the Task Force published its recommendations on lessons to be learnt from the pandemic, which proved to be the Society's most downloaded report to date. The Working Group on Diagnostic Tests set out detailed recommendations on how to improve regulation around testing, which was discussed with the Government.

**Policy:** The Society responded to a wide range of Government and parliamentary consultations on matters including: Covid-19 (both lessons learned and the economic impact), reproducibility and research integrity, the use of health data in research and the use of new data-based technologies in law enforcement.

**Media:** The Society's media presence increased over 2021, with a continued focus on Covid-19. For example, our commentary on Covid-19 testing in schools led to over 700 pieces of coverage. We secured opinion pieces in the Times, Guardian and the Conversation as well as broadcast interviews on the Today Programme, the BBC News Channel and Times Radio.

**Exams:** We were pleased that the Office for Statistics Regulation took up our call for a review into the 2020 exam adjustment process, and adopted our recommendation for more transparency around the process. In the wake of the 2021 exam results, we urged the Government to engage widely on the question of how exam grades during the pandemic will impact the 2022 results, to build consensus on how this should be handled.

**Goal Two: For society to be more statistically literate, so that people's understanding of data, risk and probability can inform their daily decision-making, leading to better outcomes.**

**Outreach:** Our statistical ambassadors provided regular statistical expertise to journalists and stakeholders. They were provided with media refresher training to support them to develop their public engagement skills. We also celebrated the statistical communication skills of non-statisticians via our Statistical Excellence in Journalism award, which had 100 entries.

**Education:** In our engagement with Government and funding councils, we continued to emphasise the message that statistical education needs to take place in a wide range of subjects in addition to



mathematics – so that as many people as possible gain a meaningful statistical education at school level. The Society continues its work on improving statistical literacy and, to this end, we continue to be a funder and supporter of the Royal Society's Advisory Committee on Mathematics Education.

**Significance:** *Significance* magazine continues to grow in popularity and published many articles on Covid-19 in 2021. Over the course of the year, our articles in the Wiley Online Library were downloaded more than 431,700 times. We are delighted to report that the Statistical Society of Australia (SSA) has become a partner in the production of *Significance*, meaning that the magazine is now a joint publication of the RSS, the American Statistical Association, and the SSA. We look forward to working with our new SSA colleagues on articles relating to Australia and the surrounding region.

**Training:** The range and popularity of our training programme grew in 2021, and over 340 people booked on to 30 public training courses. We also provided bespoke training for clients in both the public and private sectors.

**Events:** For most of 2021, no in-person events were held, because of Covid-19. However, the Society's Sections and Local Groups rose to the challenge of lockdown, hosting over 100 online events, many of which had record numbers of attendees. Later in the year, the Society held a well-attended Q&A with David Spiegelhalter and Anthony Masters on their book 'Covid by Numbers', and a conference in partnership with the Economic Statistics Working Group and Open Innovations on the data required to track the Government's 'levelling-up' agenda.

**Goal Three: For a strong body of professional statisticians to maintain and develop the skills they need so that they can critically apply methodology, interpret results and communicate findings.**

**Accreditation:** We made major improvements to our accreditation programme, including:

- Launching a new professional membership title - Data Analyst - to recognise good statistical knowledge at a modular level
- Developing a competency-based route to our GradStat title, for eligible statisticians
- Introducing the RSS Quality Mark, an accreditation route for individual degree modules and data skills training from other education providers

**International Development:** The Society continues to organise placements for RSS members to volunteer abroad with the African Institute for Mathematical Sciences (AIMS), and Partnership in Statistics for Development in the 21st Century (PARIS21). Both these initiatives help build capacity for low-income countries to develop their statistical systems.

**Corporate Membership Partnerships:** During 2021, the Society successfully registered three new corporate members. At the close of the year, we had a total of 26 partners. One of our new corporate partners brought over 50 individual members to the RSS. We also welcomed 16 members from the Big Data Lab, our first Japanese partner. We worked closely with the Cabinet Office to renew their partnership status and agreed that all future entrants on the Civil Service Statistical Fast Stream will join the RSS as members.

**Data Science:** Deepening the Society's commitment to data science and improving our offering for data scientists is a major priority for us. In 2021, we co-founded the Alliance for Data Science Professionals with the British Computer Society, The Chartered Institute for IT, the Operational Research Society, the Institute of Mathematics and its Applications, The Alan Turing Institute and the National Physical Laboratory. This group will lead a wider consortium of organisations in work to develop and shape the profession of data science. We also assembled an RSS Data Science Task Force of international experts to help us plan future work in this area. Several projects are already underway in 2021, including:

- The Alliance for Data Science Professionals mentioned above
- A partnership with the Alan Turing Institute to provide the Joint Biosecurity Centre with statistical modelling research capability
- The active work of our Data Science Section, who organise regular well-attended speaker meetings and events such as the Ethics Happy Hours

**Equality, diversity and inclusion:** We are working hard to promote equality, diversity and inclusion across the organisation and the profession. As part of this, in 2021 a new trustee role was created - Honorary Officer for Equality, Diversity and Inclusion. The postholder will be supported by a committee of fellows to drive this work forward.

**Statistical excellence awards:** We celebrated the work of UK government statisticians and non-statisticians through our statistical excellence awards programme, which in 2021 had a focus on equality, diversity and inclusion and on Covid-19. An online awards ceremony was held in July, with presentations from key RSS fellows and our award partners.

**Honours:** Each year we award medals and prizes to people who have made outstanding contributions to the development of statistics. The 2021 awards ceremony was held in September during the annual conference in Manchester. The recipients were:

- Guy Medal in Silver: Håvard Rue
- Guy Medal in Bronze: Pierre E. Jacob
- Wood Medal: Katie Harron
- Chambers Medal: Sara Hilditch
- Bradford Hill Medal: Bianca De Stavola
- West Medal: Peter Goldblatt
- Howard Medal: Brian Francis
- Greenfield Industrial Medal: Philip Jonathan
- Research Prize: Chengchun Shi
- Barnett Award: Jonathan Rougier

**Goal Four: For statistics as a discipline to thrive, so that methodology is advanced, applied and made accessible, leading to greater understanding of an increasingly complex world.**

**Journals:** The Society's journals continued to prove popular with authors and readers. All three journals increased their Impact Factor scores in 2021. Two discussion paper meetings were held during the year, featuring four papers. An important and successful Special Topic Meeting on Covid-19 Transmission was held in June. Following this, a well-attended multi-paper meeting on 'Statistical

**For the year ended 31 December 2021**

aspects of the Covid-19 pandemic' was held as a 'blended' event at the RSS conference. In total, the three series published just over 4,000 pages in 2021 with an increase in the number of articles published, the number published open access, the number of submissions and full article downloads.

**Sections and Local Groups:** Our Sections, Special Interest Groups and Local Groups continue to be very active and held over 100 events and meetings during 2021. For example, the Data Science Section held fireside chats with Artificial Intelligence researcher and entrepreneur, Andrew Ng and Kaggle founder, Anthony Goldbloom. Local Groups organised valuable outreach activities, including the Lancashire and East Cumbria Local Group and the Highlands Local Group (in collaboration with History of Statistics Section) celebrated women in statistics.

**International Conference:** In September 2021, we held our first ever 'blended' RSS International Conference, which was attended by over 500 participants both in Manchester and online. The programme featured the usual mix of keynote talks, invited topic sessions and contributed talks and posters, and for the first time over 40 hours of content was made available online via live streaming and on-demand post-conference. The Society has announced that the RSS 2022 International Conference will take place in Aberdeen in Scotland from 12-15 September 2022.

**Goal Five: For an engaged and energised membership and staff to work collaboratively with partner organisations and other stakeholders in meeting these goals, so that the Society can maximise its impact.**

**Membership:** We are pleased to report that our membership continues to grow – having broken the 10,000 members barrier for the first time in 2018 and at the close of 2021 there were over 10,300 members in more than 120 countries worldwide. Over 6,500 were fellows, with the remainder in the e-Student and e-Teacher categories.

<b>Membership Category</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Standard fellows	4,460	4,680	4,615	4,649	4,873
CStats	1,004	1,016	1,003	982	988
GradStats	616	678	669	673	687
Data Analysts	0	0	0	0	12
<b>Subtotal of paid members</b>	<b>6,080</b>	<b>6,374</b>	<b>6,287</b>	<b>6,304</b>	<b>6,560</b>
e-Student members	2,498	2,796	2,915	3,123	2,439
e-Teachers	597	875	950	1,273	1,331
<b>Total members</b>	<b>9,175</b>	<b>10,045</b>	<b>10,152</b>	<b>10,700</b>	<b>10,330</b>

While the number of members in paying categories increased quite substantially in 2021 (with membership resource concentrated on developing corporate partnerships), e-Student recruitment was adversely affected by the Covid-19 pandemic. A lack of face-to-face opportunities to advertise membership and a pause on new applications for university accreditation led to a drop in numbers. We are currently contacting lapsed members, reviewing e-Student benefits and engagement, and have now re-opened for university accreditation with new, more accessible standards to attract more students.

**Statisticians for Society:** We further developed our work on supporting RSS members to provide pro bono statistics expertise to small UK charities. In 2021, we matched 22 charities with volunteer statisticians. Since the initiative began, 48 projects have been completed and over 600 fellows have registered their interest in volunteering.

**Partnerships:** The Society continued to work with a wide range of partners throughout the year including government statistical bodies (e.g. the Office for National Statistics); research councils (e.g. UK Research and Innovation); statistical societies (e.g. American Statistical Association, the International Statistical Institute); mathematical bodies (e.g. through the Council for the Mathematical Sciences); and scientific bodies (e.g. Royal Society).

**Campaigns Advisory Group:** The Society established a new advisory group – composed primarily of Council members – to improve the ability of members to set the direction of our campaign and policy work. This should provide greater transparency and accountability in how these areas of our work are pursued.

**Goal Six: For the RSS to be a financially stable and well-run organisation with effective governance and use of technology, so that it will grow in relevance, exert influence and have wider impact.**

**Finances and operations:** The Society moved most of its operations online in response to the Covid-19 pandemic. Fellows and staff embraced this challenge and moved most meetings, training sessions and events online. Financially, at the close of 2021 the Society's position was stable. Membership numbers held steady despite Covid-19; falls in commercial revenue (for example from room hire) were mostly offset by the lower operating costs of online work and modest reductions in staffing costs.

**IT:** The launch of our new website saw traffic rise in 2021 to over one million views per year, for the first time ever. By the end of the year, members could subscribe to 34 different newsletters via *MyRSS*. The roll out of Office 365 to Sections and Local Groups allowed them to independently organise events, create surveys and securely share resources. All IT infrastructure was migrated to the cloud to facilitate hybrid working and comply with the latest security standards. The move to MS Dynamics CRM increased the efficiency of internal systems and allowed the development of a better understanding of members' interests.

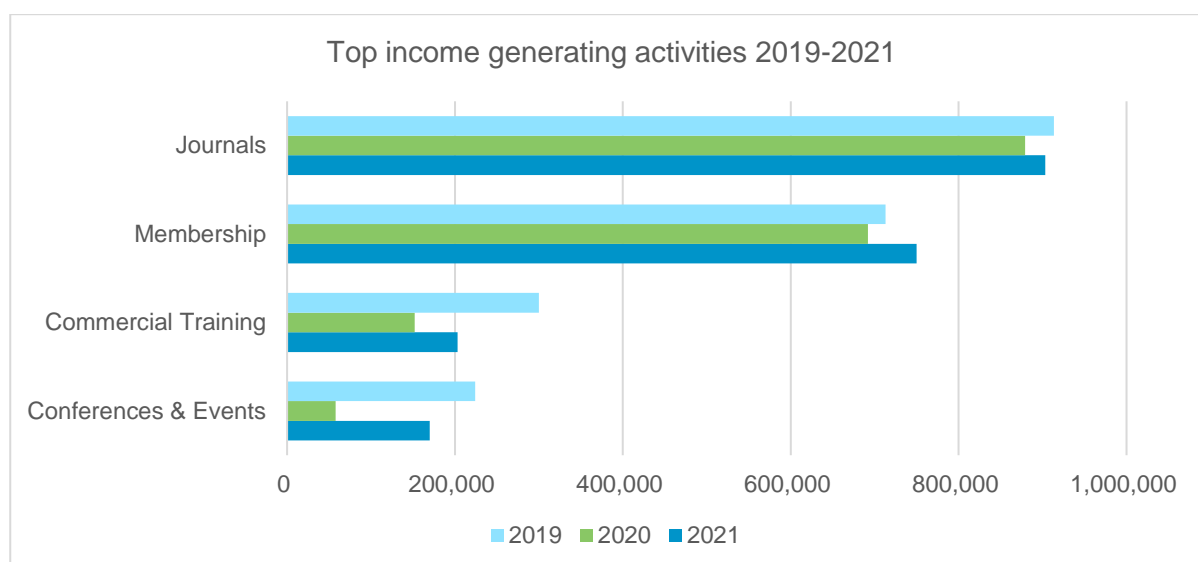
## Financial Review

The final financial performance for 2021 is a net increase of funds of £491k, which is a swing of £1.706m from the net decrease in funds of £1.214m in 2020. Total income was £2.235m, an increase of £230k from 2020. Total expenditure only increased by £30k to £2.155m meaning the RSS achieved £200k more net income for the year based only on normal activities.

Investments experienced a gain of £227k, £193k more than the gain in 2020. The most significant change between years however is the change in the defined benefit scheme. In 2020 the deficit for the scheme worsened by £1.128m while in 2021 it recovered by £184k, largely a result of an improvement in market conditions.

**Free reserves position:** The Society's level of free reserves, calculated as general reserves less tangible assets and the pension deficit from the latest FRS102 accounting valuation, was £1.538m at the end of 2021 (2020: £875k). Trustees believe that given the current turnover and staffing, maintaining a level of free reserves in the range of between £1.5m and £2m is appropriate. The RSS is confident that the charity will still be financially sound for many years to come.

**Income:** The main income generating activities for the RSS are income from journals, membership dues, commercial training fees and income from the annual conference. While each of those activities were impacted by the pandemic, training and conference income, which were largely held in-person pre Covid-19, was severely reduced.



In 2021 commercial training income increased by £51k which is an excellent indicator for future performance whilst not yet a complete recovery to pre-pandemic levels. After holding the RSS conference virtually in 2020, a blended version was held in Manchester in September 2021 with elements available virtually for a fee. Financially this was not ideal, as attendance in Manchester was lower, with international delegates discouraged by the restrictions to enter the UK and local

residents hesitant to attend in person. While the virtual element was popular, the fees did not offset the costs to hold the in-person event and the conference made a loss for the year.

2021 is the penultimate year of our current journals contract with Wiley and from 2023 we will be moving to Oxford University Press. The new contract reflects the emergence of open access publishing and its impact on traditional publishing. The gap in income is expected to be filled by a combination of increased commercial training income and a growth in membership subscriptions.

In the last few years, the RSS has concentrated its efforts on improving membership engagement, maintaining our relevance to the discipline by encouraging data scientists to join and we have benefitted from a higher media profile brought about by the pandemic. All of this resulted in an increase of £58k from membership fees to the highest ever recorded total of £749k (2020: £691k), assisted by freezing membership fees since 2019.

**Expenditure:** Total expenditure consists of staff costs, direct costs and support costs. As the RSS is largely delivering services, the highest cost at £1.294m (2020: £1.428m) is always staff. 25% of staff costs are support staff, which along with support costs, are reapportioned based on direct staff time. In 2021 there was a shift in staff time allocated to educational and statistical literacy activities towards membership services resulting in £134k less spent on educational and statistical literacy and £54k more spent on membership. Average staff numbers increased marginally from 25.3 in 2020 to 26.0 in 2021 but total staff costs were actually £133k lower.

Direct service costs increased by £148k, which is almost entirely the costs relating to holding the RSS conference in Manchester. Considering the range of activities held in 2021 and the mix of in-person and virtual events achieving £230k more income with only an additional £30k of costs highlights how efficiently the RSS has handled the impact of the pandemic.

**Trading Subsidiary:** The principal activities of RSS (Services) Ltd are the training and professional development activities of the Royal Statistical Society, paid advertising online at [rss.org.uk](https://rss.org.uk) and in our magazine *Significance*, and the hire of the Errol Street meetings rooms to external clients. The company achieved a gross profit of £161k (2020: £110k) and a net profit of £21k (2020: loss of £37k), once administrative expenses and the management charge from the charity were included. The management charge is based on actual staff time allocated to trading activities and a share of the charity's support costs. It is the policy of the company to donate its taxable profits to the charity. In 2021 profits of £nil were distributed to the Society (2020: £nil) as the profit for 2021 was used to reduce the brought forward loss from 2020.

The surplus from training was £125k (2020: £87k) and was £22k less than was achieved in 2019. Two types of training are sold, selling places on courses to individuals and running private courses for an organisation for a flat fee. Sales to delegates have recovered with virtual courses running for the whole year and in-person courses beginning again in September 2021. Sales to organisations however were heavily impacted by the pandemic with a decrease of £21.7k in the surplus. The direct surplus from advertising was £32k (2020: £12k) and exceeded the £28k surplus reported for 2019. It was decided not to open venue hire at Errol Street in 2021. The outlook for 2022 is promising and the company is expected to recover completely and grow steadily over the next few years.



## Plans for the future

The Society's Activity Plan for 2022 is available online and gives detail about the work programme for the year.

- **Campaigns Advisory Group:** During 2021, the RSS formed a Campaigns Advisory Group – composed primarily of Council members – to improve the ability of RSS members to set the direction of our campaign and policy work. The group is chaired by Christl Donnelly, RSS Vice President for External Affairs, and met for the first time in autumn 2021. Further meetings are planned for 2022.
- **Data Science:** In 2021, the Society also assembled an RSS Data Science Task Force of international experts, to help plan future work in this area. In addition, the RSS co-founded the Alliance for Data Science Professionals with several partner organisations, to develop and shape the profession of data science.
- **Covid-19 Task Force:** This Task Force was launched in March 2020 to respond to the huge expansion in work and commentary on data, statistics, medical science and new technologies that have arisen as a result of the Covid-19 crisis. The Task Force has been constituted under two Co-Chairs - Sylvia Richardson (RSS President 2021-22) and Sir David Spiegelhalter (Past President) - supported by a steering group of eminent members. A key aim of the Task Force is to continue to offer the UK Government and devolved administrations an expert statistical group that can be called upon to contribute its collective expertise.
- **Conference:** The 2022 annual conference is due to take place in Aberdeen in September.
- **Member engagement:** We will continue to focus on strengthening our Sections and Local Groups, empowering them to undertake activities that promote our goals and attract new members. Our Member Engagement Manager will provide support in this area and seek ways to substantially increase the involvement and interaction of members by making it easier to volunteer with the RSS, including through our Statisticians for Society project, for which we have received a five year grant from the National Lottery.
- **Data Analyst:** In 2021, the Society launched a new 'Data Analyst' category of fellow, for people who do not hold relevant qualifications at degree level but have meaningful experience and have completed a standard of continuing professional development training in statistics. In 2022, we will focus on publicising this new membership option.
- **External engagement:** In recent years, the Society has strengthened its engagement with matters of public interest through the media, civil society and Government. We plan to continue with this direction of travel.

## Statement of responsibilities of the trustees

The Society delegates governance activities, and detailed oversight, to the relevant committees and Sections but the ultimate responsibility is held by RSS trustees. Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period, and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees' annual report has been approved by the trustees on 22 June 2022 and signed on their behalf by

Sylvia Richardson  
President

Kevin Barnes  
Honorary Treasurer



## Opinion

We have audited the financial statements of the Royal Statistical Society ('the parent charity') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

## 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees 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 group and the parent charity'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 group or the parent charity 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the Audit and Risk Committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements

made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available 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 auditor's report.

## Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

24 June 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations	2a	5,347	-	<b>5,347</b>	7,799	-	7,799
Charitable activities							
Statistics & Public Interest	2b	-	-	-	10,000	-	10,000
Education & Statistical Literacy	2c	62,067	-	<b>62,067</b>	59,171	-	59,171
Developing the Profession	2d	259,025	-	<b>259,025</b>	206,373	-	206,373
Strengthening the Discipline	2e	1,078,146	-	<b>1,078,146</b>	948,066	5,188	953,254
Engaging the Membership & Partners	2f	782,668	-	<b>782,668</b>	709,345	-	709,345
Venue hire	2g	-	-	-	7,069	-	7,069
Investments	2h	48,569	-	<b>48,569</b>	52,054	-	52,054
<b>Total income</b>		<b>2,235,822</b>	<b>-</b>	<b>2,235,822</b>	<b>1,999,877</b>	<b>5,188</b>	<b>2,005,065</b>
<b>Expenditure on:</b>							
Charitable activities							
Statistics & Public Interest		306,246	-	<b>306,246</b>	331,494	-	331,494
Education & Statistical Literacy		171,222	-	<b>171,222</b>	305,284	-	305,284
Developing the Profession		446,881	-	<b>446,881</b>	459,377	-	459,377
Strengthening the Discipline		716,227	10,486	<b>726,713</b>	565,611	3,208	568,819
Engaging the Membership & Partners		444,176	60,992	<b>505,168</b>	390,311	60,066	450,377
Venue hire		-	-	-	9,395	-	9,395
<b>Total expenditure</b>	3	<b>2,084,752</b>	<b>71,478</b>	<b>2,156,230</b>	<b>2,061,472</b>	<b>63,274</b>	<b>2,124,746</b>
<b>Net income / (expenditure) before net gains on investments</b>		<b>151,070</b>	<b>(71,478)</b>	<b>79,592</b>	<b>(61,595)</b>	<b>(58,086)</b>	<b>(119,681)</b>
Net gain on investments	10	227,487	-	<b>227,487</b>	34,358	-	34,358
<b>Net income / (expenditure)</b>		<b>378,557</b>	<b>(71,478)</b>	<b>307,079</b>	<b>(27,237)</b>	<b>(58,086)</b>	<b>(85,323)</b>
Transfers between funds	17	(2,663)	2,663	-	(6,315)	6,315	-
<b>Net income/(expenditure) before other recognised gains and losses</b>		<b>375,894</b>	<b>(68,815)</b>	<b>307,079</b>	<b>(33,552)</b>	<b>(51,771)</b>	<b>(85,323)</b>
Actuarial loss on defined benefit pension schemes	15	184,000	-	<b>184,000</b>	(1,128,000)	-	(1,128,000)
<b>Net movement in funds</b>		<b>559,894</b>	<b>(68,815)</b>	<b>491,079</b>	<b>(1,161,552)</b>	<b>(51,771)</b>	<b>(1,213,323)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,947,603	534,867	<b>2,482,470</b>	3,109,155	586,638	3,695,793
<b>Total funds carried forward</b>		<b>2,507,497</b>	<b>466,052</b>	<b>2,973,549</b>	<b>1,947,603</b>	<b>534,867</b>	<b>2,482,470</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

Balance sheets

As at 31 December 2021

	Note	The group 2021 £	2020 £	The Society 2021 £	2020 £
<b>Fixed assets:</b>					
Tangible assets	9	984,108	1,107,043	984,108	1,107,043
Investments	10	2,290,832	2,076,172	2,291,832	2,077,172
		<b>3,274,940</b>	3,183,215	<b>3,275,940</b>	3,184,215
<b>Current assets:</b>					
Debtors	12	515,879	577,911	565,187	707,301
Short term deposits		39,854	39,828	39,854	39,828
Cash at bank and in hand		553,270	365,492	479,255	256,135
		<b>1,109,003</b>	983,231	<b>1,084,296</b>	1,003,264
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	13	(290,394)	(297,976)	(250,327)	(282,819)
<b>Net current assets</b>		<b>818,609</b>	685,255	<b>833,969</b>	720,445
<b>Net assets excluding pension liability</b>		<b>4,093,549</b>	3,868,470	<b>4,109,909</b>	3,904,660
Defined benefit pension scheme liability	15	(1,120,000)	(1,386,000)	(1,120,000)	(1,386,000)
<b>Total net assets</b>		<b>2,973,549</b>	2,482,470	<b>2,989,909</b>	2,518,660
<b>Funds:</b>	17				
Restricted income funds		466,052	534,867	466,052	534,867
Unrestricted income funds:					
Designated funds		1,738	1,738	1,738	1,738
General funds		3,642,119	3,368,055	3,642,119	3,368,055
Non-charitable trading funds (loss)		(16,360)	(36,190)	-	-
		<b>3,627,497</b>	3,333,603	<b>3,643,857</b>	3,369,793
Pension reserve	15	(1,120,000)	(1,386,000)	(1,120,000)	(1,386,000)
<b>Total unrestricted funds</b>		<b>2,507,497</b>	1,947,603	<b>2,523,857</b>	1,983,793
<b>Total charity funds</b>		<b>2,973,549</b>	2,482,470	<b>2,989,909</b>	2,518,660

Approved by the trustees on 22 June 2022 and signed on their behalf by

Sylvia Richardson  
President

Kevin Barnes  
Honorary Treasurer

Consolidated statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Net income / (expenditure) for the reporting period		307,079		(85,323)	
Depreciation charges		169,106		157,878	
Gain on investments		(227,487)		(34,358)	
Dividends and interest		(48,569)		(52,054)	
Defined benefit pension employer contribution		(100,000)		(100,000)	
Defined benefit pension adjustment		18,000		6,000	
Finance lease rentals		(1,976)		(5,250)	
Decrease in debtors		62,032		234,114	
(Decrease) in creditors		(5,606)		(39,802)	
<b>Net cash (used in) / provided by operating activities</b>			<b>172,579</b>		<b>81,205</b>
<b>Cash flows from investing activities:</b>					
Purchase of fixed assets		(46,171)		(53,859)	
Proceeds from sale of investments		358,228		240,227	
Purchase of investments		(357,782)		(259,571)	
Movement on cash held in investments		12,381		30,879	
Dividends and interest		48,569		52,054	
<b>Net cash (used in) / provided by investing activities</b>			<b>15,225</b>		<b>9,730</b>
<b>Cash flows from financing activities</b>					
Repayment of finance lease liability		-		(2,238)	
<b>Net cash used in financing activities</b>			<b>-</b>		<b>(2,238)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>187,804</b>			<b>88,697</b>
Cash and cash equivalents at the beginning of the year		<b>405,320</b>			<b>316,623</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>593,124</b>			<b>405,320</b>
<b>Analysis of cash and cash equivalents</b>					
		At 1 January 2021 £	Cash flows £	At 31 December 2021 £	
Cash in hand		365,492	187,778	<b>553,270</b>	
Notice deposits (more than 3 months)		39,828	26	<b>39,854</b>	
<b>Total cash and cash equivalents</b>		<b>405,320</b>	<b>187,804</b>	<b>593,124</b>	

**1 Accounting policies**

**a) Statutory information**

The Royal Statistical Society is a charity registered with the Charity Commission in England & Wales and incorporated by Royal Charter.

The registered office address is 12 Errol St, London EC1Y 8LX.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the Society and its wholly-owned subsidiary RSS (Services) Limited on a line by line basis. Transactions and balances between the Society and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the Society's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Society itself is not presented as the summary of the result for the year is disclosed in the notes to the accounts.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The Society meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern for 12 months after the date of signing of these accounts, this is despite the likely increase in the pension deficit. A significant proportion of our income is guaranteed until the end of 2022 and the RSS owns the freehold of our Errol Street headquarters.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the Society has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Membership subscriptions are recognised in the financial statements during the period in which a member becomes entitled to benefits.

Income from courses, conferences and meetings are recognised in the period in which the event takes place.

Income received from the sale of journals is recognised in the year in which the journal is published. Wiley Publishers undertake the marketing and distribution of the Society's journals and the Society receives a guaranteed contribution plus a share in any surplus arising.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.



Notes to the financial statements

For the year ended 31 December 2021

**1 Accounting policies (continued)**

**f) Donations of gifts, services and facilities**

Voluntary income received by way of donations and gifts to the Society, is included in full in the statement of financial activities when received.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised in the financial statements.

**g) Investments, investment income and interest receivable**

Investment income and interest on funds held on deposit is included when receivable. Investments held as fixed assets are revalued at bid value at the balance sheet date. The gain or loss for the year is taken to the statement of financial activities. The Society's investment in its subsidiary is included at cost.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. If funds are unspent and carried forward into a later financial period, the trustees allocate the percentage, representing the investment return, including both the income earned and the unrealised gain/loss on investments, to these funds as at the balance sheet date.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Transfers are made from general funds to designated funds or restricted funds based on decisions by the Trustees.

**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Resources expended include attributable VAT which cannot be recovered.

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned, based on staff time, of the amount attributable to each activity. Support costs are then re-allocated to each of the charitable activities on the basis of staff time on each activity as follows:

Support cost reallocation	2021 %	2020 %
~ Statistics & Public Interest	14.11	13.12
~ Education & Statistical Literacy	7.46	12.10
~ Developing the Profession	17.88	19.52
~ Strengthening the Discipline	25.16	25.32
~ Engaging the Membership & Partners	27.98	23.26
~ Venue Hire	0.00	0.37
~ Governance costs	7.42	6.31

**k) Allocation of governance costs**

Resources expended and allocated support costs relating to Governance costs are allocated to each activity proportionately.

Governance cost reallocation	2021 %	2020 %
~ Statistics & Public Interest	15.24	14.00
~ Education & Statistical Literacy	8.05	12.91
~ Developing the Profession	19.32	20.84
~ Strengthening the Discipline	27.17	27.03
~ Engaging the Membership & Partners	30.21	24.82
~ Venue Hire	0.00	0.40

Notes to the financial statements

For the year ended 31 December 2021

**1 Accounting policies (continued)**

**l) Finance leases**

Assets purchased under finance leases are capitalised as fixed assets. Obligations under such agreements are included in creditors. The difference between the capitalised cost and the total obligation under the lease represents the finance charge. Finance charges are written off to the statement of financial activities over the period of the lease so as to produce a constant periodic rate of charge.

**m) Tangible fixed assets**

Tangible fixed assets are valued at historic cost. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Freehold land	Not depreciated
~ Freehold buildings	100 years (1% per annum)
~ Furniture, fixtures, fittings and office equipment	6 years (16.66% per annum)
~ Computers & Laptops	2 years (50% per annum)
~ Database & Servers and conference equipment	Up to 4 years (25% per annum)

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

The trustees have reviewed the carrying value of the freehold building. There is a regular maintenance programme which is designed to ensure its continual useful life. They are therefore happy to depreciate the building over the longer period of 100 years.

**n) Heritage assets**

A heritage asset is defined as "a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture". The Society is of the opinion that information on the cost or valuation of such assets is not available and such information cannot be obtained due to the specialist nature of the assets, many of which are unique.

**o) Short term deposits**

Short term deposits represent amounts held on deposit with a maturity of between 3 months and one year.

**p) Cash at bank and in hand**

Cash at bank and cash 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.

**q) Foreign exchange**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange offered by the bank on the day of the transaction.

**r) Financial instruments**

The charity 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.

**s) Pensions**

The Society operates a defined benefit scheme, The Staff Pension and Life Assurance Plan of the Royal Statistical Society. The pension scheme members' years of employment, counted in the scheme, ceased to increase with effect from 1 January 2017. The cost of providing pension and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations are allocated over the expected remaining service lives of current employees on the basis of a percentage of current and estimated future earnings. Any difference between the charge to the statement of financial activities and the contributions payable to the scheme shown as an asset or liability in the balance sheet.

The Society also operates a group person pension plan which is a defined contribution scheme. Contributions are charged to the statement of financial activities in the periods to which they relate. The Society has no liability under the scheme other than for the payment of those contributions.

Notes to the financial statements

For the year ended 31 December 2021

2 Analysis of income

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
a) Donations	5,347	-	5,347	7,799	-	7,799
b) Statistics & Public Interest Receptions & Public Events	-	-	-	10,000	-	10,000
	-	-	-	10,000	-	10,000
c) Education & Statistical Literacy Significance Magazine Grants & Sponsorship	38,734 23,333	- -	38,734 23,333	41,338 17,833	- -	41,338 17,833
	62,067	-	62,067	59,171	-	59,171
d) Developing the Profession Accreditation Scheme Commercial Training	55,750 203,275	- -	55,750 203,275	54,250 152,123	- -	54,250 152,123
	259,025	-	259,025	206,373	-	206,373
e) Strengthening the Discipline Publications Conferences & Events Medals & Prizes ISO 18404 sector scheme	903,124 169,984 - 5,038	- - - -	903,124 169,984 - 5,038	879,298 57,997 - 10,771	- - 5,188 -	879,298 57,997 5,188 10,771
	1,078,146	-	1,078,146	948,066	5,188	953,254
f) Engaging the Membership & Partners Subscriptions Advertising Grants & Sponsorship	749,949 31,969 750	- - -	749,949 31,969 750	691,905 11,940 5,500	- - -	691,905 11,940 5,500
	782,668	-	782,668	709,345	-	709,345
g) Venue hire	-	-	-	7,069	-	7,069
h) Investments Dividends Interest receivable	48,454 115	- -	48,454 115	50,640 1,414	- -	50,640 1,414
	48,569	-	48,569	52,054	-	52,054
<b>Total income</b>	<b>2,235,822</b>	<b>-</b>	<b>2,235,822</b>	<b>1,999,877</b>	<b>5,188</b>	<b>2,005,065</b>

3a Analysis of expenditure (current year)

	Charitable activities								
	Statistics & Public Interest £	Education & Statistical Literacy £	Developing the Profession £	Strengthening the Discipline £	Engaging the Membership & Partners £	Venue Hire £	Governance costs £	2021 Total £	2020 Total £
<b>Direct Costs</b>									
Staff costs (note 5)	194,110	111,241	247,419	310,825	293,044	-	97,476	<b>1,254,115</b>	1,323,224
Other staff costs	5,730	3,027	7,260	10,215	11,356	-	3,012	<b>40,600</b>	105,356
Direct service costs	19,998	11,308	3,701	250,331	29,521	-	36,411	<b>351,270</b>	203,215
Trading costs	-	-	79,015	1,300	-	-	-	<b>80,315</b>	71,570
	219,838	125,576	337,395	572,671	333,921	-	136,899	<b>1,726,300</b>	1,703,365
<b>Support costs</b>									
Establishment costs	12,416	6,559	15,732	22,134	24,606	-	6,527	<b>87,974</b>	55,093
IT costs	12,294	6,495	15,578	21,918	24,366	-	6,463	<b>87,114</b>	94,573
Office costs	999	528	1,266	1,781	1,980	-	525	<b>7,079</b>	13,803
Legal and professional	790	417	1,001	1,408	1,565	-	415	<b>5,596</b>	17,936
Irrecoverable VAT	7,159	3,782	9,070	12,762	14,187	-	3,763	<b>50,723</b>	36,336
Depreciation	23,866	12,607	30,240	42,547	47,299	-	12,547	<b>169,106</b>	157,878
Other expenses	3,153	1,665	3,995	5,620	6,248	-	1,657	<b>22,338</b>	45,762
	60,677	32,053	76,882	108,170	120,251	-	31,897	<b>429,930</b>	421,381
Total expenditure	280,515	157,629	414,277	680,841	454,172	-	168,796	<b>2,156,230</b>	2,124,746
Governance costs reallocated	25,731	13,593	32,604	45,872	50,996	-	(168,796)	-	-
<b>Total expenditure 2021</b>	<b>306,246</b>	<b>171,222</b>	<b>446,881</b>	<b>726,713</b>	<b>505,168</b>	-	-	<b>2,156,230</b>	
Total expenditure 2020	331,494	305,284	459,377	568,819	450,377	9,395	-		2,124,746

Direct service costs in the governance section include investment management fees of £11,053 (2020: £9,868).

3a Analysis of expenditure (prior year)

	Charitable activities							
	Statistics & Public Interest £	Education & Statistical Literacy £	Developing the Profession £	Strengthening the Discipline £	Engaging the Membership & Partners £	Venue Hire £	Governance costs £	2020 £
<b>Direct Costs</b>								
Staff costs (note 5)	208,704	201,279	259,602	322,975	255,554	5,047	70,063	<b>1,323,224</b>
Other staff costs	13,818	12,744	20,570	26,678	24,498	395	6,653	<b>105,356</b>
Direct service costs	34,414	22,497	3,973	69,709	38,136	-	34,486	<b>203,215</b>
Trading costs	-	-	64,241	5,504	-	1,825	-	<b>71,570</b>
	256,936	236,520	348,386	424,866	318,188	7,267	111,202	<b>1,703,365</b>
<b>Support costs</b>								
Establishment costs	7,226	6,664	10,756	13,951	12,811	206	3,479	<b>55,093</b>
IT costs	12,404	11,440	18,465	23,947	21,991	354	5,972	<b>94,573</b>
Office costs	1,810	1,670	2,695	3,494	3,210	52	872	<b>13,803</b>
Legal and professional	2,352	2,170	3,502	4,541	4,171	67	1,133	<b>17,936</b>
Irrecoverable VAT	4,766	4,395	7,094	9,202	8,449	136	2,294	<b>36,336</b>
Depreciation	20,706	19,097	30,824	39,980	36,711	591	9,969	<b>157,878</b>
Other expenses	6,002	5,535	8,935	11,588	10,641	171	2,890	<b>45,762</b>
	55,266	50,971	82,271	106,703	97,984	1,577	26,609	<b>421,381</b>
Total expenditure	312,202	287,491	430,657	531,569	416,172	8,844	137,811	<b>2,124,746</b>
Governance costs reallocated	19,292	17,793	28,720	37,250	34,205	551	(137,811)	-
<b>Total expenditure 2020</b>	<b>331,494</b>	<b>305,284</b>	<b>459,377</b>	<b>568,819</b>	<b>450,377</b>	<b>9,395</b>	<b>-</b>	<b>2,124,746</b>

Notes to the financial statements

For the year ended 31 December 2021

**4 Net incoming resources for the year**

This is stated after charging:

	2021 £	2020 £
Depreciation		
Owned	169,106	156,570
Leased	-	1,308
Trustees' expenses	125	459
Auditor's remuneration (excluding VAT):		
Audit	12,000	11,500
Pension Audit	-	3,000
Other services	1,000	6,620
Finance lease rentals		
Equipment	1,976	5,250
	<b>1,976</b>	<b>5,250</b>

In 2021 2 trustees (2020: 4) were paid for expenses relating to travel, subsistence, telephone and postage.

**5 Analysis of staff costs and the cost of key management personnel**

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	997,998	1,061,366
Social security costs	96,144	105,496
Pension contributions		
Defined benefit pension contributions	-	(4)
Net interest expense	18,000	6,000
Defined contribution pension contributions	138,265	143,152
Life assurance	3,708	7,214
	<b>1,254,115</b>	<b>1,323,224</b>

Staff are entitled to carry over a maximum of 10 days allowance of unused annual leave. In 2020 it was decided to remove this limit for all staff and in 2021 the maximum was raised temporarily to 13 days due to the pandemic. For the 2021 accounting year the value of the accrued leave was calculated at £26,294 (2020: £34,396). This amount is not material and so is not included as an adjustment in the salary and wages expense.

As part of the recovery plan to reduce the shortfall in funding for the defined benefit pension scheme the employer contributed £100,000 (2020: £99,996) during the year. The actuarial gains and losses on the Scheme for the year, are recognised in the statement of financial activities in accordance with FRS102.

The contributions made during the year ended 31 December 2020 for the defined contribution scheme were at a rate of double that made by the contributor (between 1% and 8%) of pensionable salaries. The cost to the Society was £138,265 (2020: £143,152).

Insurance premiums for death in service benefits were payable in addition.

Notes to the financial statements

For the year ended 31 December 2021

**5 Analysis of staff costs (continued)**

The following number of employees received employee benefits in excess of £60,000 (excluding employer pension costs and employer national insurance) during the year between:

	2021 No.	2020 No.
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	-	-
£90,000 - £99,999	1	-
	<u>2</u>	<u>2</u>

The key management personnel of the Society comprise the Chief Executive, the Director of Membership and Professional Affairs, the Director of Finance, the Director of Training & Commercial and the Director of Digital & IT. The total employee benefits (including pension contributions and employer national insurance contributions) of the key management personnel were £420,265 (2020: £423,512).

The trustees were not paid nor received any other benefits from employment with the Society in the year (2020: £nil). No trustee received payment for professional or other services supplied to the Society with the exception of those detailed in note 7.

**6 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Total staff	26.0	25.3
	<u>26.0</u>	<u>25.3</u>

**7 Related party transactions**

For teaching and developing commercial training courses one trustee, Mark Briers (MJO Data Consulting Ltd) was paid £2,000 (2020: £2,000). There were no amounts outstanding at 31 December 2021 (2020: £nil).

**8 Taxation**

The Society is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Society's trading subsidiary RSS (Services) Ltd distributes available profits under Gift Aid to the Society. Its charge to corporation tax in the year was £nil (2020: £nil).

**9 Tangible fixed assets****The group and Society**

	Freehold land and buildings £	Fixtures and fittings and equipment £	Computers and Laptops £	Database, Servers and Audio-visual Equipment £	Total £
<b>Cost</b>					
At the start of the year	1,067,145	342,671	44,341	514,356	<b>1,968,513</b>
Additions in year	-	-	21,196	24,975	<b>46,171</b>
Disposals in year	-	-	-	-	-
At the end of the year	<b>1,067,145</b>	<b>342,671</b>	<b>65,537</b>	<b>539,331</b>	<b>2,014,684</b>
<b>Depreciation</b>					
At the start of the year	259,907	215,890	44,341	341,332	<b>861,470</b>
Charge for the year	10,071	37,292	10,598	111,145	<b>169,106</b>
Eliminated on disposal	-	-	-	-	-
At the end of the year	<b>269,978</b>	<b>253,182</b>	<b>54,939</b>	<b>452,477</b>	<b>1,030,576</b>
<b>Net book value</b>					
<b>At the end of the year</b>	<b>797,167</b>	<b>89,489</b>	<b>10,598</b>	<b>86,854</b>	<b>984,108</b>
At the start of the year	807,238	126,781	-	173,024	1,107,043

Land with a historic value of £60,000 (2020: £60,000) is included within freehold property and not depreciated. The trustees believe that if sold at the current time the land and building would realise in excess of the net book value of the asset and that there is no indication of impairment.

A finance lease with an original value of £7,850 (2020: £7,850) is included within fixtures and capitalised in accordance with FRS102.

The RSS maintains the oldest part of its historical book collection on site at Errol Street. The collection comprises approximately 500 volumes and includes all the pre 1800 dated books as well as the collections donated by William Newmarch and George Udny Yule.

The majority of post-1800 books are held on permanent deposit at the University of Essex library. This collection consists of back runs of around 30 periodicals, a large book collection, and an important series of tracts – bound volumes of pamphlets on diverse topics. The core of the collection relates to statistics and statistical history, and contains much material of interest in the field of social and economic history, particularly for the 19th and early 20th centuries.

The trustees regard the Book Collection as a Heritage Asset and it is not their intention at any time in the future to sell the collection. The collection is included at nil value.

All of the above assets are used for charitable purposes.



Notes to the financial statements

For the year ended 31 December 2021

10 Listed investments

	The group		The Society	
	2021	2020	2021	2020
	£	£	£	£
Market value at the start of the year	2,076,172	2,053,349	2,077,172	2,054,349
Cash movement	(12,381)	(30,879)	(12,381)	(30,879)
Additions at cost	357,782	259,571	357,782	259,571
Disposal proceeds	(358,228)	(240,227)	(358,228)	(240,227)
Net gain/(loss) on revaluation	227,487	34,358	227,487	34,358
Total market value at year end	2,290,832	2,076,172	2,291,832	2,077,172

Investments comprise:

	The group		The Society	
	2021	2020	2021	2020
	£	£	£	£
Bonds	304,451	308,229	304,451	308,229
Shares listed on recognised stock exchanges including unit trusts	1,705,287	1,494,360	1,705,287	1,494,360
Property fund	258,577	238,685	258,577	238,685
Cash	22,517	34,898	22,517	34,898
Investment in subsidiary undertakings	-	-	1,000	1,000
	2,290,832	2,076,172	2,291,832	2,077,172

Dividends of £48,454 were received in the year (2020: £50,640).

# 11 Subsidiary undertaking

The Society owns the whole £1,000 of the issued ordinary share capital of RSS (Services) Ltd, a company registered in England (company number 0398652). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the Society. Current Directors are Professor Paul Baxter, Mr Stuart McKendrick, Mr Chris Murphy, Mr Ed Swires-Hennessy and Mr Stian Westlake. No trustees of the Society are currently directors. Mr Stuart McKendrick and Mr Stian Westlake are employed by the Society in the positions of Head of Training and Commercial and Chief Executive respectively.

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	240,282	181,903
Cost of sales	(80,315)	(71,570)
<b>Gross profit</b>	<b>159,967</b>	<b>110,333</b>
Administrative expenses	(4,286)	(5,588)
Management charge from parent entity	(135,851)	(140,935)
<b>Profit on ordinary activities before taxation</b>	<b>19,830</b>	<b>(36,190)</b>
Taxation on profit on ordinary activities	-	-
<b>Profit / (loss) for the financial year</b>	<b>19,830</b>	<b>(36,190)</b>
<b>Retained earnings</b>		
Total retained earnings brought forward	(36,190)	-
Profit / (loss) for the financial year	19,830	(36,190)
Distribution under Gift Aid to parent charity	-	-
<b>Total retained earnings / (loss) carried forward</b>	<b>(16,360)</b>	<b>(36,190)</b>
The aggregate of the assets, liabilities and funds was:		
Assets	82,806	122,724
Liabilities	(99,166)	(157,914)
Funds	(16,360)	(35,190)

## Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	2,358,878	1,998,424
Result for the year	471,249	(1,177,160)

Gross income for the year includes a gain from investments of £227,487 (2020: £34,384)

Notes to the financial statements

For the year ended 31 December 2021

12 Debtors

	The group		The Society	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	6,739	11,326	-	-
Other debtors & prepayments	509,140	566,585	506,285	564,544
Amounts owed by subsidiary company	-	-	58,902	142,757
	<b>515,879</b>	<b>577,911</b>	<b>565,187</b>	<b>707,301</b>

In October 2019 the RSS was awarded a grant of £396,121 from the National Lottery for the Statisticians in Society project, this money will be paid in instalments until 2023. Currently £162,534 (2020: £242,032) is being held as an other debtor.

13 Creditors: amounts falling due within one year

	The group		The Society	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	1,065	2,813	-	-
Other creditors, provisions and accruals	71,157	110,903	58,396	108,626
Deferred income	188,573	165,202	162,332	155,135
Finance lease commitments	-	624	-	624
Taxation and social security costs	29,599	18,434	29,599	18,434
	<b>290,394</b>	<b>297,976</b>	<b>250,327</b>	<b>282,819</b>

14 Deferred income

The deferred revenue below represents prepayments by our customers and members for goods or services that have yet to be delivered. £158,608 (2020: £145,410) relates to membership subscriptions for the future year with the remaining balance consisting of delegate fees for events and training courses for the upcoming year.

	The group		The Society	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year	165,202	153,184	155,135	128,596
Amount released to income in the year	(164,557)	(152,566)	(154,490)	(127,978)
Amount deferred in the year	187,928	164,584	161,687	154,517
Balance at the end of the year	<b>188,573</b>	<b>165,202</b>	<b>162,332</b>	<b>155,135</b>

## 15 Pension scheme

The Society operates a defined benefit scheme, The Staff Pension and Life Assurance Plan of the Royal Statistical Society. The most recent actuarial assessment for accounting purposes was at 31 December 2020, it showed a funding shortfall (technical provisions minus value of assets) of £2,297,000. An allowance for the impact of contributions, changes in the gilt yield and inflation curves and actual investment returns since the valuation date reduced the funding shortfall to £2,029,000 as at 31 December 2021. On 31 March 2022 the Society agreed a recovery plan to pay contributions to meet the shortfall in funding. The employer will pay monthly contributions of £16,667 from 1 January 2022 to August 2031. £400,000 was paid between 2019 to 2021 to fund the shortfall identified in the previous triennial valuation. Please note this assessment is calculated on a different basis from the deficit included in the financial statements, which is calculated in accordance with FRS 102.

The pension scheme members' years of employment, counted in the scheme, ceased to increase with effect from 1 January 2017.

The Scheme has a number of purchased annuities in respect of past retirements. The annuity contracts held by the trustees are included as both an asset and liability, with the fair value of the asset taken to equal the present value of the liability.

Insurance premiums for death in service benefits were payable in addition.

The employee benefit obligations recognised in the balance sheet are as follows:

	2021 £	2020 £
Present value of funded obligations	(6,395,000)	(6,459,000)
Fair value of plan assets	5,275,000	5,073,000
	<b>(1,120,000)</b>	<b>(1,386,000)</b>
Amounts in the balance sheet:		
Liabilities	(6,395,000)	(6,459,000)
Assets	5,275,000	5,073,000
Net (liability)	<b>(1,120,000)</b>	<b>(1,386,000)</b>
Amounts recognised in net incoming resources are as follows:		
	2021 £	2020 £
Net interest expense	(18,000)	(6,000)
Total	<b>(18,000)</b>	<b>(6,000)</b>
Actual return on plan assets	419,000	228,000

Notes to the financial statements

For the year ended 31 December 2021

15 Pension scheme (continued)

Changes in the present value of the defined benefit obligation are as follows:

	2021 £	2020 £
Opening defined benefit obligation	6,459,000	5,205,000
Interest cost	88,000	108,000
Actuarial losses	165,000	1,254,000
Benefits paid	(317,000)	(108,000)
Closing defined benefit obligation	6,395,000	6,459,000

Changes in the fair value of plan assets are as follows:

	2021 £	2020 £
Opening fair value of plan assets	5,073,000	4,853,000
Interest Income	70,000	102,000
Actuarial gains	349,000	126,000
Contributions by employer	100,000	100,000
Benefits paid	(317,000)	(108,000)
Closing fair value of plan assets	5,275,000	5,073,000

Net actuarial (loss) on defined benefit pension scheme

	2021 £	2020 £
Actuarial gain/ (loss) on plan obligations	(165,000)	(1,254,000)
Actuarial gain on plan assets	349,000	126,000
	184,000	(1,128,000)

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021 %	2020 %
Retail Price Inflation assumption	3.20%	2.80%
Consumer Price Inflation assumption	2.80%	2.40%
Discount rate at the end of the year	1.75%	1.40%
Statutory revaluation in deferment	2.80%	2.40%
Future salary increases	3.30%	2.90%
Future pension increases	3.50%	3.40%
Life expectancy - Male	87 years	87 years
Life expectancy - Female	89 years	89 years

Amounts for the current and previous four periods are as follows:

	2021 £	2020 £	2019 £	2018 £	2017 £
Defined benefit obligation	(6,395,000)	(6,459,000)	(5,205,000)	(4,644,000)	(5,006,000)
Plan assets	5,275,000	5,073,000	4,853,000	4,487,000	4,583,000
Deficit	(1,120,000)	(1,386,000)	(352,000)	(157,000)	(423,000)
Experience loss on benefit obligation	(250,000)	(113,000)	(14,000)	(26,000)	(98,000)
Asset return less expected return on assets	349,000	126,000	208,000	(205,000)	149,000

Notes to the financial statements

For the year ended 31 December 2021

16a Current year analysis of group net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	984,108	-	-	984,108
Investments	2,290,832	-	-	2,290,832
Net current assets	350,819	1,738	466,052	818,609
Defined benefit pension liability	(1,120,000)	-	-	(1,120,000)
<b>Net assets at the end of the year</b>	<b>2,505,759</b>	<b>1,738</b>	<b>466,052</b>	<b>2,973,549</b>

16b Prior year analysis of group net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,107,043	-	-	1,107,043
Investments	2,076,172	-	-	2,076,172
Net current assets	148,650	1,738	534,867	685,255
Defined benefit pension liability	(1,386,000)	-	-	(1,386,000)
<b>Net assets at the end of the year</b>	<b>1,945,865</b>	<b>1,738</b>	<b>534,867</b>	<b>2,482,470</b>

17a Current year movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Francis Wood Memorial Medal Fund	5,247	-	(440)	610	5,417
Chambers Medal Fund	9,302	-	(272)	1,146	10,176
Guy Medal Fund	2,417	-	(720)	216	1,913
Greenfield Industrial Medal Fund	2,377	-	(439)	246	2,184
Bradford Hill Medal Fund	3,941	-	(440)	445	3,946
Research Prize Fund	74,906	-	(2,001)	-	72,905
Cathie Marsh Memorial Bursary Fund	4,882	-	-	-	4,882
John Howard West Bursary & Medal Fund	26,984	-	(875)	-	26,109
Barnett Award Fund	28,805	-	-	-	28,805
David G. Kendall Award for Young Researchers	5,188	-	(1,750)	-	3,438
Mardia Interdisciplinary Workshop Prize Fund	34,763	-	(3,549)	-	31,214
Statisticians for Society (Big Lottery Fund)	336,055	-	(60,992)	-	275,063
<b>Total restricted funds</b>	<b>534,867</b>	<b>-</b>	<b>(71,478)</b>	<b>2,663</b>	<b>466,052</b>
<b>Unrestricted funds:</b>					
Designated funds:					
C. Oswald George Prize Fund	1,738	-	-	-	1,738
<b>Total designated funds</b>	<b>1,738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,738</b>
<b>General funds</b>	<b>3,368,055</b>	<b>1,957,027</b>	<b>(1,680,300)</b>	<b>(2,663)</b>	<b>3,642,119</b>
<b>Non-charitable trading funds</b>	<b>(36,190)</b>	<b>240,282</b>	<b>(220,452)</b>	<b>-</b>	<b>(16,360)</b>
<b>Total unrestricted funds</b>	<b>3,333,603</b>	<b>2,197,309</b>	<b>(1,900,752)</b>	<b>(2,663)</b>	<b>3,627,497</b>
<b>Pension fund</b>	<b>(1,386,000)</b>	<b>266,000</b>	<b>-</b>	<b>-</b>	<b>(1,120,000)</b>
<b>Total funds including pension fund</b>	<b>2,482,470</b>	<b>2,463,309</b>	<b>(1,972,230)</b>	<b>-</b>	<b>2,973,549</b>

## Notes to the financial statements

For the year ended 31 December 2021

## 17b Prior year movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Francis Wood Memorial Medal Fund	5,038	-	-	209	5,247
Chambers Medal Fund	8,932	-	-	370	9,302
Guy Medal Fund	3,529	-	(1,208)	96	2,417
Greenfield Industrial Medal Fund	2,283	-	-	94	2,377
Bradford Hill Medal Fund	3,784	-	-	157	3,941
Research Prize Fund	73,929	-	(2,000)	2,977	74,906
Cathie Marsh Memorial Bursary Fund	4,688	-	-	194	4,882
John Howard West Bursary & Medal Fund	25,911	-	-	1,073	26,984
Barnett Award Fund	27,660	-	-	1,145	28,805
David G. Kendall Award for Young Researchers	-	5,188	-	-	5,188
Mardia Interdisciplinary Workshop Prize Fund	34,763	-	-	-	34,763
Statisticians for Society (Big Lottery Fund)	396,121	-	(60,066)	-	336,055
<b>Total restricted funds</b>	<b>586,638</b>	<b>5,188</b>	<b>(63,274)</b>	<b>6,315</b>	<b>534,867</b>
<b>Unrestricted funds:</b>					
Designated funds:					
C. Oswald George Prize Fund	1,888	-	(150)	-	1,738
<b>Total designated funds</b>	<b>1,888</b>	<b>-</b>	<b>(150)</b>	<b>-</b>	<b>1,738</b>
<b>General funds</b>	<b>3,459,267</b>	<b>1,852,332</b>	<b>(1,937,229)</b>	<b>(6,315)</b>	<b>3,368,055</b>
<b>Non-charitable trading funds</b>	<b>-</b>	<b>181,903</b>	<b>(218,093)</b>	<b>-</b>	<b>(36,190)</b>
<b>Total unrestricted funds</b>	<b>3,461,155</b>	<b>2,034,235</b>	<b>(2,155,472)</b>	<b>(6,315)</b>	<b>3,333,603</b>
<b>Pension fund</b>	<b>(352,000)</b>	<b>-</b>	<b>(1,034,000)</b>	<b>-</b>	<b>(1,386,000)</b>
<b>Total funds including pension fund</b>	<b>3,695,793</b>	<b>2,039,423</b>	<b>(3,252,746)</b>	<b>-</b>	<b>2,482,470</b>

**Purposes of restricted funds**

All restricted funds represent grants, donations, bequests etc received by the Society, along with interest earned thereon. They are used to meet future costs of awarding medals, prizes and bursaries. The Barnett Award is a named lecture in the field of environmental statistics. The Mardia Interdisciplinary Workshop Prize funds events or workshops in emerging interdisciplinary areas. The Statisticians for Society project was begun in 2018 as a pilot programme to support RSS members to give their skills on a pro bono basis to organisations in the voluntary, community and social enterprise sector. In 2019 we were awarded a further grant from the National Lottery Fund to build on the learning gained during the development phase and to continue the development across the UK over the next five years.

In accordance with accounting policy on fund accounting (h) the trustees have transferred the percentage, representing the investment return, including both the income earned and the unrealised gain/loss on investments, from the General fund to these funds as at the balance sheet date.

**Purposes of designated funds**

The C. Oswald George Prize Fund has been awarded to the authors of the best article in *Teaching Statistics* since the magazine launched in 1979.