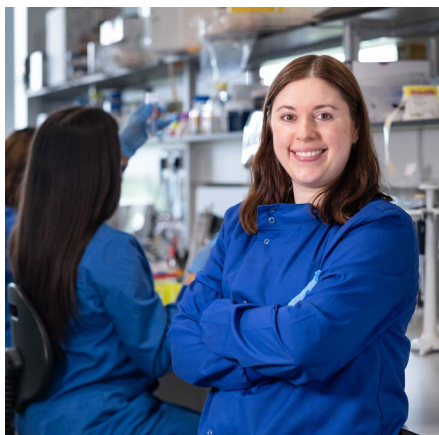


Promoting science for the benefit of humanity

Trustees' report and financial statements
for the year ended 31 March 2024



Trustees' report and financial statements



Above: Dr Nicole Robb, Dorothy Hodgkin Fellow, University of Warwick. Nicole uses interdisciplinary biology and physics approaches to study viruses and to develop methods for their diagnosis and treatment.

Cover: Beiris Morrison Evans, a PhD student in the research team led by Royal Society Research Professor Jonathan Blundy, undertaking fieldwork in the crater of La Soufriere, St. Vincent, following the 2020 – 2021 eruption. Her research is part of an investigation into the potential of volcanic systems to provide the energy and raw materials needed for the energy transition. Photo by Professor Richard Robertson, University of West Indies.

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GOVERNANCE

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About the Royal Society

The Society is an independent Fellowship of distinguished scientists drawn from all areas of science, technology, engineering, mathematics and medicine.

The Society has played a part in some of the most fundamental, significant and life-changing discoveries in history. Our Fellows and the people we fund continue to make outstanding contributions to science and help to shape the world we live in.

Our purpose

The Royal Society's fundamental purpose, reflected in its founding Charters of the 1660s, is to recognise, promote and support excellence in science and to encourage the development and use of science for the benefit of humanity.

Scientific research and innovation advance our economic, social and cultural wellbeing, provide health benefits and are key to a sustainable long-term future.

 Read more about [how the Society fulfils its purpose for public benefit](#) on pages 9 – 10

How we are governed

The governing body of the Society is its Council, whose members are elected by and from the Fellowship. Council is responsible for determining the strategic direction of the Society.

 Read more about [Governance](#) on pages 56 – 59

What we do



Give grants to fund scientific research



Promote science education and engagement



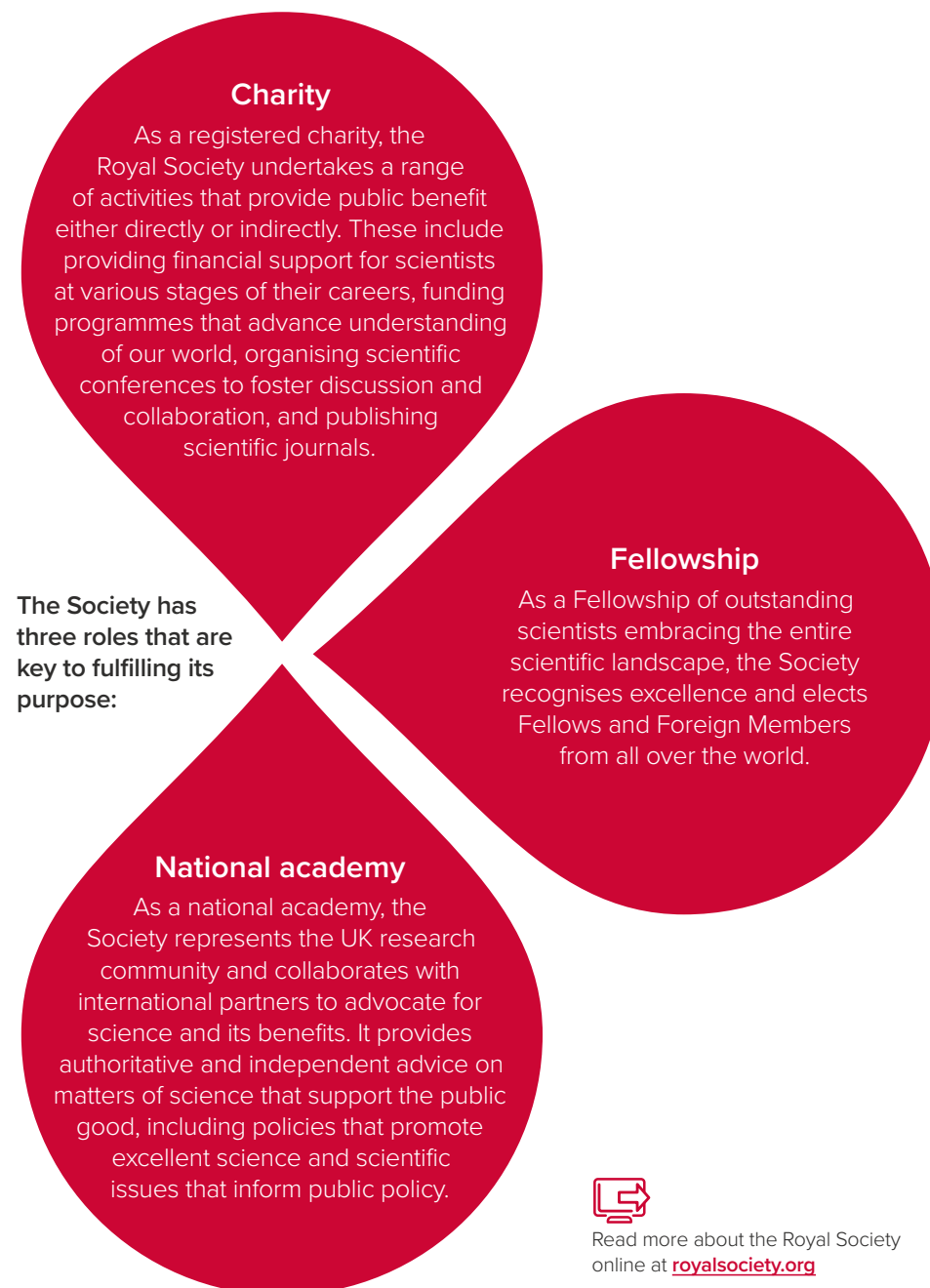
Recognise scientific excellence



Provide scientific advice for policy

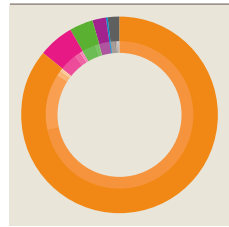


Support scientific collaboration, nationally and internationally



Read more about the Royal Society online at royalsociety.org

2023/24 highlights



£146 million

total expenditure

2022/23: £142 million

⊕ Read more about [the Society's expenditure](#) on pages 48 – 49



804

researchers currently supported by the Royal Society through its research fellowships

2022/23: 871

⊕ Read more about [the Society's grant-giving activities](#) on pages 14 – 15



250,000

images from the Society's historical archives made publicly available online via the new *Science in the making* platform

⊕ Read more about [Science in the making](#) on page 33



80

new Fellows and Foreign Members elected, including 24 women

2022/23: 62 new Fellows and Foreign Members elected, including 14 women

⊕ Read more about [the Fellowship and Foreign Membership](#) on page 17



66%

of published papers were open access in the 2023 calendar year

2022 calendar year: 61%

⊕ Read more about [the Society's open access journals](#) on page 27

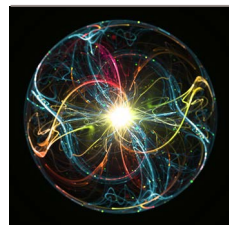


10,000

visitors attended the Summer Science Exhibition, a six-day event open to the general public

2022/23: 6,774

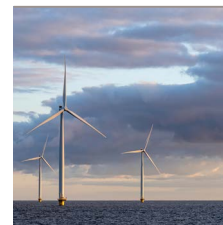
⊕ Read more about [the Society's public engagement events](#) on pages 32 – 34



£250 million

additional funding to support emerging research leaders through the Royal Society's new Faraday Discovery Fellowships

⊕ Read more about [the Faraday Discovery Fellowships](#) on page 14



Over 4,500

policy reports and briefings downloaded from the website

2022/23: Over 3,990

⊕ Read more about [the Society's science policy reports and briefings](#) on pages 21 – 24

The Society's heritage



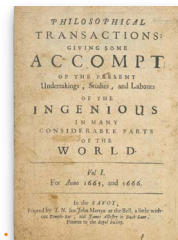
Read more about our history online at royalsociety.org/about-us/history

The Royal Society has played a part in some of the most fundamental, significant and life-changing developments in scientific history.



The Royal Society is founded, following a lecture by Christopher Wren.

1660



The world's first science journal was launched – *Philosophical transactions*. It is still published today.

1665

The Copley Medal is established from an endowment of £100 received from the estate of Sir Godfrey Copley in 1709. It is the world's oldest scientific honour, a prestigious forerunner of the Nobel Prize.

1763



Royal Society Wolfson Research Professor Dorothy Hodgkin FRS becomes the UK's only female Nobel Prize-winning scientist. She used X-ray crystallography to solve the structure of penicillin.

1964

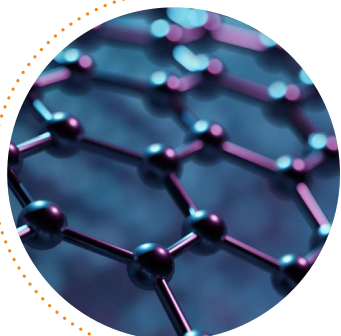
The Society establishes a research base at Halley Bay, Antarctica. Here in 1985, dramatic losses in the ozone layer are observed and the base remains an important location for climate research.

1956



The UK Government awards the Society its first annual Government grant of £1,000 to be distributed for 'private individual scientific research'.

1851

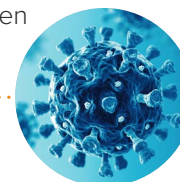


Royal Society University Research Fellow, Kostya Novoselov, shares the Nobel Prize in Physics with Andre Geim for their work on graphene, a new form of carbon that could lead to the manufacture of innovative electronics.

2010

The Society publishes *Open biology*, its first fully open access journal.

2011



The Data and Evaluation Learning for Viral Epidemics (DELVE) group is convened by the Society in response to the COVID-19 pandemic.

2020

The Royal Society will continue to promote science and its benefits through its roles as a charity, Fellowship and National Academy. Read more about upcoming activity on page 16.

Looking forward

Challenges in the scientific landscape

The Royal Society works independently, impartially and collaboratively with a range of different partners and stakeholders. The global nature of its mission means that there are numerous external factors which can influence its ability to deliver its strategic objectives.

Funding landscape

A stable funding environment helps to support researchers, accelerate innovation and attract potential investors. It is also essential if we are to scale-up effective solutions to global challenges. The Society is advocating for a science, research, and innovation plan that transcends political cycles, focusing on the UK's priorities and opportunities, including education and skills development for nurturing future talent.

Global societal challenges

Addressing complex global issues such as climate change, food insecurity, disease prevention and loss of biodiversity requires a coordinated and collaborative effort from robust international partnerships. In an era marked by insular global politics and protectionist tendencies, establishing fresh alliances and fostering knowledge-sharing networks is more important than ever.

Academic freedom and the culture of science

There are widespread challenges in the culture of science, including potential threats to academic freedom, concerns about rising bureaucracy and the presence of counter-intuitive incentives that work against real quality in research. Science can only thrive when researchers are able to operate freely and openly, safe from political influence and pressure.

Mistrust and misinformation

Recent years have seen a significant increase in misinformation and mistrust of science, eroding the openness and freedom upon which decades of extraordinary scientific discovery have depended.

Growing volatility in the global political landscape presents a unique threat to the principles that underpin scientific discourse and endeavour. Isolationist, inward-looking policies endanger the networks and investments that are necessary for international collaboration.

Technological change: artificial intelligence

Large language model networks are becoming increasingly sophisticated and are likely to become increasingly prevalent as new use cases emerge and AI assisted technology is incorporated into more and more aspects of life. While the long-term effects remain uncertain, these technologies are likely to have a dramatic impact on how science is taught and conducted and how emerging technologies are discussed and disseminated.

Science in
a changing
world

President's foreword



Sir Adrian Smith
President of the
Royal Society

Science remains at the heart of our society, whether helping to tackle global challenges such as climate change and biodiversity loss or driving our economy and creating high quality jobs. That is why investment in research, reform of the education system and ensuring that UK research remains international in its focus are essential.

The role of the Royal Society has never been more important and our Fellowship and the researchers that we support are our greatest strength. This year, the Society was delighted to elect 80 outstanding individuals. They have all made a substantial contribution to the advancement of science from the use of forensic techniques to identify victims of war crimes, to investigating processes

in the Earth's core and mapping the world's largest tropical peatlands in the Congo basin.

Our medals and awards have also recognised achievements in areas including the UK's pandemic response and hugely successful research 'spin-outs'. This year's Copley Medal was awarded to the distinguished theoretical physicist Martin Rees.

In recent years, I have often lamented the slow progress of the UK in associating to the EU's €95 billion research funding programme. This year, after a lot of hard work across the science community, association to the Horizon Europe programme has been delivered. That is not just good news for UK researchers, who can now access funding, but for scientists across the EU who can now collaborate more easily. We now have to build on that success and the Royal Society continues to push for an increasingly global approach to research.

Over the past year, we have also seen an ongoing commitment to science in Parliament. The Government remained committed to hitting its £20 billion a year target for R&D investment by the end of this Parliament and the Labour Party has committed to investing 3% of GDP in R&D, with a long-term strategy for science that will provide predictability of funding. In the coming year, the Society's ongoing Science 2040 programme will explore what the UK science system could and should look like in the future.

This year, the Royal Society secured £250 million of funding from Government to support outstanding mid-career researchers. The first Royal Society Faraday Fellowships will be awarded in 2024/25. The Fellowships will complement the Society's existing early-career University Research Fellowships and Dorothy Hodgkin Fellowships and our senior career Research Professorships. The work of the people we fund is showcased through these pages.

Last year, I highlighted the ambition of the Prime Minister at the time for all school pupils in England to study some form of maths to the age of 18. This year, the Royal Society published new analysis showing that only around 7% of A-level students not taking A-level maths are taking the alternative Core maths qualification. That leaves around 150,000 A-level students a year with little or no maths education after the age of 16. Core maths – which has been around for nearly 10 years and focusses on understanding maths and data in their broadest sense – must be part of a reformed education system if we want young people to be well equipped for the future. In the coming year, the Society, as part of its Mathematics Futures programme, will be publishing a new vision for mathematics and data education.

As you will see in reading this Trustees' report and financial statements, the Royal Society has a lot to celebrate. However, we face many challenges in the coming year. International tensions will

“

Investment in research, reform of the education system and ensuring that UK research remains international in its focus are essential.”

raise questions about ongoing scientific collaboration. Tough financial conditions will put pressure on investment. Short-term thinking will be a barrier to transitioning to net zero fast enough to prevent extreme levels of global warming. Science is about understanding problems and finding solutions – the role of the Royal Society, now and into the future is to support the pursuit of that science for the benefit of humanity.

Sir Adrian Smith
President of the Royal Society

Executive Director's foreword



**Dame
Julie Maxton**
Executive
Director of the
Royal Society

This report presents another year's activity by the Royal Society to advance excellence in science across the range of its work, in the UK and internationally. The Society is, above all, a Fellowship of scientists. This year saw a programme of activity to update the processes whereby scientists are elected to the Society. The objective of this change is our strategic objective of securing a Fellowship that is truly representative of scientific excellence in all its forms. This year's new Fellows embody this ambition.

The Society continued to set a lead in framing evidence-based discussion of emerging issues where science and technology are transforming all our lives. In October 2023, the Society convened an AI Horizon Scanning workshop to explore

AI safety risks. Insights from this event directly influenced the Government's 2023 Global AI Safety Summit, and the Prime Minister at the time delivered a pivotal AI policy speech at the Royal Society.

The Society published a series of authoritative policy reports, including *Non-pharmaceutical interventions in a pandemic*. It also contributed to the Chief Medical Officer's report, *Health in an Ageing Society*. The Society worked to bring scientists and policy-makers together in other ways: our pairing scheme saw 30 scientists paired with parliamentarians and civil servants.

The global character of science is central to the Society's work. It hosted the Chinese Academy of Sciences for a policy dialogue on defossilising process industries, followed by an event on AI ethics in Beijing. The Society's Foreign Secretaries visited China in March 2024 for the first high level meetings since the pandemic.

The Society's long-standing *Science and the law* programme also has global reach, and the Society convened a *Science in the interests of justice* conference with the USA's National Academy of Sciences, bringing together scientists and judges from both countries to consider the use of science in US and UK court cases.

Sustainability continues to be a key theme. The Society reported on *Large-scale electricity storage*, launched a series of meetings with the Lord Mayor of London

on nature and the economy, and is now piloting a scheme for research scientists to work with local communities addressing climate change and biodiversity loss. *Transforming our future* conferences considered sustainability in research and sustainable fashion, and the Society launched a project to assess its own environmental footprint and develop an environmental sustainability strategy.

The Society's grant expenditure in the financial year was £110.2 million. This supported over 800 researchers and their teams. In addition to the Society's existing flagship schemes, Career Development Fellowships were launched to support researchers from underrepresented groups. The Society strengthened global research networks through schemes like the Wolfson Fellowships, furthering international collaboration and talent retention in the UK.

The Society also contributed funding to a programme of long-term support for Ukrainian scientists by the Polish Academy of Sciences and the US National Academy of Sciences. The scheme will support 18 separate research projects and 88 individual Ukrainian researchers.

Royal Society publishing continued to do well: article submissions rose by 10% in 2023/24, and 66% of the articles published were open access. At a time of major change in the sector, it was agreed that the Society should review its publishing activities in 2024/25.

“

The global character of science is central to the Society's work”

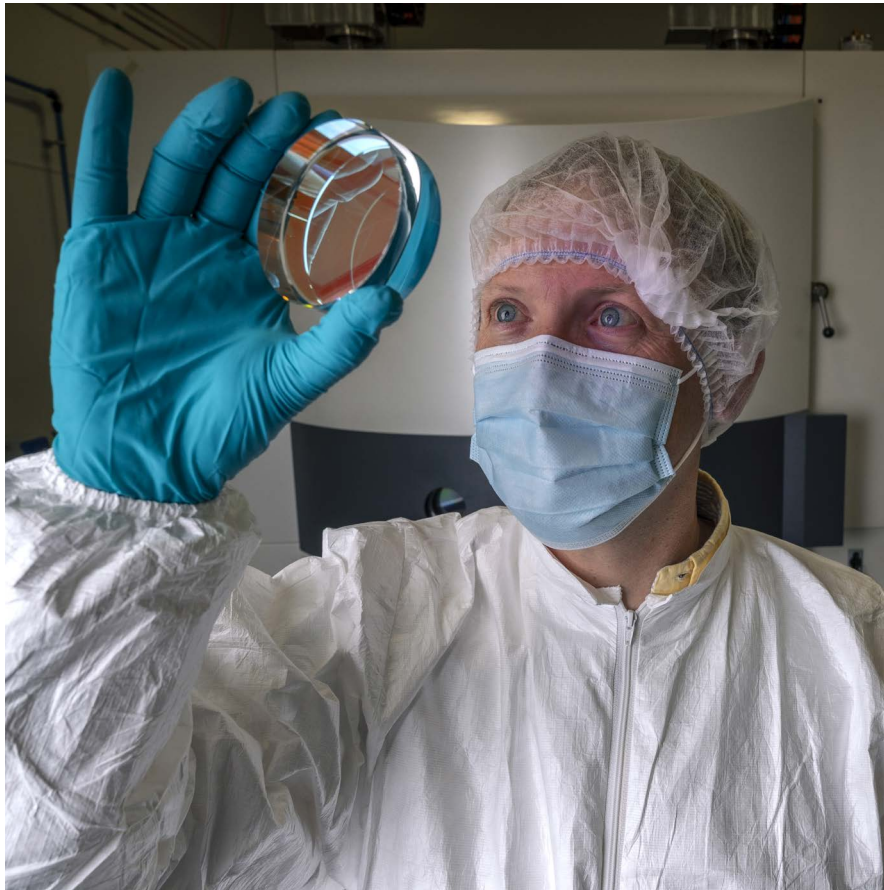
The Society continued its tradition of fostering scientific curiosity with initiatives like the Summer Science Exhibition, engaging over 300 scientists and 10,000 visitors. The young people's and science book prizes continue to recognise excellent science writing, and *Places of Science* helped small museums tell local stories of science. Meanwhile, new *Experimental Science* films are supporting practical science in schools.

In all of this, the Society builds upon a 360-year history of innovation in science, and this year also saw the launch of *Science in the making*, an online platform delving into the archives of its historic journal, *Philosophical Transactions*. Throughout this history, the Society has been fortunate to have been able to draw upon the expertise and enthusiasm of so many; I extend my thanks to all the Society's Fellows, partners, staff and stakeholders for their continuing support and dedication.

Dame Julie Maxton
Executive Director of the Royal Society

Fulfilling the Society's purpose for public benefit

The Royal Society exists to promote excellent science for the benefit of humanity. World-class research plays a transformational role in advancing our social, cultural and economic wellbeing, as well as contributing to the United Nation's Sustainable Development Goals (UN SDGs). Indeed, given the breadth of the Royal Society's activities, the Society's work is likely to touch on many aspects of the UN SDGs. The following pages highlight some of the key links across the Royal Society's portfolio of activity.



Above: Professor Stuart Reid, Industry Fellow, University of Strathclyde, with optical components manufactured in the laboratory. Stuart's research area is within the development of new optical coating materials that will help address emerging challenges for laser and sensing technologies.

Grants to fund scientific research



Activities include:

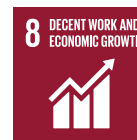
- Funding research that advances understanding of our world.
- Providing financial support for excellent scientists at various stages of their careers in the UK and internationally.
- Working for greater equality, diversity and inclusion in the scientific workforce.

Value created for researchers:

- Opportunity to build and develop an independent research career.
- Training and mentorship.
- Support to collaborate across different disciplines.

Value created for wider society:

- Novel scientific research.
- Insight into solving global challenges.
- Developing scientific leaders.
- Developing greater diversity in the scientific workforce.



Providing scientific advice for policy



Activities include:

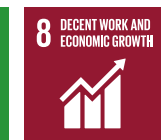
- Providing expert scientific advice to policy-makers.
- Ongoing emphasis on the importance of evidence-based policy.
- Engaging international and multilateral partners in science policy.

Value created for policy-makers:

- Ability to make more informed decisions in key areas of science.
- Policy-makers have access to independent, impartial and expert advice.

Value created for wider society:

- Better policy decisions will lead to better outcomes.



Fulfilling the Society's purpose for public benefit continued

Promoting science education and engagement

Activities include:

- Publishing high-quality, cutting-edge research and supporting open science.
- Supporting excellence in the teaching of STEM subjects.
- Staging programmes to engage the public with science.

Value created for researchers:

- Collaboration and knowledge sharing accelerates scientific innovation.
- Increasing the reliability of research for others to build on.

Value created for wider society:

- Increasing trust in science.
- Expanded engagement with cutting-edge research.
- Improved scientific literacy in the general public.
- Inspiring the next generation of researchers.



Supporting scientific collaboration, nationally and internationally

Activities include:

- Organising discussion meetings to advance scientific collaboration and discovery.
- Promoting the importance of science internationally.
- Funding grants for international collaborations.

Value created for researchers:

- Opportunity to work with other scientists to expand knowledge and insights.

Value created for wider society:

- Knowledge sharing between institutions and countries ensures continued scientific advancement.



Recognising scientific excellence

Activities include:

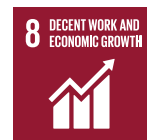
- Electing exceptional scientists to the Fellowship.
- Promoting scientific achievements.
- Demonstrating the economic impact of science investment.

Value created for researchers:

- Rewarding outstanding contributions to the public good.

Value created for wider society:

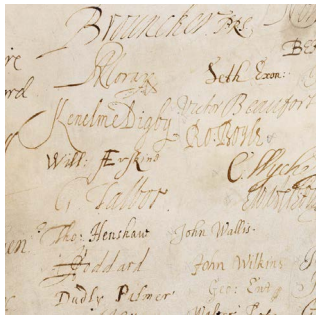
- Increased public and private investment in research.
- Inspiring the next generation of researchers.



Above: Participants at the *What's on your mind?* event, part of the Society's *Lates* programme.

The Society's stakeholders

Working in partnership with others is fundamental to how the Royal Society operates. By forging strong relationships, empowering collaborators and engaging with stakeholders, the Society catalyses connections and amplifies the impact of its work. Regular consultations with stakeholders inform its work and inspires the contributions of others.

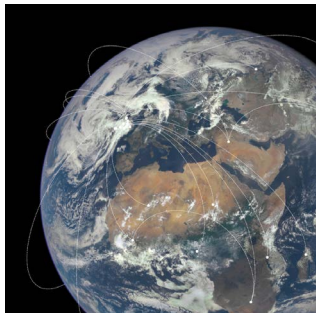


Fellows

The Society is an independent Fellowship made up of the most eminent scientists, engineers and technologists from the UK and the rest of the world. Its Fellows and Foreign Members are elected for life through a rigorous peer review process, based on their outstanding contribution to science. It's no exaggeration to say that without the Fellowship and Foreign Membership, there would be no Royal Society.

As well as providing a powerful platform for Fellows and Foreign Members to partner with external stakeholders in industry, academia and beyond, a regular programme of Fellowship Forums, scientific meetings and conferences help to foster collaboration and knowledge sharing within the Fellowship itself. Strengthening our relationships with Fellows and Foreign Members helps us improve how we support their contributions to global science.

⊕ Read more about [the Fellowship and Foreign Membership](#) on pages 17 – 18



International partners

Scientific breakthroughs don't happen in isolation. This is why the Royal Society is committed to fostering scientific collaboration across borders and using its convening powers to enable knowledge sharing and the cross-pollination of ideas. Many of the biggest challenges faced by the world today cut across national boundaries, so developing effective solutions requires international co-operation and collaboration.

International collaboration allows scientists to combine their expertise, share data, and develop shared solutions to complex problems. Our involvement in various high-profile international partnership schemes ensures that scientific discourse continues to reflect and benefit from a range of different perspectives.

⊕ Read more about [the Society's international collaborations](#) on pages 19 – 20



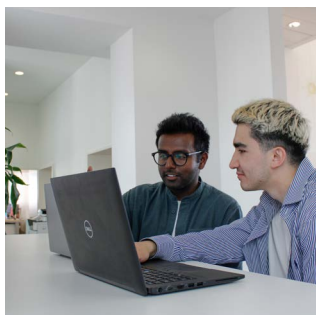
Research scientists

Research scientists are at the heart of the Royal Society's work, and scientific progress relies on attracting and retaining talent by creating a culture that provides career opportunities, recognition and support. The Society acknowledges that too many researchers still face unnecessary obstacles in their work and that some key groups remain underrepresented in the scientific community and is committed to creating equal opportunities for all.

Our grants programmes provide opportunities for outstanding young scientists to conduct cutting-edge research and pursue curiosity-led innovation. In addition to providing funding, we work with academic institutions, funding bodies and policy makers to create conditions in which researchers from a range of backgrounds can flourish. Our grants funding accounts for a large proportion of our total expenditure and we monitor the impact of these programmes through regular evaluations, case studies and our longitudinal career pathway tracker.

⊕ Read more about [the research funded by the Society](#) on pages 29 – 31

The Society's stakeholders continued



Staff

The activities of the Royal Society are only possible due to the expertise, commitment and creativity of its staff. Ensuring that the Society continues to attract and develop talented individuals from a diverse range of backgrounds is vital to its continued success.

We regularly consult staff via surveys and feedback sessions, helping us to ensure that we are providing the support required for staff to succeed in their roles. The Society invests in its staff's wellbeing and professional development, offering an extensive programme of learning and development opportunities, an attractive benefits package and a range of social and networking events.

⊕ Read more about [the Society's staff](#) on pages 44 – 46



Governments and policy makers

While the Royal Society has always championed independent thought, it also recognises that by working with partners it can magnify its impact and reach new audiences. That's why we invest in creating long-term relationships with governments and policy makers, providing sound scientific advice on some of the most pressing social and political issues of the day.

Independence from outside influence and the rigour of our approach positions the Royal Society as a trusted source of impartial advice on policy matters of national and international importance. The Society has strong relations with government and policymakers, who regularly consult it for expert advice on scientific matters. We also actively engage with stakeholders to understand their priorities and demonstrate the value of evidence-based decision making in all forms of public debate and discourse.

⊕ Read more about [the Society's work with government and policy makers](#) on pages 21 – 24



Future generations

Science is a discipline that looks to the future. Research conducted today lays the foundations for tomorrow's innovations. While we cannot predict what new opportunities and challenges may emerge, we believe that science will have a fundamental role in helping populations navigate these uncertainties and ensure that future generations will continue to reap the benefits of scientific progress.

Many of the scientists that the Royal Society has supported during their early careers have gone on to make major discoveries, developing groundbreaking innovations that benefit society as a whole. By investing in early career researchers, the Society helps to secure a pipeline of scientific talent for the future. Meanwhile, work with schools, universities and the wider public helps inspire young people about science and ensure they are equipped to unlock the benefits of new technologies.

⊕ Read more about [the Society's public engagement activities](#) on pages 32 – 34

Where the Society’s income comes from and how it is spent

The Society receives income from a number of sources and its income enables the Society to deliver a wide range of programmes in support of its strategic priorities.

All sources of income



- 1 Income and endowments from donations and legacies
£3.1m
 - 2 Grants for charitable activities
£120.2m
 - 3 Trading in furtherance of charitable activities
£11.1m
 - 4 Other trading activities
£0.1m
 - 5 Income from investments
£11.8m
 - 6 Other income
<£0.1m
- Faraday Discovery Fellowship Fund income*
£250.0m

* The graphs on this page exclude £250.0 million of funding from DSIT to deliver a new mid-career Fellowship. There was no expenditure associated with the fund in 2023/24 and applications will open in summer 2024. Read more about this fund on page 14.

How income supports expenditure by strategic priorities



The outer rings show the sources of income used to fund the expenditure against each of the strategic priorities.



Research system and culture **£127.2m**



Influencing – UK and international **£9.2m**



Science and society **£6.1m**



Corporate and governance **£3.4m**



Fellowship and Foreign Membership **£0.1m**

All expenditure



The Society's grant-giving activities

Grant giving is the largest area of the Society's expenditure and is a means by which it supports outstanding science and scientists by providing Fellowships and grants to researchers in the UK and internationally.

About our grant programmes

Royal Society funding programmes provide freedom, flexibility and support to scientists pursuing both discovery-led and applied research, from early career researchers through to senior professors. Through our schemes, we facilitate international collaborations, attract and retain scientific talent, invest in industry and innovation and develop future research leaders.

The value of grant awards made by the Society has increased since 2019/20, with an overall increase of 8% from £102.5 million to £110.2 million in 2023/24. The reduction in capacity strengthening grant awards since 2021/22 is due to a decrease in grant funding made available by the UK Government for the Society's Official Development Assistance (ODA) funded programmes. The largest portion of our grant expenditure is in grants to early career researchers through the Society's University Research Fellowship and Dorothy Hodgkin Fellowship programmes.

Grant expenditure (£m) over the last five years

| £m | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | Change over four-year period |
|---|--------------|--------------|--------------|--------------|--------------|------------------------------|
| Early career researchers | 60.2 | 69.4 | 72.7 | 83.5 | 86.1 | 43% ↑ |
| Established researchers | 12.7 | 14.0 | 11.4 | 13.4 | 9.8 | -23% ↓ |
| International collaborations and travel | 8.1 | 6.9 | 7.3 | 7.2 | 9.1 | 12% ↑ |
| Capacity strengthening | 16.8 | 20.1 | 5.7 | 1.5 | 0.9 | -95% ↓ |
| Industry, innovation and translation | 2.7 | 3.1 | 2.7 | 2.5 | 2.6 | -4% ↓ |
| Other | 2.0 | 1.6 | 1.8 | 0.7 | 1.7 | -15% ↓ |
| Total | 102.5 | 115.1 | 101.6 | 108.8 | 110.2 | 8% ↑ |



From University Research Fellow to Fellow of the Royal Society

Professor Andy Cooper FRS

Royal Society Research Professor and Fellow of the Royal Society, University of Liverpool

Professor Andy Cooper has been associated with the Royal Society for 25 years, progressing from an early career researcher to a world-class expert in new materials. He began as a University Research Fellow (1999 – 2006), then became a Royal Society Wolfson Research Merit Award Holder (2009 – 2014) and was elected a Fellow of the Royal Society in 2015. Most recently, in 2023, he was awarded a Royal Society Research Professorship.

Building on his development of the world's first 'robotic chemist', Andy is using his Professorship to enhance this technology with advanced artificial intelligence. His goal is to enable the autonomous discovery of new materials while simultaneously facilitating collaboration with human scientists worldwide through a real-time web interface that crowd sources scientific insights. This vision of robots working in tandem with human scientists worldwide aims to exploit the complementary power of artificial intelligence and human intelligence. In time, this could revolutionise the discovery of new materials for important applications, such as clean energy production.

Faraday Discovery Fellowship programme

In November 2023, the Government announced £250 million of additional funding to the Royal Society, which will support world-class researchers through its newly developed Faraday Discovery Fellowship programme.

These prestigious new Fellowships are aimed at outstanding mid-career STEM researchers, providing grants of up to £8 million over a ten-year period to pursue groundbreaking discovery-led research in STEM subjects and supporting the development of world-leading research groups in UK Universities and Research Institutes.

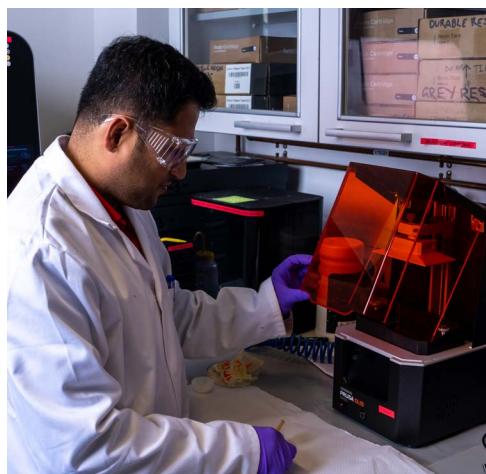
The Society's grant-giving activities continued

Grant-making process

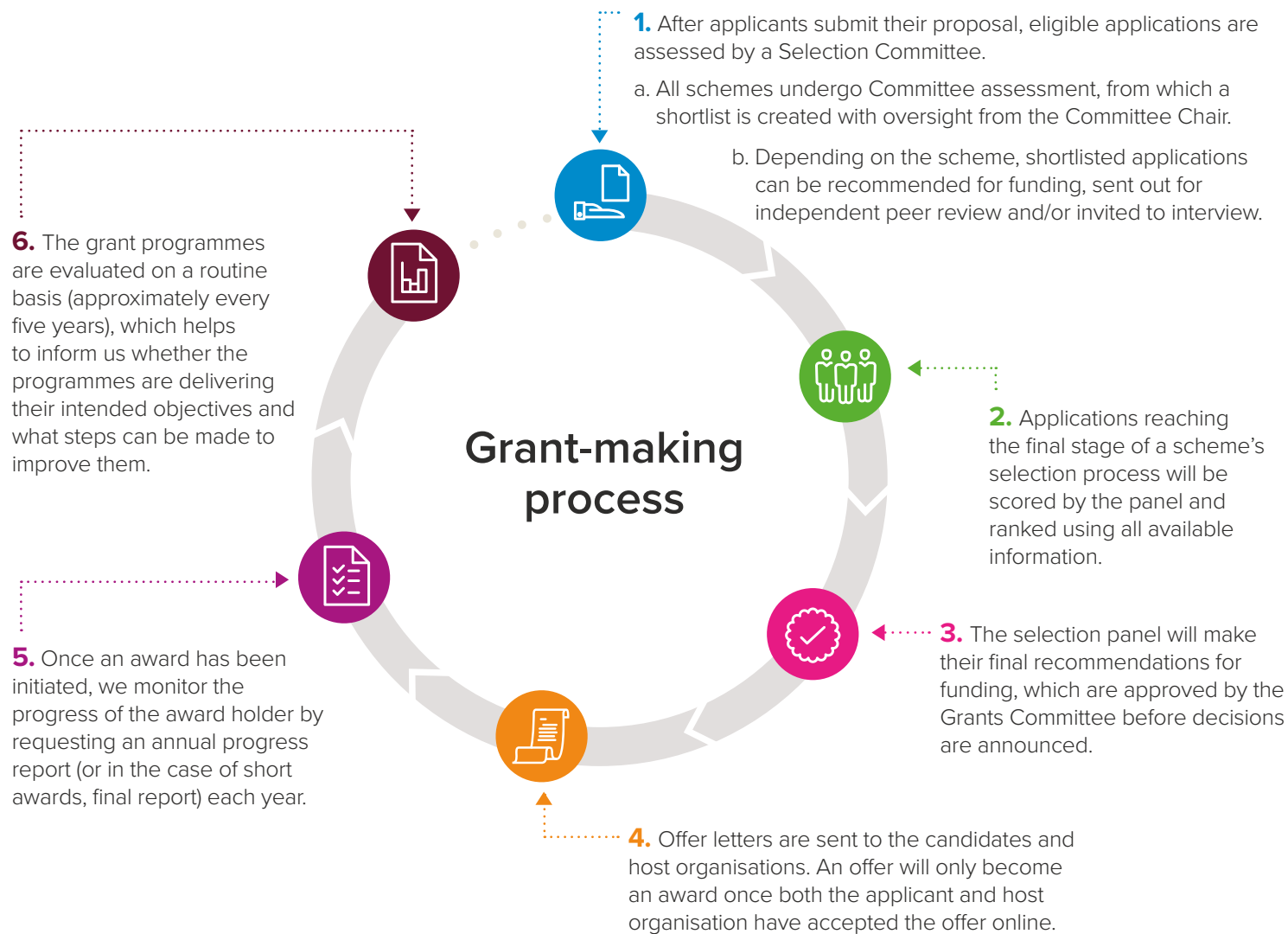
Grants made by the Society fall into two broad classes:

- Research Fellowships and Professorships, which currently include awards for researchers at early, mid and senior career stages, as well as industry and international Fellowships.
- Small grants, which include collaboration grants, travel grants, research grants and education-related grants.

The Royal Society uses Selection Committees to assess applications and to make recommendations on funding. Panels are normally chaired by a Fellow of the Royal Society and membership is comprised of scientists with expertise and experience appropriate to each scheme.



Above: Dr Kalyan Ghosh, Newton International Fellow, University of Cambridge. His research is focused on 4D-printed soft robotics for automated operations.



Please note that this process diagram is indicative and not prescriptive. The exact assessment process will vary by scheme.



Further information is available online at royalsociety.org/grants/applications

The Society's strategy at a glance



Progress in 2023/24

Goals for 2024/25

- 80 new Fellows and Foreign Members elected.
- Expertise contributed to national and international scientific debates.
- Hosted two Fellowship Forum engagement events.

- Research into Fellows' expectations and experiences, following postponement from 2023/24.
- Expand opportunities for new Fellows to engage with the Society.
- Continue work to enhance representation from across the scientific spectrum.

- The Society welcomed the UK's association with Horizon Europe.
- Reports published on science's role in tackling societal challenges.
- Hosted high-profile conference on Ukraine's recovery.

- Revitalise scientific collaboration following Horizon association.
- Ongoing engagement in bi-lateral and multi-lateral fora, including the 2024 S7 and S20 summits.
- Update *New frontiers in science diplomacy* report to mark its 15-year anniversary.

- £110.2m in grants awarded, including £86.1m to early career scientists.
- New Career Development Fellowship to support researchers from under-represented groups.
- Hosted the *Meeting of minds* conference, showcasing the work of Royal Society Research Fellows.

- Delivery of the new Faraday Discovery Fellowship grants programme for mid-career researchers.
- Launch latest round of University Research Fellowships, supporting the next generation of research leaders.
- Build on the Career Development Fellowship pilot to expand opportunities for under-represented researchers.

- Launch of *Science in the making*, publicly available digital archives of the Society's historical material.
- Student conference showcasing *Partnership grants* research projects.
- 10,000 people attended the 2023 Summer Science exhibition.

- Continued support to expand access to careers in STEM.
- A workshop on harnessing smart home devices as an assistive technology for disabled people.
- The 2024 Summer Science Exhibition, showcasing cutting-edge research across 14 flagship exhibits.

- Salary benchmarking to ensure the Society continues to attract top talent.
- Work to strengthen risk management processes.
- Launch of the new Royal Society website to engage and inspire the public.

- Implement an environmental sustainability strategy to reduce the Society's environmental impact.
- Embed recommendations from 2023 governance review.
- Conduct next round of the Royal Society's staff survey in summer 2024.



Strategy in action

Fellowship and Foreign Membership

Fundamentally, the Society is its Fellowship. None of our work can be delivered without an excellent, diverse and engaged Fellowship and Foreign Membership. They sit at the centre of wider networks of excellence, which are also critical to the Society’s work.

Strategic outcomes:

- 1 A Fellowship and Foreign Membership that is representative of scientific excellence in all its forms (including in industry, innovation, engineering, technology and medicine).
- 2 A Fellowship and Foreign Membership that is closely engaged in the work and decisions of the Royal Society.
- 3 A Royal Society that understands in depth (and makes best use of) the remarkable resource that the Fellowship, Foreign Membership and its many grant holders represent.
- 4 A Fellowship and Foreign Membership engaged in strong collaborative networks beyond the Society, with leaders in research, industry, innovation, and administration.

Recognising and representing scientific talent

In May 2023, the Society welcomed its latest cohort of new Fellows, 80 outstanding researchers, innovators and communicators from around the world, selected for their substantial contribution to the advancement of science. New Fellows (pictured below) were elected from 20 different UK institutions and from countries including Japan, Finland, China and South Africa. Overall, 24 of this year’s intake of Fellows, Foreign Members and Honorary Fellows are women.

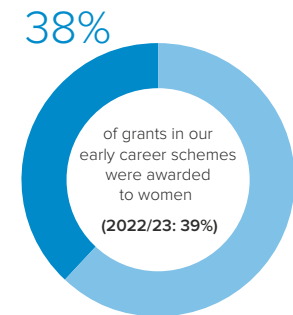
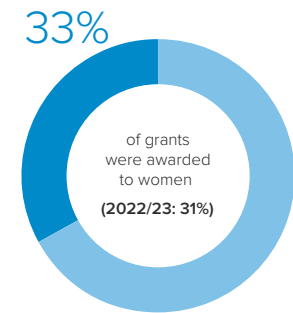
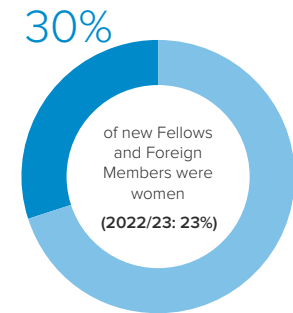
In 2023, Council approved the decision to raise the maximum number of new Fellows elected annually from 62 to 97. The expanded intake reflects recent reforms to the statutes of the Fellowship, designed to progress its long-term objective of reflecting excellence across the full range

of scientific endeavour. These include the creation of a new route to Fellowship, *Applied and Innovation Fellows*, which focuses on achievements in industrial and comparable contexts and the new General Foreign Membership category, allowing for the election of candidates with diverse backgrounds in scientific leadership from beyond the UK.

Dedicated search committees have also been piloted to identify suitable candidates and boost Fellowship nominations from under-represented groups and non-traditional sectors and specialisms. Similarly, a new Geographic Diversity Search Panel with expertise of working in regional and international contexts will help improve the Society’s ability to identify candidates from across the UK and the rest of the world.



Gender diversity of new Fellows and of new grant awards





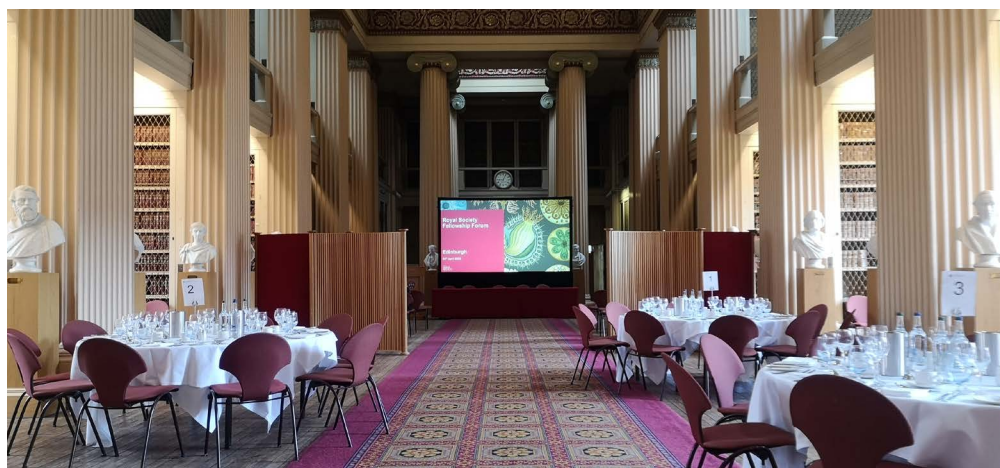
Strategy in action continued

Fellowship and Foreign Membership

Engaging with the Fellowship

As part of an ongoing programme of work to strengthen engagement across the Fellowship, the first ever Fellowship Forum took place in Edinburgh in April 2023, attended by 30 Scotland-based Fellows. Topics covered included the Society's operations in the Scottish context, recent developments in the Scottish higher education system and the proposed Fellowship reforms. The discussion also looked at current developments in science policy, including the then ongoing Horizon Europe negotiations, and lessons learnt from the creation of the Scottish Young Academy that could be used in the successful running of the UKYA.

A second Fellowship Forum took place in Cambridge in late 2023, which was fully subscribed within hours of invitations being sent out. Presentations addressed the Science 2040 project, recent reforms to the Fellowship election system, and an update on the other pillars of the Society's strategy. Issues raised included growing concerns around bureaucracy in the wider research system, the critical importance of streamlining the visa and immigration system for international scholars, and how to tackle misinformation in science. These topics feature prominently in the Royal Society's influencing agenda and future Fellowship Forums will be used to report back to the Fellows on progress.



“The Fellowship is the lifeblood of the Royal Society, and its composition is key to its capability and the respect in which it is held. Proposing candidates for Fellowship and Foreign Membership, and serving on sectional committees or as referees for candidates ensures excellence and broad representation of the science system among the Fellowship.”

Dame Linda Partridge DBE FMedSci FRS
Biological Secretary.

Looking forward 2024/25

The Society will continue to recognise scientists' achievements through election to the Society's Fellowship and Foreign Membership, and work to increase representation of research excellence from across a broad range of scientific disciplines and backgrounds.

Building on the success of the first two Fellowship Forums, the Society will continue to host two Fellowship Forums a year, extending and strengthening regional relations with Fellows and Foreign Members. The next Fellowship Forum will take place in Manchester in 2024/25.

Initially scheduled to take place in late 2023, plans to commission an external survey of Fellows were postponed to allow adequate time to scope and refine the research methodology. The Society now aims to conduct this research in late 2024, which will provide a richer picture of Fellows' areas of expertise and interests to inform ongoing engagement activities.

Left: Preparation for the Fellowship Forum, held in Edinburgh.



Strategy in action continued

Spotlight: Supporting science as a global endeavour

Scientific excellence knows no national boundaries. Indeed, collaboration, knowledge sharing and the free exchange of ideas are crucial ingredients for innovation to take place. Almost all the Society's work has a global dimension.

Science and the law

The *Science in the interests of justice* event was jointly-convened between the Royal Society and America's National Academy of Sciences (NAS), and the meeting explored ways to strengthen the role and reliability of the science used in the court systems of the US and UK. Attendees also included representatives from Germany, Norway, the Netherlands, India, Switzerland, New Zealand and France.



2

International engagement

The Society has had a varied programme of international meetings throughout 2023/24, bringing together UK researchers with their counterparts from Brazil, France, Germany, Taiwan, and Canada. In October 2023, the Society hosted the Chinese Academy of Sciences for a two-day policy dialogue on defossilising process industries. This was followed by a joint policy dialogue in Beijing discussing AI and ethics. In November 2023, the Society hosted the President of South Korea on his state visit to the UK. The Society has also been actively engaging with the National Natural Science Foundation of China on Grants programmes and Publishing in China.

“Co-chairing a Royal Society international scientific meeting with Brazil was a great experience. Some absolutely fantastic science was presented over the two days, followed by some really stimulating discussion and interaction. This should lead to some outstanding synergistic collaborations.”

Dale Sanders FRS, Co-Chair UK–Brazil scientific meeting, October 2023.

In March 2024, the Society's Foreign Secretaries visited China for the first high level meeting since the pandemic. Priorities included engagement with Chinese Academy on future policy dialogues and scientific meetings.



3

4



Left: Panel discussion chaired by Dame Anne Raffery (centre), part of the *Science in the interests of justice* event.



Strategy in action continued

Spotlight: Supporting science as a global endeavour continued

Horizon Europe

The UK's association to the EU's €95 billion Horizon funding programme will significantly expand opportunities for cross-border scientific collaboration. Access to the flagship programme allows UK-based researchers to build on decades of collaborative research with European partners, ensuring that the UK remains at the forefront of global science and innovation. Read more about the Society's support of the UK's association to Horizon Europe on page 21.



Left: Patient undergoing photodynamic therapy (PDT) to treat skin cancer. © iStock.com / RapidEye.

Professor Tebello Nyokong



Professor Tebello Nyokong was elected a Fellow of the Royal Society in 2023. She is currently pioneering research into photodynamic therapy, which looks at harnessing light for cancer therapy and environmental clean-up.

She is a Distinguished Professor of Chemistry, Institute for Nanotechnology Innovation and Department of Science and Innovation/National Research Foundation Research Chair at Rhodes University in South Africa. Professor Nyokong has also joined the Royal Society's International Committee.



Professor Vincent Savolainen and Dr Jean Louis Konan

International Collaboration Award

The warming climate has implications on global food security and, as we know, global warming is a challenge requiring collective action.

Based at Imperial College London, Professor Vincent Savolainen (pictured left) is using his International Collaboration Award, funded by the Global Challenges Research Fund, to work closely with Dr Jean Louis Konan of the National Centre for Agronomic Research in Côte d'Ivoire. Together they are investigating coconut trees in the territory which remain unaffected by periods of drought. By comparing the genetic composition of these trees with those that struggle, Vincent and Jean Louis hope to identify the specific genetics making these trees more resilient.

They hope to leverage this knowledge to cultivate other climate-resilient crops, ensuring sufficient food production as the global climate continues to change.



Strategy in action continued

Influencing – UK and global

Since its inception, the Society has been a leader in supporting informed and evidence-based decision making, in government and beyond.

Strategic outcomes:

- 1 Decision making by those who frame policy for science is informed by a rich evidence base and sets a strong framework for excellence in research and innovation.
- 2 The case for investment in science and innovation is widely understood in all relevant sectors.
- 3 The Royal Society is an active contributor to debates relating to matters where science has an important perspective to offer, improving decisions at all levels of government and beyond.
- 4 Royal Society advice on policy relating to global challenges is recognised and effectively used in bilateral and multilateral fora.

Horizon association

The Royal Society welcomed the Government’s September 2023 announcement confirming that the UK will associate with Horizon Europe. The Society has consistently highlighted the importance of associating with Horizon to ensure that the UK continues to attract the best scientific talent and remains competitive in terms of global innovation. Association with the programme will re-open access to funding and create opportunities for UK-based scientists to resume collaborative research with European partners. Following the Horizon Europe announcement, the Royal Society has worked closely with DSIT, national academies and other partners to ensure that the UK research sector can move quickly to unlock the potential of the new settlement.



Science 2040 programme

The Science 2040 programme was established to set out a bold, evidence-based vision for UK science and research over the next two decades. Chaired by the Royal Society’s President, it seeks to counter the cycle of short-termism in science policy by establishing long-term cross-party commitments on funding, governance and strategy. An initial



Above: Participants at the Ukraine recovery conference.

report, prepared by its expert working group, identifies five key ways in which investment in science benefits the economy and highlights that traditional rates-of-return metrics are insufficient to capture the full economic benefits that science delivers. A full report setting out a comprehensive vision for the future of science will be launched in 2024.



Ukraine recovery conference

The Royal Society hosted the *Ukraine recovery conference* in partnership with the Universities Policy Engagement Network (UPEN), exploring how research

can help tackle some of the challenges facing the country, from rebuilding Ukraine’s economy, to addressing health and wellbeing needs, re-imagining regional security and planning for a green recovery. Key findings from the conference were shared with policy makers ahead of the UK Government’s Ukraine recovery conference.





Strategy in action continued

Influencing – UK and global

Energy storage

In September 2023, the Royal Society published a major report on new energy storage solutions, examining a range of options for securing a reliable, sustainable supply of electricity and highlighting the need for the construction of large-scale facilities if the UK is to meet legally binding net zero targets by 2050. On the basis of the report, Sir Peter Bruce FRS was invited to contribute to the House of Lords Science and Technology Committee’s inquiry into long duration energy storage and a submission was made to the House of Commons Energy Security and Net Zero select committee’s inquiry into energy technology.



Non-pharmaceutical interventions in pandemic response

In August 2023, a Royal Society report concluded that a series of non-pharmaceutical interventions (NPIs) introduced during the COVID-19 pandemic had been effective in reducing infection rates. NPIs include any measure implemented during an infectious disease outbreak to reduce transmission that is not a vaccine or drug. Examples include social distancing, stay-at-home orders ('lockdowns'), school closures, mask wearing, enhanced surface cleaning, border controls and test and trace. Learning the lessons from the wealth of research generated during the COVID-19 pandemic will be key to strengthening preparedness for future epidemics.



In September 2023, the Royal Society hosted a reception to recognise the contribution of scientists in the response to COVID-19 and the role that sound scientific advice played in protecting public health.



Enabling genetic technologies for food security report

In October 2023, the Royal Society launched the *Enabling genetic technologies for food security* report at an event in Portcullis House, hosted by the All Party Parliamentary Group on Science and Technology in Agriculture. The report explores the unique opportunities that genetically modified organisms present for tackling food insecurity and the need for a regulatory environment that ensures the benefits of new breakthroughs in this area are accessible to all.



Health in an ageing society

In November 2023, the Royal Society contributed a chapter on the latest developments in geroscience to the Chief Medical Officer’s annual report *Health in an ageing society*. Exploring the possibility of intervening in the ageing process itself, it outlines how geroscience could have significant societal implications, by moving from treatment of single diseases as they arise to a ‘preventative’ approach that reduces the incidence of multiple simultaneous ageing-related health conditions.

Following the launch of the report, the Royal Society convened experts from academia, clinical practice, industry and regulatory agencies to discuss the latest developments in the field of ageing and how regulatory frameworks could be adapted to allow for the effective conduct of research into improving older people’s health.



Left: Selection of science policy reports from 2023/24.



Strategy in action continued

Influencing – UK and global



MP pairing scheme

The 2024 Royal Society Pairing scheme took place from 17 – 20 March 2024. The 30 scientist participants took part in a series of activities, including shadowing sessions with their civil servant or parliamentarian pair, workshops on the links between policy and science, and a reception at which the Secretary of State for Science, Innovation and Technology delivered a keynote speech.



Maths education for the future

The Royal Society’s Mathematical futures programme looks ahead 20 years to anticipate the mathematical competences that students emerging from compulsory education will need as active citizens, in all types of employment, and as mathematics subject specialists.

In September 2023, the programme published proposals for a new approach to mathematical and data education to ensure that the UK continues to produce elite academic mathematicians and that citizens are equipped with the skills they need to thrive in a world where mathematics and data play increasingly important roles in everyone’s lives.

In December 2023, the Society published new analysis into the provision and uptake of core maths among A-level students. Among those not taking A-level maths, only 7% are taking the alternative core maths qualification, leaving around 150,000 A-level students a year with little or no maths education after the age of 16.

Core maths encompasses several qualifications, which develop understanding of mathematics and data in their broadest sense, equipping students with the mathematical, statistics and data skills needed for their post-16 studies in most subjects, for personal development, financial awareness and employment.



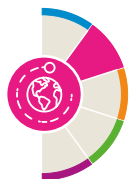
Creating connections

In February 2024, experts from academia, industry and Government gathered in Liverpool to explore scientific opportunities and challenges in the North-West region and build upon some of the excellent initiatives already underway. This was just the latest in the ongoing series of *Creative connections* events; the Edinburgh edition took place across two days in June 2023 and featured workshops and roundtable discussions on diverse topics, including policy, innovation and education.



Above left: The Royal Society Pairing Scheme reception.

Left: Pairing Scheme participants, Dr Sian de Bell (left) and Ben Bradshaw MP (right).

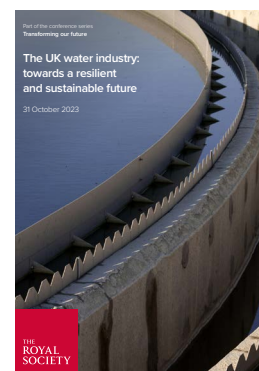


Strategy in action continued

Influencing – UK and global

Transforming our future

Between April 2023 and March 2024, the Society has convened four industry focussed *Transforming our future* conferences. Topics have included sustainability in the research and innovation endeavour, sustainable fashion, the UK water sector and the science of human nutrition. The meetings brought industry and academic scientists together with policy makers, funding bodies, regulators and other key stakeholders to discuss what is needed to advance the field in question and how the UK may be able to contribute and benefit. For each meeting, a report was produced to highlight key themes discussed at the conference.



Above right: Panel discussion as part of the *Transforming our future* conference series, on the topic of sustainable fashion.

Right: Selection of programmes for the *Transforming our future* conference series which took place in 2023/24.

Looking forward 2024/25

The Royal Society will continue to work with Government and policy makers from across the political spectrum to underline the importance of securing sustainable long-term investment in science and a robust pipeline of talent within the sector.

The Society will engage with partner organisations in bi-lateral and multi-lateral fora, including at the S7 summit, the science engagement group for the G7, in Rome, Italy in April 2024, and at the S20 summit.

In spring 2024, a new report on legacy plastics will be launched, showcasing the science behind new interventions designed to help remove existing plastic pollution from aquatic environments.

To mark the 15-year anniversary of the publication of our report *New frontiers in science diplomacy*, representatives of the Royal Society will attend the annual conference for the International Network for Government Science Advisors (INGSA), hosting a roundtable discussion on the current state of science diplomacy.

In July 2024, there will be a conference to mark the 300th anniversary of the Royal Society having a position dedicated to international work and the 200th anniversary of having a Vice President position dedicated to International affairs.



Strategy in action continued

Spotlight: Artificial intelligence

Artificial intelligence (AI) is becoming an important part of everyday life at an astonishing pace. Many of us now interact with a form of AI on a daily basis through search engines, social media and voice recognition software, as well as AI chatbots.

Given AI's vast possibilities, the Royal Society has been active and influential in the debate surrounding AI since our 2017/18 reports on machine learning led to the creation of the Centre for Data Ethics and Innovation (CDEI). We have engaged widely on AI, convening leaders in the field in the UK and internationally and have a YouTube series exploring AI. This year, the Royal Society has covered AI application areas within other projects, and we are currently working on *Science in the age of AI*, a project examining how AI can benefit scientific research.

AI Horizon scanning workshops

In October 2023, the Royal Society hosted an AI Horizon scanning workshop, bringing together representatives from the Government, academia and industry for discussions and workshops exploring AI safety risks across scientific disciplines. Findings and recommendations from the session fed directly into the Government's 2023 Global AI Safety Summit.

Right: Rishi Sunak, the Prime Minister at the time, giving a speech at the Royal Society on AI policy. Photo by [Simon Walker / No 10 Downing Street](#).

To help inform discussions at the summit, the Society hosted a series of events on AI and science in October 2023, including:

- A Royal Society and Department for Science, Innovation and Technology workshop on horizon scanning AI safety risks across scientific disciplines.
- A Royal Society and Humane Intelligence joint workshop exploring the role that large language models could play in strengthening resilience to scientific disinformation.
- A panel discussion on AI challenges related to jobs, human rights, technical and social risks, and issues in the Global South.

Following these events and in the lead up to the UK's AI Safety Summit at Bletchley Park, Rishi Sunak, the Prime Minister at the time, appeared at the Royal Society to deliver a high-profile AI policy speech.



Dr Stamatia Giannarou

University Research Fellow,
Imperial College London

A number of Royal Society researchers are making waves in the world of artificial intelligence, developing innovative technologies to improve current outcomes in a variety of industries.

Dr Stamatia (Matina) Giannarou, a Royal Society University Research Fellow at Imperial College London, is an example of this. She is developing new technology, called GENIUS, to

assist surgeons undertaking procedures to identify and remove brain tumours using a combination of artificial intelligence and machine learning. Matina's technology intends to improve the outcomes and safety of surgical oncology, with the eventual application in other cancer resection procedures, therefore leading to improved medical outcomes.



Strategy in action continued

Research system and culture

Since its early focus on the application of the experimental method, the Society has been a leader in shaping the character of the scientific enterprise.

Strategic outcomes:

- 1 Maintaining a healthy environment for continued scientific discovery and application in the UK and beyond.
- 2 The Society is recognised internationally as a visible leader on open science, academic freedom and integrity in science.
- 3 People from diverse, non-traditional backgrounds are encouraged and supported to take up scientific and technical careers and enabled to progress to leadership positions.
- 4 The research system treats people fairly and rewards the full range of scientific activity that benefits society.
- 5 The UK develops an enduring reputation for being a magnet destination for partners and for talented researchers from all over the world, who are attracted by the strength and benefits of the UK research system and the career opportunities it offers.

Horizon Europe

In February 2024, the Society hosted the Rt Hon Michelle Donelan MP, Secretary of State for Science, Innovation and Iliana Ivanova, European Commissioner for Research, Innovation, Culture and Youth, to officially mark the UK's re-association to the Horizon Europe and Copernicus research programmes. The day, hosted in conjunction with the four national academies, included stakeholders and representatives from across the EU Research and Development sector, UK Government officials, delegates from industry and academia, and representatives from EU Member State Embassies and the UK Science and Innovation Network.



Investing in outstanding researchers

The Society operates a range of grants programmes, open to world-class scientists at all stages of their career. In 2023/24, the Royal Society supported outstanding researchers by awarding £110.2 million of grants funding. These schemes are funded by the Government, in partnership with other funding organisations, via philanthropic gifts and through the Society's own funds. The Society is also active in a range of initiatives to foster international collaboration, as well as working to strengthen relationships between researchers working in industry and commercial innovation.

The latest round of University Research Fellowships (URFs) attracted over 580 applicants. URFs are designed to help scientists to build careers in cutting-edge scientific research in the UK or Republic of Ireland. Reflecting the rising cost of living, this year's scheme saw the removal of maximum caps for salary contribution and research costs, instead providing a total maximum grant value for applicants to work within.

In 2023, the Society hosted a two-day residential training course for 57 PhD students of awardees supported by Royal Society grants. The course highlighted variety of post-doctoral career paths open to scientists beyond academia and introduced delegates to key concepts to develop their personal, business and entrepreneurial skills.

The Society has also commissioned the latest phase of its career pathway tracker, a longitudinal study which charts the impact of Royal Society support on the long-term career trajectories of individual researchers. Initial findings will be available in 2024.



Left: Attendees at the Royal Society post-PhD training course.



Strategy in action continued

Research system and culture

Faraday Discovery Fellowships

In November 2023, the UK Government announced £250m of funding, which the Royal Society will use to launch Faraday Discovery Fellowships. This novel programme is open to all STEM areas, offering individual grants of up to £8 million over ten years. By providing a long-term, stable source of funding, Principal Investigators will be able to establish teams of exceptional researchers, giving mid-career researchers the time and freedom to pursue groundbreaking research and tackle some of the most difficult and intractable scientific challenges.



Career Development Fellowships

November 2023 saw the launch of the Royal Society's new Career Development Fellowships programme, a pilot round of a larger initiative designed to support the careers of independent researchers from groups currently underrepresented in UK STEM academia.

Up to five fellowship places were available to outstanding researchers from Black heritage backgrounds, who are completing, or have recently received, their PhD. Based on the calibre of candidates and quality of the research proposals, the number of Fellowships was increased to seven.



Promoting open access

Two of the Royal Society's long-running journals, *Royal Society Open Science* and *Open Biology*, are fully open access. Our four research journals, *Proceedings A*, *Proceedings B*, *Biology Letters* and *Interface*, are transformative journals moving to a fully open access model when 75% of articles are being published open access. As of 2023, open access articles were 66% of articles published, up from 61% in 2022.

As part of ongoing activity to lower the barriers to uptake of open access publishing, from June 2023 authors based in low- and middle-income countries received automatic waivers for open access article processing charges in all Royal Society journals, as well as enjoying full access to all Royal Society Journal content.



Above: UK Young Academy members at the induction and all members' meeting, March 2024.

UK Young Academy

The UK Young Academy (UKYA) exists to connect and develop talented individuals from a range of sectors in the early years of their career, so they can collaborate and make a positive difference in the world. The first seven members of its Executive group were announced in April 2023 and began consulting with members to draw up statutes, setting out how it will operate and be governed. The UKYA has also published its organisational strategy, identifying four priority areas: Inclusivity, Environmental/Climate/Biodiversity science, Emerging tech (including AI) and Outreach to support early career researchers.

The next 32 members of the UKYA were announced on 12 March 2024, bringing the total number of members to 99. An induction day for the new cohort and a UKYA all-members meeting took place in March 2024 at the British Academy and Royal Society.





Strategy in action continued

Research system and culture



Medals and awards

New awards and medal winners were announced on 30 August 2023, including renowned astrophysicist and cosmologist, Lord Rees. Sir Patrick Vallance and Sir Chris Whitty (pictured above) jointly received the Royal Medal for their role in ensuring that the UK's response to the COVID-19 pandemic benefited from the best science and evidence. Professor Catherine Noakes received the Gabor Medal for her pioneering contributions to infection risk modelling and her exceptional leadership in the field.



Meeting of minds

In February 2024, 39 Speakers and 190 Research Fellows attended the Society's *Meeting of minds* conference, which showcases the work of Royal Society Research Fellows across a variety of subject areas.

The event featured plenary talks, flash presentations and multi-disciplinary sessions around the themes of *Reimagined and resilient futures*, *Nanoscience and nanotechnologies*, *Frontiers of fundamental science* and *Data and digital technologies*.



Above: Attendees networking at the Meeting of minds conference, February 2024.

Academic freedom

In September 2023, the Royal Society hosted an event to mark the 90th anniversary of Cara – the Council for At-Risk Academics. The NGO works to support academics in danger of persecution, violence and conflict, as well as those forced into exile. Cara also supports higher education institutions whose work is at risk or compromised.

In addition, the Royal Society has continued to support the UK's *Researchers at risk* scheme, as well as providing funding to a programme run by the Polish Academy to support Ukrainian Academics.



Supporting the practical application of science

Over the last year, the Royal Society has continued to invest in its *Entrepreneurs in residence* programme, bringing together industry scientists and entrepreneurs in UK universities to encourage the commercialisation and practical application of science. By supporting scientists to translate their work in industrial and commercial settings, the scheme plays a key role in the Society's work to promote scientific innovation.



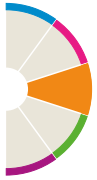
Looking forward 2024/25

Following this year's successful pilot, the second round of the Royal Society's Career Development Fellowship programme will open in autumn 2024.

The Royal Society will conduct a review of its publishing activities as it prepares to transition towards an increasingly open-access model.

Interviews for the latest round of University Research Fellowships will take place in April 2024, attracting talented researchers from across the UK.

Applications for the new Faraday Discovery Fellowships will open in August 2024, with the first round of appointments taking place in 2025.



Strategy in action continued

Spotlight: Research funded by the Society

We believe in funding talented individuals, regardless of background or specialism, so they have freedom to follow the science wherever it leads. This radical exploratory approach, twinned with our ability to spot and invest in potential, is part of what makes the Royal Society's grants programme unique.



Dr Sophie Meekings

Dorothy Hodgkin Fellow,
University of York.

Dorothy Hodgkin Fellowships offer a first step into an independent research career for outstanding early career scientists who require a flexible working pattern due to personal circumstances.

Sophie seeks to use her Fellowship to quantify the challenges that people with atypical voices, for example those with a stutter, face in conversation while simultaneously advancing understanding of how the brain produces speech in social contexts. Understanding the neural underpinnings of typical and atypical speech may lead to improved treatment and/or therapies for people with speech disabilities.

Sophie was also elected to the first cohort of the UK Young Academy in 2022, which brings together a range of experts to tap into their collective potential and expertise to tackle important societal challenges.

Professor Olayiwola Alatise

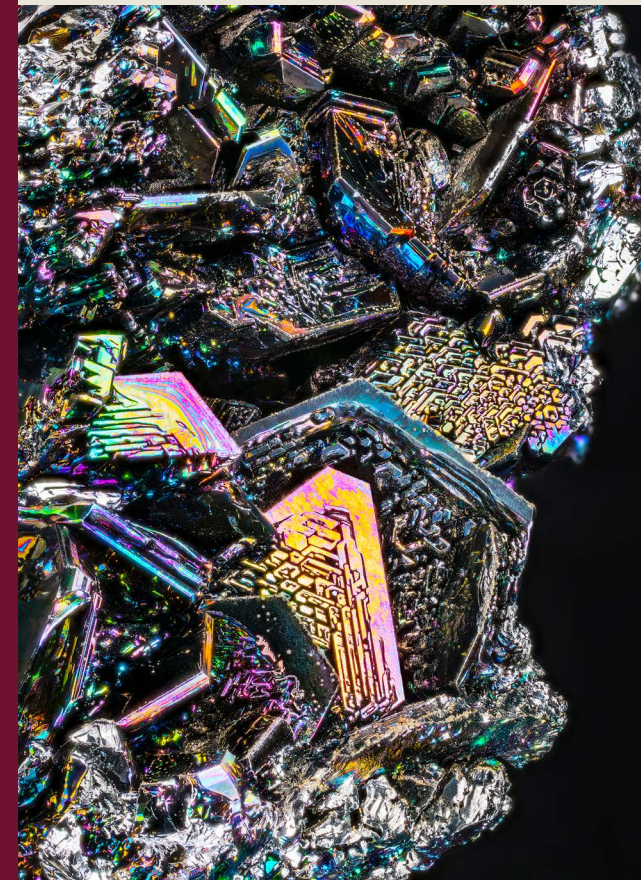
Royal Society Industry Fellow,
University of Warwick.



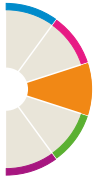
Royal Society Industry Fellowships enable mobility of talented scientists and engineers from industry and academia to move between the sectors.

Olayiwola works with industrial users of power electronics, developing and testing systems that evaluate the performance of power devices in electric vehicle traction and charging systems. The Fellowship has also enabled the evaluation of newer semiconductor materials like Silicon Carbide and Gallium Nitride which promise more efficient energy conversion than Silicon based systems.

This research hopes to contribute to more reliable electric vehicles with longer range, as a more efficient power system leads to less energy wastage.



Above: Silicon carbide crystals.
© iStock.com/Ladislav Kubeš



Strategy in action continued

Spotlight: Research funded by the Society



Dr Gilles Seropian

Newton International Fellow, University of Exeter



The Newton International Fellowship programme provides support for outstanding early career researchers to make a first step towards developing an independent research career through gaining experience across international borders.

Inspired by the economic and social disruption caused by the 2010 Eyjafjallajökull eruption in Iceland, Gilles is developing a new method to forecast ash dispersal from eruptions in near-real time, using the noise produced by volcanic eruptions.

Gilles intends to test results at Sakurajima volcano in Japan, which erupts regularly, and whose ash impacts the life of local populations on a daily basis. Rapid and accurate estimates of the amount of ash expelled during an eruption will significantly improve existing ash forecasting capabilities, and the overall ability to manage and respond to natural volcanic hazards.

Dr Alexander Romanov

Royal Society University Research Fellow, University of Manchester.

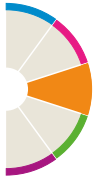


University Research Fellowships offer outstanding scientists in the early stages of their research career the opportunity and freedom to build an independent research career in the UK or Republic of Ireland and pursue cutting-edge scientist research.

Alexander and his team are focused on discovering advanced energy materials and their applications in detectors, security and organic light-emitting diode (OLED) devices. OLED is a highly energy-efficient technology enabling new lighting and display products (TVs or smartphones) with a flexible/foldable or transparent form factor.

Alexander's team discovered a new class of luminescent coinage metal complexes, which can be incorporated as photo-emissive materials into OLEDs and are capable of harvesting up to 100% of the electrical energy as light. Alexander and the team hope that their research in OLED materials will reduce the World's carbon footprint while supporting a long-term shift towards a net zero society.

Above: Eyjafjallajökull volcano eruption, 2010. © iStock.com / Olivier Vandeginste.



Strategy in action continued

Spotlight: Research funded by the Society



Above: A capuchin monkey using a stone as a tool to break open a nut.
© iStock.com / MikeLane45.

Professor Susan Healy

APEX Award, University of St Andrews.

In partnership with the British Academy, the Royal Academy of Engineering, and the Royal Society, and with the support of the Leverhulme Trust, the APEX scheme offers established independent researchers an exciting opportunity to pursue genuine and curiosity-driven interdisciplinary research.

Humans are inveterate inventors. We have fashioned tools and technologies, stories, and songs, as we have struggled to carve out lives across the millennia, but we are not the only inventors on the planet. Alongside mutations in DNA, inventions are also crucial products of evolution and key to understanding the origins of biodiversity. Despite this, we still lack a theory of invention, or creativity, which encompasses humans and non-human animals.

Professor Susan Healy of the University of St Andrews is using her APEX award to fuse her expertise in Biology/ Animal Biology with Royal Conservatoire of Scotland Art History experts and will draw on inventions in both the human and animal kingdoms to develop an understanding of the evolution of invention, i.e. how, when and why does novelty come about?



Professor Anna Slater

Royal Society University Research Fellow, University of Liverpool



The way you make a material is just as important as what you make it from. To answer the modern challenges of energy storage, information technology and pollution, chemists will need to make complex molecules and materials.

To address these challenges, Anna – another of the Royal Society's University Research Fellows – is looking to develop more systematic, sustainable, and scalable ways of discovering and synthesising functional molecules and materials. To achieve this, Anna and her team at the University of Liverpool use a combination of flow chemistry, automated synthesis, microfluidic approaches and traditional batch chemistry.

Anna has also previously completed a Dorothy Hodgkin Fellowship and is a current member of the Royal Society Grants Committee.



Strategy in action continued

Science and society

The Society has a long tradition of engagement in scientific matters with communities beyond the world of research.

Strategic outcomes:

- 1 Debate on important societal and global issues is well informed by relevant science, including the recognition of uncertainties.
- 2 Decision makers are better informed by science and benefit from stronger public understanding of science, founded on constructive public discourse regarding aspects of science that will impact the lives of current and future generations.
- 3 Citizens of all ages are inspired by scientific possibilities and achievements, enhancing participation in science, and demand for its benefits in shaping our lives and our future.

Science and the law

The *Science and the law* programme brings together scientists and members of the judiciary to discuss and debate key areas of common interest and to ensure that the best scientific guidance is available to the courts.

In December 2023, the Royal Society held a *Science and the law* seminar focused on electronic evidence. Key aspects of the conversation included issues with the assumption that computers can be presumed to be operating correctly unless there is evidence to suggest otherwise, the role of software in producing courtroom evidence and possible sources of software errors.

As with much of the Royal Society's work, the *Science and the law* programme is global in scope. In October 2023, the Royal Society partnered with America's National Academy of Sciences for a joint meeting to explore ways to strengthen the role and reliability of the science used in the court systems of the US and UK.

In late 2023, the Royal Society contributed to a series of public lectures in Australia on the perspective that science can bring to legal matters, as well as meeting with high court judges and other key legal stakeholders.



Above: Participants at the Society's 2024 Student conference.

Supporting science in schools

Every year the Royal Society's *Partnerships grants scheme* funds schools across the UK up to £3,000 each to run an investigative STEM project alongside a STEM professional from academia or industry.

In 2023/24, the Society provided direct funding to 67 schools working on a variety of student-led research projects. Five larger seed grants were also awarded to universities and not-for-profit organisations to engage schools in disadvantaged areas in small-scale STEM projects.

In March 2024, a range of projects funded by the programme were showcased and celebrated at the Royal Society's *Student conference*.



“Public engagement is a crucial part of being a researcher. It is only by engaging with wider communities that we can put our scientific knowledge to work for the benefit of humanity.”

Professor Carlos Frenk FRS,
Chair of the Public Engagement Committee.



Strategy in action continued

Science and society



Science in the making

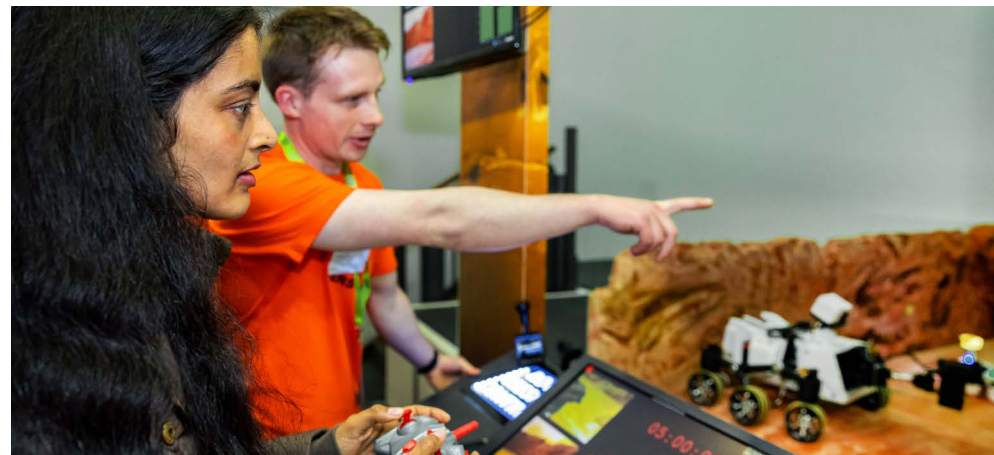
In spring 2023, the Society launched its *Science in the making* resource, the culmination of an extensive cataloguing and digitisation effort to make archival material related to the publication of the Society's scientific journals available online to all. The website is free to access and presents over 250,000 images of the items that lie behind the published articles in our journals: peer review reports, correspondence, photographs, illustrations and early drafts which date back as early as 1551.



Access *Science in the making* at makiningscience.royalsociety.org

Summer Science Exhibition

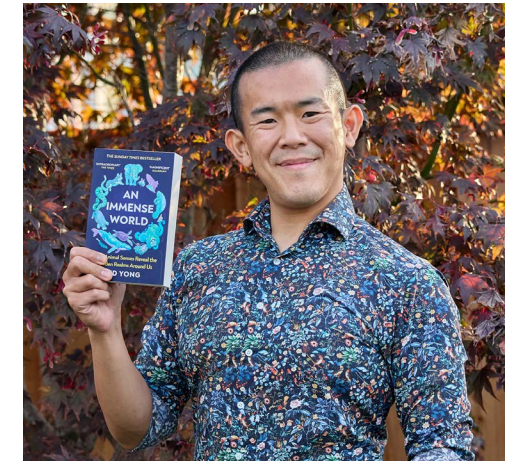
In July 2023, the Royal Society's flagship Summer Science Exhibition returned to Carlton House Terrace. 10,000 visitors attended, (an increase from 6,000 in 2022), over six days of activities and events centred on the amazing work of researchers from across the UK. More than 300 researchers took part, talking to visitors about their work and demonstrating the scientific principles and discoveries with hands-on interactives and talks.



British Sign Language

A multi-phase project to develop 400 new British Sign Language (BSL) signs, designed to cover topics relevant to environmental science is now nearing completion. Themes related to ecosystems, biodiversity, physical environments and pollution launched in August 2023, and attracted significant press coverage.

The BSL project has been shortlisted for the Disability Smart Awards, which showcase and celebrate the work of organisations that are improving the life experiences of disabled employees and consumers.



Science book prize

The Royal Society Trivedi Science book prize winner was announced in November 2023, with the award going to renowned science writer, Ed Yong for *An Immense World: How Animal Senses Reveal the Hidden Realms Around Us*.

Above left: *Notice on the Iguanodon*, a newly discovered fossil reptile by Gideon Mante, published in *Philosophical Transactions*, 1825. Example of resources available via the *Science in the making* platform.

Left: Visitor at the 2023 Summer Science Exhibition, operating a model of the Mars Rover.

Above: Ed Yong, winner of the 2023 Royal Society Trivedi Science Book Prize.



Strategy in action continued

Science and society



Above: The Royal Society Young People's Book Prize award ceremony, hosted by TV presenter Maddie Moate, was held at the Science Centre in Cardiff and live-streamed on YouTube. In-person guests were also able to explore the Science Centre and take part in science demonstrations.

Young people's book prize

Space scientist and host of BBC's *Sky at night*, Dr Maggie Aderin-Pocock, was announced as the winner of the Royal Society Young people's book prize 2023 at the science centre in Cardiff, at a ceremony attended by local schools. More than 12,000 school-age judges participated in the selection of her book *Am I Made of Stardust?* with over 600 schools, youth groups and libraries from across the UK taking part.



“The Royal Society Places of science scheme is now in its fifth round, and once again, the sheer diversity of projects and the creativity of this year's awardees is astounding. Science plays a daily part in all our lives, and I'm delighted to think that new audiences from across the UK will be able to learn about the fascinating ways in which science has shaped their local communities throughout history and the vital role that it continues to play today.”

Professor Carlos Frenk CBE FRS, cosmologist and Chair of the Royal Society Public Engagement Committee.

Places of science

In 2024, the Royal Society announced 36 new *Places of science* grant recipients. 36 small museums across the UK have been awarded funding by the Royal Society *Places of science* scheme to engage communities with their local science stories, from Cornish lithium mining and the impact of urban microclimates on the future of Welsh cricket, to the science behind Strathpeffer's Victorian Spa. The grants of up to £3,500 will help museums in all four UK nations reach new audiences and bring the history of science and scientists to life in new and exciting ways.



Looking forward 2024/25

Preparations for the 2024 Summer Science Exhibition are already underway. The full programme of talks and events will be announced in May 2024.

The Royal Society will host a workshop on the technical, ethical and user experience considerations of smart home devices as an assistive technology for disabled people in April 2024.

The first round of applications for the 2024 Schools Partnership Grants scheme opens in April 2024, offering schools and colleges up to £3,000 to work in partnership with STEM professionals from academia or industry to run an investigative STEM project.



Strategy in action continued

Spotlight: Sustainability

Human activities are changing the climate and destroying biodiversity at an unprecedented rate. The Royal Society has a long and prominent history in debates on sustainability, biodiversity, climate change and net zero.

Shaping the agenda

The Royal Society published a report on large-scale electricity storage, which highlighted the need to kick-start the construction of large-scale hydrogen storage facilities if the UK is to meet its pledge that all electricity will come from low-carbon sources by 2035. The report has already influenced a House of Lords Science and Technology Committee report on the topic.

A joint programme of work with the City of London on science and finance started in March. The Lord Mayor of London and Sir Partha Dasgupta spoke at a dinner held at the Society as a prelude to a series of three seminars on nature and the economy. Topics will include: planetary boundaries and tipping points; monitoring nature; and overshoot on large ecosystems.



In December 2023, the Society also held a Scientific discussion meeting about green carbon for the chemical industry of the future. The meeting drew attention to the challenge of providing essential chemicals and materials from sustainable resources and how to develop adaptive measures to enable the chemical industry to manufacture these products in a net-zero manner.



Marine pollution

The Royal Society has developed a large portfolio of ocean-related policy work, including:

- The Ocean Science Policy Programme has been endorsed by the Intergovernmental Oceanographic Commission (IOC-UNESCO) as an official contribution to the UN Decade of Ocean Science for Sustainable Development.
- The Royal Society/BBC ideas film *The secrets of the deep ocean* won a Webby Award in the Sustainability and Environmental category.

- The Society hosted *Transforming our future* conferences on *The UK water industry: towards a resilient and sustainable future*, *Sustainability in the research endeavour* and *Sustainable fashion: transdisciplinary approaches to innovation*.



Above left: *Large-scale electricity storage* policy report.

Above right: Still from the Royal Society/BBC ideas animation, *The secrets of the deep ocean*.



Strategy in action continued

Spotlight: Sustainability

Sustainability at the Royal Society

The Royal Society has started a project to examine the sustainability of its operations, assessing greenhouse gas emissions and other environmental impacts and to develop a robust *Environmental sustainability strategy* for the Society to align with UK and global goals on climate change and biodiversity.

The Royal Society Environmental sustainability programme team has commissioned consultants to assess the impacts of our operations. The work will not only measure our greenhouse gas emissions but also our impacts on nature and biodiversity, as well as setting targets, climate risk assessment, staff training, a decarbonisation road map, and a data collection and monitoring plan.

The initial stage of the project has been completed, providing a high-level picture of Scope 1 and Scope 2 emissions arising from the Royal Society's activities. For the year 2023/24, this amounted to a total of 374 tonnes of CO₂. Gas consumption accounted for 146 tonnes of CO₂, purchased electricity accounted for 190 tonnes of CO₂ and refrigerant gases accounted for 38 tonnes of CO₂.



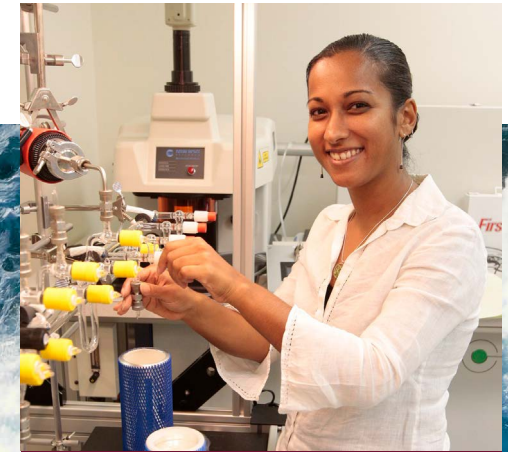
Professor Andrew Watson

Royal Society Research Professorship, University of Exeter



Professor Andrew Watson is uncovering some of the previous unknowns of carbon sinks by leveraging and exploring knowledge of both ancient and modern carbon cycles.

Alongside his research, Professor Watson is working on the UK Government-funded SeaCURE project to develop and implement a novel marine-based Negative Emissions Technology.



Professor Aradhna Tripathi

Royal Society Wolfson Visiting Fellow, University of Bristol / University of California, Los Angeles (UCLA)

Professor Aradhna Tripathi is a highly regarded academic from UCLA who is currently hosted at the University of Bristol enabled by a Royal Society Wolfson Visiting Fellowship (RSWVF).

Aradhna is using her RSWVF to develop climate reconstructions for specific regions across the globe to evaluate existing climate models and understand the processes driving historical hydroclimate change, enhancing existing knowledge of how regional water cycles respond to different climate states, improving the ability to predict future behaviour.





Strategy in action continued

Corporate and governance

The Society's ability to deliver its work rests on a wide range of coordination and support services. The systems and policies that underpin our work need to be fit for purpose and support clarity, transparency and accountability in our decision making.

Strategic outcomes:

- 1 Be working towards the highest standards of charity governance.
- 2 Continuing to invest in the Royal Society's staff and strengthening its working culture.
- 3 Continue to develop its digital capabilities, including enhanced support for hybrid events across its programming and an improved website and digital platforms.
- 4 Develop a plan for attaining, over an achievable timescale, a reduced environmental footprint for the conduct of the Society's own activities.

Governance review and risk management

An independent review of governance at the Royal Society was concluded in early autumn, drawing on interviews with Council and Committee members and observations of Council, Directors', Officers' and Committee meetings.

Findings from the review will be used to clarify roles and responsibilities of various decision-making bodies within the Society and improve oversight of key programmes of work. Another recommendation from the study was the establishment of a dedicated sub-Committee to supervise the operational aspects of the Society's work, thereby freeing up Council to focus on matters of strategic significance. Work on implementing these reforms is already underway, with further roll-out scheduled in 2024.



1

Royal Society website

The Royal Society's updated website launched in February 2024, providing a more contemporary presentation of the Society's work. Updated content and improved search functionality provide a better user experience, highlighting topical content and helping audiences to access the information they need more easily.

The culmination of a major programme of work, there are early indications that the new site has led to an increase in engagement; in the weeks following the launch, visitor numbers are up by almost a third and page views are up by almost a quarter compared to the fortnight prior to the launch.



3

New finance system

At the start of October 2023, the Society successfully completed a migration to a new finance system, Xledger. The transition was accompanied by an extensive programme of internal communications and training, and ongoing support has been made available to all staff. The new system offers greater functionality and flexibility than the legacy platform and opens up a range of new reporting options.



3





Strategy in action continued

Corporate and governance



Above: Members of the Society's Pride Network at the launch event with guest speaker, Professor Giles Oldroyd FRS.

Supporting our people

Employee networks provide a platform for members of staff of a shared identity or life experience, and the allies that support them, to come together as a collective. They create a supportive environment for staff to interact and share their lived experience. Following a consultation with staff, the Royal Society staff Pride Network launched on 16 June 2023 to help create a safe and supportive network and work environment for LGBTQ+ people and allies, raise awareness and educate about key LGBTQ+ issues and to highlight and showcase LGBTQ+ excellence in science.

In 2023, the Royal Society's new *Ways of working* policy was finalised, based on discussions with staff and feedback from managers. It is designed to help teams benefit from the flexibility that hybrid working offers, while also ensuring that staff are well supported and able to collaborate with colleagues.

The Society aims to offer fair pay and an attractive benefits package to ensure that appropriately qualified staff are recruited and retained. A comprehensive salary benchmarking exercise, conducted in partnership with an independent consultancy, has established that most salaries across the organisation are in line with the sectors we typically recruit from (including higher education, government, large charities and not-for-profits). Where salaries were below benchmark, they were adjusted upwards in April 2024 to ensure staff remained appropriately paid for their work.



2

⊕ Read more about [the people at the Society](#) on pages 44 – 46

Environmental sustainability programme

During the year, the Royal Society commissioned a consortium of sustainability experts to conduct a baseline assessment of the environmental impacts of the Society's operations. The consultants have experience of working with the higher education sector and were selected on the basis of their rigorous research-led approach, particularly in the emerging area of assessing indirect impacts on nature and biodiversity.

The programme of work will not only include an assessment of the Society's greenhouse gas emissions, but also its impacts on nature and biodiversity as well as assistance with setting targets, a decarbonisation road map, climate risk assessment, staff training, and a data collection and monitoring plan. The Royal Society programme team will be working with the Environmental Sustainability Committee and the senior leadership of the Society to draft an Environmental Sustainability Strategy in consultation with the Royal Society trustee body, Council.



4

⊕ Read more about [the Society's work on Sustainability](#) on page 35 – 36

Looking forward 2024/25

Over the coming year, the Royal Society will socialise and implement the recommendations from the Governance effectiveness review, clarifying the roles and responsibilities of Council, Board, Officers and Committees and embedding new reporting and oversight arrangements. General Purposes Committee will take a lead on operational matters, thereby freeing up capacity in Council to focus on issues of strategic importance.

The next round of the Royal Society's biennial staff survey will take place in summer 2024.

The Royal Society will increase the scope of its reporting of carbon emissions and develop a detailed action plan for reducing the environmental impact of its activities.



Strategy in action continued

Spotlight: Wonder of science

From addressing climate change to developing new vaccines, the importance of science to our everyday lives, and the relationship between public and scientific research, is clear to see. The Royal Society wants everyone to have access to, and understanding of, scientific knowledge, the scientific approach and the rich history of science.

Summer Science Exhibition

Our annual Summer Science Exhibition offers a free interactive experience for anyone curious about the latest advances in science and technology. In 2023, we had over 300 scientists coming together over six days to show their exciting research to around 10,000 visitors. Highlights included: Researchers showing how the technology used to search for life on Mars helps detect diseases within our own bodies; and a team looking at how the study of zebrafish could offer insights into the human mind.



3

“I loved learning about all this new and promising science and talking to the people who are actually involved in it. The interactive activities were also really fun!”

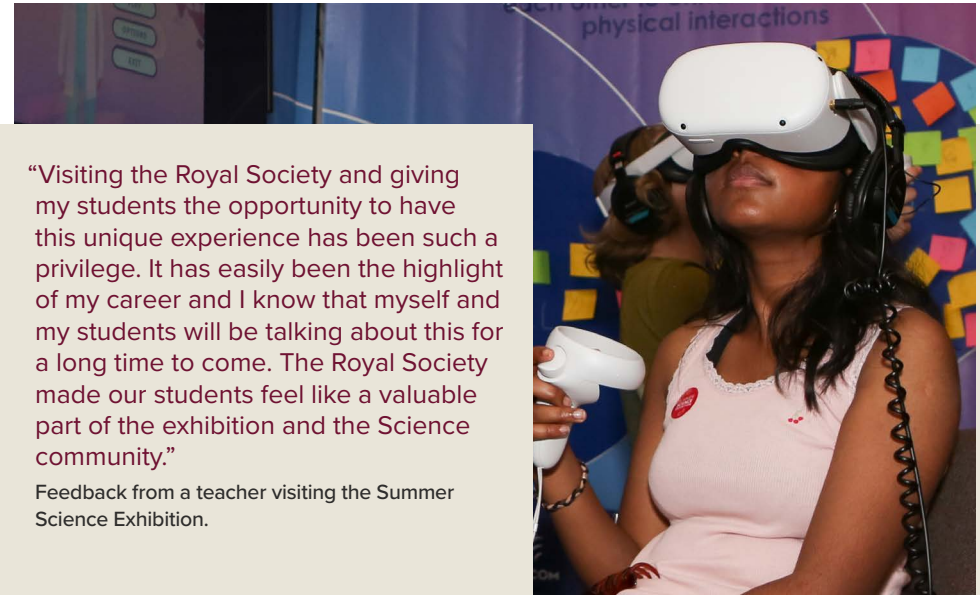
Feedback from Summer Science Exhibition visitor.

“Thank you so much for a wonderful experience volunteering with the Royal Society. I am still happily buzzing from all of the interactions and wonderful research.”

Feedback from Summer Science Exhibition volunteer.

“I was especially impressed by the diversity of people who were coming to our two-eyed funfair, there was not an ethnicity or age range that wasn't represented. And every single person was interested in learning about science.”

Feedback from Summer Science Exhibition exhibitor.



Above: Visitors and exhibitors at the Summer Science Exhibition, 2023.



Strategy in action continued Spotlight: Wonder of science

THE ROYAL SOCIETY

Do sun and shade plants respond differently to green light?

Objective
The purpose of this experiment is to show that some plants have internally evolved traits to enable them to photosynthesize more efficiently in the shade.

Background
Plants that grow in shade have evolved different ways of capturing light energy than those that grow in full sun. This is because shade plants have light energy from the sun in the form of scattered light and not direct light. This means that shade plants have to capture light energy from the sun in the form of scattered light and not direct light. This means that shade plants have to capture light energy from the sun in the form of scattered light and not direct light.

Photophysynthesis word equation

Photosynthesis word equation

Using the experiment

Materials to be shared

Method

Results

Conclusion

Reflection

Extension

References

Experimental science

A new series of Brian Cox school experiments was launched in January 2024, featuring videos and resources centred around new and emerging technologies. Aimed at teachers of students aged 11 to 14, the resources explore genome editing and plant biology; machine learning and cybersecurity; and ocean acidification.



Publishing photography competition

The annual Royal Society Publishing photography competition celebrates the power of photography in capturing scientific phenomena and the role that images play in making science accessible to a wide audience. Open to scientists from across the world, it offers the chance to win a prize of £1,000 and feature on a journal cover.



Left: Still from the Brian Cox school experiments genome editing classroom video, and accompanying resources (top left).

Above: *Martian landscape* by Irina Petrova Adamatzky, winner of the Royal Society Publishing photography competition 2023.

People

Fellows of the Society elected in 2023:

Professor Bashir M Al-Hashimi CBE FRes FRS

Vice President (Research and Innovation), King's College London

Professor Judith Allen FMedSci FRS

Professor of Immunobiology, Faculty of Medicine, Biology and Health, University of Manchester

Professor Myles Allen CBE FRS

Professor of Geosystem Science, Environmental Change Institute, School of Geography and the Environment and Department of Physics, University of Oxford

Dame Sue Black, Baroness Black of Strome DBE FRS

President, St John's College, Oxford

Professor Bradley Cairns FRS

Professor and Chair, Oncological Sciences, Spencer Eccles School of Medicine, University of Utah and Chief Academic Officer, Huntsman Cancer Institute, United States

Professor Keith Caldecott FMedSci FRS

Deputy Director, Genome Damage and Stability Centre, University of Sussex

Professor Sir Ian Chapman FRS

Chief Executive Officer, United Kingdom Atomic Energy Authority

Professor Bryan Charleston FRS

Director and CEO, Pirbright Institute

Professor Sourav Chatterjee FRS

Professor of Statistics, Department of Statistics, and Professor of Mathematics, Department of Mathematics, Stanford University, United States

Professor Cathie Clarke FRS

Professor of Theoretical Astrophysics, Institute of Astronomy, University of Cambridge

Professor Pieter Cullis OC FRS

Professor of Biochemistry and Molecular Biology, Department of Biochemistry and Molecular Biology, University of British Columbia, Canada

Professor Andrew Davison FRes FRS

Professor of Robot Vision, Department of Computing, Imperial College London

Professor Michael Depledge CBE FRS

Emeritus Professor of Environment and Human Health, European Centre for Environment and Human Health, University of Exeter Medical School

Professor W Ford Doolittle FRS

Professor Emeritus, Department of Biochemistry and Molecular Biology, Dalhousie University, Canada

Professor Michael Dustin FRS

Kennedy Trust Professor of Molecular Immunology, Nuffield Department of Orthopaedics, Rheumatology and Musculoskeletal Sciences and Director of Research, Kennedy Institute of Rheumatology, University of Oxford

Professor Wendy Freedman FRS

John and Marion Sullivan University Professor of Astronomy and Astrophysics, Astronomy Department, University of Chicago, United States

Professor Huajian Gao FRS

Distinguished University Professor, Nanyang Technological University, Singapore

Professor Julian William Gardner FRes FRS

Professor of Electronic Engineering, School of Engineering, University of Warwick

Dame Sarah Gilbert DBE FMedSci FRS

Said Professor of Vaccinology, Pandemic Sciences Institute, University of Oxford

Professor Andrey Golutvin FRS

Professor of Physics, Blackett Laboratory, Imperial College London

Professor Andrew Goodwin FRS

Professor of Materials Chemistry, Department of Chemistry, University of Oxford

Professor Louise Heathwaite CBE FRS

Lancaster Environment Centre and Pro-Vice-Chancellor Research and Enterprise, Lancaster University

Professor Laura Heyderman FRS

Professor, Mesoscopic Systems, ETH Zurich – Paul Scherrer Institute

Professor Andrew Hopkins FRS

Chief Executive, Exscientia plc

Professor John Hutchinson FRS

Professor of Evolutionary Biomechanics, Royal Veterinary College

Dr Michael Isard FRS

Research Scientist, Google, United States

Professor Christopher Jiggins FRS

Professor of Evolutionary Biology (2014), Department of Zoology, University of Cambridge

Professor David Jones FRS

Professor of Bioinformatics, Department of Computer Science and Division of Biosciences, University College London (UCL)

Dr Philip Jones FMedSci FRS

Senior Group Leader, Wellcome Sanger Institute and Professor of Cancer Development, University of Cambridge

Professor Loeske Kruuk FRS

Royal Society Research Professor, Institute of Ecology and Evolution, School of Biological Sciences, University of Edinburgh

Professor Mark Lancaster FRS

Professor of Particle Physics, Department of Physics and Astronomy, University of Manchester

Professor Ben Lehner FRS

Senior Group Leader, Wellcome Sanger Institute and Coordinator and ICREA Professor, Centre for Genomic Regulation (CRG), Barcelona, Spain

Note: affiliations are at the time of election in April 2023.

People continued

Professor Simon L Lewis FRS

Chair, Global Change Science, University College London and Chair, Global Change Science, University of Leeds

Professor Allan Matthews FREng FRS

Professor of Surface Engineering and Tribology, The Henry Royce Institute, Department of Materials, University of Manchester

Professor James Maynard FRS

Professor of Number Theory, Mathematical Institute, University of Oxford

Professor Jane Memmott OBE FRS

Professor of Ecology, School of Biological Sciences, University of Bristol

Professor R J Dwayne Miller FRS

University Professor, Departments of Chemistry and Physics, University of Toronto, Canada

Professor Valerie Mizrahi FRS

Director, Institute of Infectious Disease and Molecular Medicine, University of Cape Town, South Africa

Dr Graeme Moad AC FRS

CSIRO Fellow, CSIRO Manufacturing, Australia

Dr Madan Babu Mohan FMedSci FRS

Member, Endowed Chair and Director, Center of Excellence for Data Driven Discovery, Department of Structural Biology, St Jude Children's Research Hospital, United States

Professor Robert Mokaya OBE FRS

Pro-Vice-Chancellor and Professor of Materials Chemistry, School of Chemistry, University of Nottingham

Professor Tebello Nyokong FRS

Distinguished Professor of Chemistry, and Department of Science and Innovation/ National Research Foundation Research Chair, Rhodes University, South Africa

Dr Sarah O'Connor FRS

Director, Department of Natural Product Biosynthesis, Max Planck Institute for Chemical Ecology, Germany

Professor Jane Parker FRS

Senior Research Group Leader, Department of Plant-Microbe Interactions, Max-Planck Institute for Plant Breeding Research, Germany

Dr Lori Passmore FRS

Group Leader, Structural Studies Division, MRC Laboratory of Molecular Biology and Fellow, Clare Hall, University of Cambridge

Professor D Graham Pearson FRS

Canada Excellence Research Chair Laureate and Henry Marshall Tory Chair, Department of Earth and Atmospheric Sciences, University of Alberta, Canada

Professor Peter Sewell FRS

Professor, Computer Laboratory, University of Cambridge

Professor Hanadi Sleiman FRS

Professor of Chemistry and Canada Research Chair in DNA Nanoscience, Department of Chemistry, McGill University, Canada

Professor Ivan Smith FRS

Professor of Geometry, Centre for Mathematical Sciences, University of Cambridge

Professor Matthew Stephens FRS

Ralph W. Gerard Professor, Department of Statistics and Department of Human Genetics, University of Chicago, United States

Professor William Sutherland CBE FRS

Miriam Rothschild Chair of Conservation Biology, Department of Zoology, University of Cambridge and Professorial Fellow, St Catharine's College, Cambridge

Professor Elizabeth Thompson FRS

Professor Emerita of Statistics, Department of Statistics, University of Washington, United States

Professor Irene Tracey CBE FMedSci FRS

Vice-Chancellor, University of Oxford and Professor Anaesthetic Neuroscience, Nuffield Department Clinical Neurosciences, University of Oxford

Dr James Turner FMedSci FRS

Assistant Research Director, The Francis Crick Institute

Professor Derek Vance FRS

Professor of Geochemistry, Department of Earth Sciences, ETH Zurich, Switzerland

Dr Rajeev Varshney FRS

Director, Centre for Crop and Food Innovation; Director, Western Australian State Agricultural Biotechnology Centre; and International Chair in Agriculture and Food Security, Food Futures Institute, Murdoch University, Australia

Professor Scott Waddell FMedSci FRS

Professor of Neurobiology, Centre for Neural Circuits and Behaviour, University of Oxford

Professor Philip Wadler FRS

Professor of Theoretical Computer Science, Laboratory for Foundations of Computer Science, School of Informatics, University of Edinburgh

Sir Christopher Whitty KCB FMedSci FRS

Chief Medical Officer for England

People continued

Honorary Fellows elected in 2023:

Dame Kate Bingham FMedSci FRS

Managing Partner, SV Health Investors

Ms Fiona Fox FMedSci FRS

CEO, Science Media Centre

Foreign Members elected in 2023:

Professor Eva-Mari Aro ForMemRS

Research Director of Molecular Plant Biology, Department of Life Technologies, University of Turku, Finland

Professor Jeffery Dangl ForMemRS

John N. Couch Distinguished Professor, Department of Biology, University of North Carolina at Chapel Hill, United States and Howard Hughes Medical Institute Investigator, United States

Professor Stanislas Dehaene ForMemRS

Director, NeuroSpin Brain Imaging Center, CEA Saclay; Chair of Experimental Cognitive Psychology, Collège de France; and Director of the INSERM-CEA Cognitive Neuroimaging Unit, France

Professor Odile Eisenstein ForMemRS

Emeritus CNRS-Université Montpellier, France and University Oslo, Norway

Professor Shafi Goldwasser ForMemRS

Director, Simons Institute for the Theory of Computing, University of California, Berkeley, United States

Professor Douglas Hanahan ForMemRS

Distinguished Scholar, Ludwig Institute for Cancer Research, Agora Translational Cancer Research Center, Lausanne, and Emeritus Professor and former Director, Swiss Institute for Experimental Cancer Research, Swiss Federal Institute of Technology Lausanne

Professor Gerald Haug ForMemRS

Director, Department of Climate Geochemistry, Max-Planck-Institute for Chemistry, Mainz, Germany; Professor, Department of Earth Sciences, ETH Zürich, Switzerland; and President, German National Academy of Sciences Leopoldina, Germany

Professor Kristian Helin FMedSci ForMemRS

Chief Executive, President and Professor, The Institute of Cancer Research

Professor Kei Hirose ForMemRS

Professor, Department of Earth and Planetary Science, University of Tokyo, Japan

Professor Yonggang Huang ForMemRS

Jan and Marcia Achenbach Professor in Mechanical Engineering, Civil and Environmental Engineering, and Materials Science and Engineering, Northwestern University, United States

Professor Susumu Kitagawa ForMemRS

Deputy Director-General, Kyoto University Institute for Advanced Study (KUIAS), Japan

Professor Jinghai Li ForMemRS

Professor, Institute of Process Engineering, Chinese Academy of Sciences, Former President of the National Natural Science Foundation of China, and former Vice President of International Science Council

Professor Edvard Moser ForMemRS

Professor of Neuroscience, Kavli Institute for Systems Neuroscience, Norwegian University of Science and Technology, Norway

Professor May-Britt Moser ForMemRS

Professor of Neuroscience, Kavli Institute for Systems Neuroscience, Norwegian University of Science and Technology, Norway

Professor Subir Sachdev ForMemRS

Herchel Smith Professor of Physics, Department of Physics, Harvard University, United States

Professor Yoshinori Tokura ForMemRS

Center Director, RIKEN Center for Emergent Matter Science, Japan and University Distinguished Professor, The University of Tokyo, Japan

Professor Karen Uhlenbeck ForMemRS

Distinguished Visiting Professor, Institute for Advanced Study, United States

Professor Ronald Vale ForMemRS

Executive Director, Janelia Research Campus and Vice President Howard Hughes Medical Institute, United States

Professor Moshe Y Vardi ForMemRS

University Professor and George Distinguished Service Professor in Computational Engineering, Department of Computer Science, Rice University, United States

People continued

At the core of the Society are people, from Fellows and staff to generous donors and the scientists who are supported through the Society's funding programme.

Fellows

Fellows are elected through a peer-review process on the basis of their contribution to science. It is from the eminence of its Fellowship and Foreign Membership and its independence from Government that the Society derives its authority in scientific matters. Fellows and Foreign Members fulfil a range of responsibilities for the Society on a voluntary basis. Many others, scientists and non-scientists, also contribute to the work of the Society on a voluntary basis. The Fellowship is supported by staff based in London.

Scientists

The Society has played a part in some of the most fundamental, significant and life-changing discoveries in scientific history and the Society's scientists continue to make outstanding contributions to science in many research areas. The Society is currently supporting 804 (2023: 871) researchers through its research fellowships. These researchers receive long-term funding from the Society and range from early career researchers, who are just starting their independent careers to some of the most distinguished senior researchers in the country.

Volunteers

A number of our public engagement events and other work would not be possible without the contribution of our volunteers and the Society is grateful to all those who have contributed to its work over the past year. We also recognise the contributions of the many scientists who have supported our work by lending their expertise to panels and discussions. Finally, we are fortunate to have volunteer committee members across several of our committees. Their experience and expertise is invaluable to the operation of the charity.

Staff

As at 31 March 2024, the Society had 276 paid staff, organised into programmes, services and trading sections. The Society aims to offer fair pay and an attractive benefits package to ensure that appropriately qualified staff are recruited, engaged and feel able to thrive in delivering the charity's aims. As a smaller employer, we are cognisant of the fact that career development can be a challenge for an organisation of our size, and we have worked hard to increase internal progression, cross team movement and retention strategies of staff over the year.

During the year, a comprehensive salary benchmarking exercise was conducted in partnership with an independent consultancy, to ensure that we remain competitive as an employer and that staff are rewarded fairly for what they do.

It was established that most salaries across the organisation are in line with the sectors we typically recruit from. The remaining salaries were brought in line with this benchmark in April 2024 to ensure staff continued to be appropriately paid for their work.

Our values

An organisation's values support its vision, shape its culture and reflect expectations of employees and the way they work together. The Society has a set of organisational values created by staff, which help inform how we should work together and represent the Society. These values are discussed and measured in various places and this year feature in the annual appraisal forms.

Ways of working

In July 2023, the Royal Society formally adopted a new *Ways of working* policy, offering staff greater flexibility and support in their working patterns by balancing the benefits of remote working with the advantages of in-person collaboration.

Throughout 2023, an internal working group convened to look at optimising the Society's Carlton House Terrace office space to facilitate cross-team working, staff wellbeing and in-person interaction. Based on staff suggestions, a new flexible space has been created at the heart of the building where teams can meet, collaborate and socialise.



People continued

Wellbeing

The wellbeing of staff is an important consideration for the Trustees and the Senior Management Team. We continued to develop the wellbeing services we offer to staff, running a programme of wellbeing lectures and events, including sessions on mental health, wellness, time management, resilience, stress and anxiety, health and nutrition, and financial planning. This work supplements support given via mental health first aiders, and an employee assistance programme, which offers access to telephone, online and face-to-face counselling support on a broad range of issues, from mental health to personal finances.

Staff-led activities continue to be popular and a huge range of clubs are now available, from board games at lunch time to monthly bake offs, film nights, a choir and a staff band.



Above: Royal Society staff at the Christmas-themed bake-off held in December 2023.

Training

As well as mandatory training around workplace safety, cybersecurity and GDPR, the Society offers staff a variety of formal and informal training and development opportunities. Training delivered in 2023/24 included courses on management, resilience, project management alongside a range of technical skills training.

In addition, staff are encouraged to apply for a professional learning award to pursue more personalised development programmes in areas of their own choosing. In 2023/24, 15 staff undertook professional skills training such as language skills, press and media courses and professional HR qualifications.

Equality, diversity and inclusion

As the UK's national academy of science, technology, engineering and mathematics, the Society has a particular responsibility to ensure that diversity and inclusion are embedded across all of its activities and are part of the culture of the organisation.

The Society's Diversity Committee regularly monitors statistics on diversity across the Society's activities and publishes an annual diversity data report. The Society is committed to making diversity and inclusion a priority, both within our own organisation and across the scientific landscape. The Society's Diversity Strategy sets out how the Royal Society will use its convening power and leadership, in partnership with others,

to increase diversity in STEM and build a more inclusive scientific community. The Diversity Committee, a Standing Committee of Council, keeps under review and makes recommendations to Council on the diversity strategy. The Committee also oversees the delivery of a programme of activities by the Society in line with this strategy.

As an employer, the Society is committed to providing an environment free from discrimination, bullying, harassment or victimisation and to creating a culture of inclusivity in which individual differences and the contributions of all staff are recognised and valued. The Society provides equality of opportunity for all and will not tolerate discrimination on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and parenthood, race, religion or belief, sex or sexual orientation. The Society regularly surveys staff through staff questionnaires and in exit interviews on matters of diversity and inclusion, specifically any issues they have witnessed or would like to report.

In 2024/25, the Society will consider expanding its pay gap reporting beyond gender.



Above: Royal Society staff at the Pride Network launch event held in June 2023.



Read more about [the Royal Society's diversity reporting](#) on our website

People continued

Remuneration policy

The aim of the Society’s remuneration policy is to maintain sustainable, fair levels of pay at the same time as attracting and retaining the right people to deliver our charitable objectives. In setting appropriate levels of senior management pay, the Society considers the skills, experience and competencies required for each role, and the remuneration level for those roles in sectors in which suitable candidates would be found.

Recommendations regarding the remuneration of staff are made by the Society’s Remunerations Committee, chaired by Sir Martin Taylor FRS. The Committee meets twice each year to consider the remuneration of senior staff, taking their individual responsibilities and an analysis of levels of remuneration in comparable roles elsewhere in the sector into account. The annual salary review process provided to all staff is also agreed by the Society’s Remuneration Committee. The Committee includes Fellows and independent advisers.

Benefits accessible to all Royal Society staff include a generous annual leave allowance and pension package, life assurance and access to the cycle to work scheme. This year, policies on Flexible working and Carers leave have been updated.

The total emoluments of the Society’s Executive Director, Dame Julie Maxton, including taxable benefits in kind, in 2023/24 were £424,368 (2022/23: £396,911). The Executive Director’s contract of employment requires that they reside in the Society’s premises at Carlton House Terrace during the working week for no less than 12 nights in a month, and the use of an apartment in the building is treated as a taxable benefit in kind for this purpose.

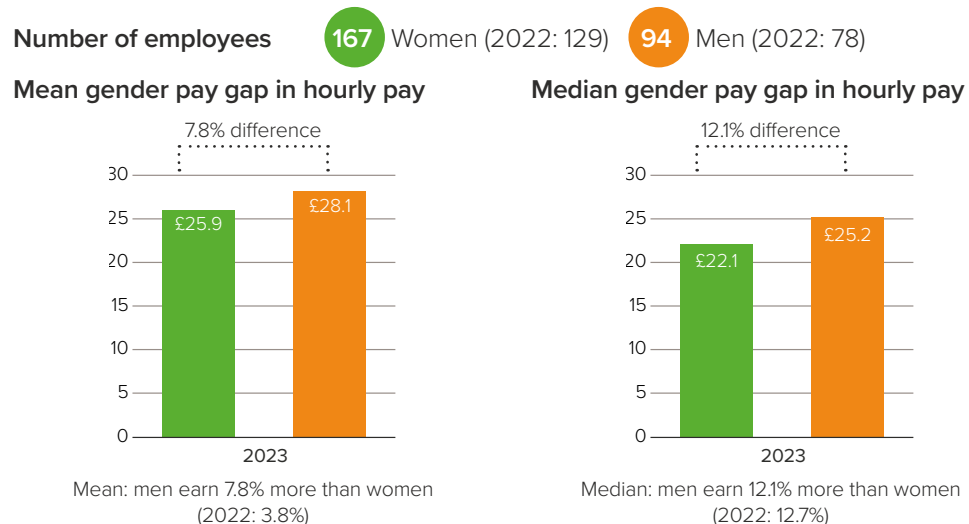
The Chair of Remuneration Committee conducts the Executive Director’s annual performance review on behalf of the Committee.

All Trustees are unremunerated.

Gender pay gap reporting

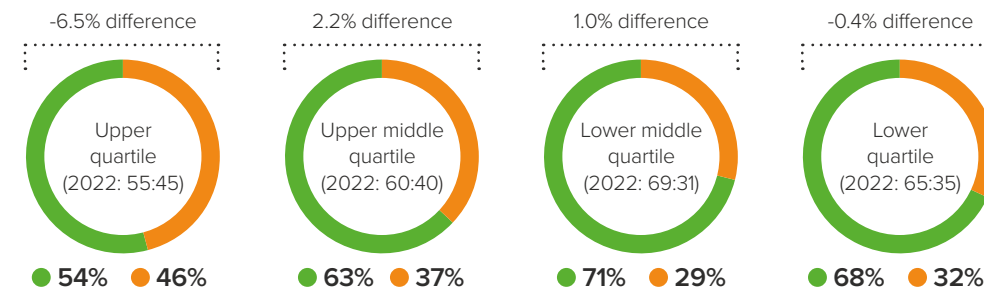
At the ‘snapshot’ date of 5 April 2023, the mean gender pay gap was 7.8% and the median gender pay gap was 12.1% compared with the national average of 13.2% and 14.3% respectively, as reported on the Gender Pay Gap website as at 28 May 2024.

On 5 April 2023, we employed 261 full-pay relevant employees (2022: 207). All figures below are as at 5 April 2023:



Proportion of men and women in each quartile (%)

The difference between the mean pay of the men and women in each quartile is shown above each chart (a negative difference indicates that the mean pay of women was higher).



Note: gender pay gap percentages referenced in quartiles are based on mean calculations. The reported quartiles represent an equal number of employees in each quartile, from the highest paid to the lowest paid. The upper quartile represents the highest paid employees. Quartiles are based on mean pay and so there are different numbers of men and women in each quartile.

Financial review

Overview

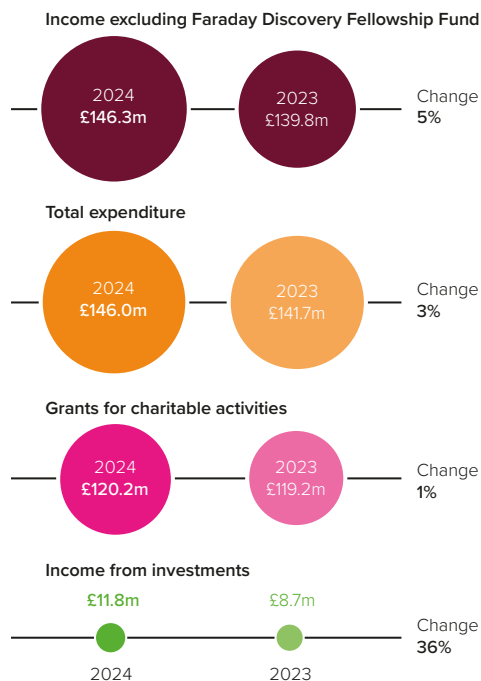
In the year to 31 March 2024, the Society's income increased from £139.8 million to £396.3 million. The increase is largely due to the receipt of £250.0 million of funding from the Department for Science, Innovation and Technology (DSIT) to deliver a new mid-career Fellowship (the Faraday Discovery Fellowship Fund). Excluding the Faraday Discovery Fellowship Fund, the majority of the Society's income came from charitable activities, which increased by 1% during the year to £131.3 million (2023: £129.6 million).

Total expenditure increased by 3% on the prior year from £141.7 million to £146.0 million, largely driven by the increase in grant expenditure and higher expenditure on conferencing activities as meetings and events began to return to pre-pandemic levels. Expenditure on charitable activities increased from £138.6 million to £143.3 million and has remained at around 98% of total expenditure (2023: 98%). Income from investments has increased by 36% from the previous year to £11.8 million (2023: £8.7 million).

The value of the investment portfolio increased during the period, which was due to strong, positive returns in the majority of equity markets and positive investor sentiment in the final quarter of the year. This resulted in a net gain of £25.2 million (2023: £22.2 million loss).

Income

The Society receives income from a number of sources, including the Government, trusts, foundations, companies, individuals, trading activities and income from investments. Its income enables the Society to deliver a wide range of programmes in support of its strategic aims.



Income from charitable activities

The majority of the year-on-year increase in income from charitable activities relates to the increase in grants for charitable activities, which rose to £120.2 million (2023: £119.2 million). Income from DSIT remained broadly consistent with the prior year at £112.0 million (2023: £112.3 million). There was an increase in the core grant from DSIT of £1.8 million to £110.2 million in 2024 and new grant funding of £2.2 million from the DSIT International Science Partnership Fund to fund international collaboration awards. The increase is offset by a decrease in the funding received from the UK Government for the Society's ODA-funded programmes, including a reduction of £3.7 million of funding from the Global Challenges Research Fund (GCRF) and a refund of £0.7 million from the Society to DSIT for the Newton Fund following end of award reconciliations.

In addition to Government funding, the Society receives valuable contributions towards its charitable activities from long-term partners, such as the Wolfson Foundation and the Leverhulme Trust, as well as other external bodies.

The Society undertakes trading activities in the form of publishing journals and hosting conferences that further its charitable objectives. Income from these sources increased by £0.7 million to £11.1 million (2023: £10.4 million) due to continued growth in conferencing activities as levels returned to pre-pandemic levels.

Income from donations and legacies

The Society has relied on the generous support of philanthropists throughout its history. This year, the Society received funding from trusts, foundations, companies and individuals, in addition to the contributions made by Fellows.

The Society is grateful to all its donors and further details can be found on the Society's website.

Income from donations and legacies, excluding the Faraday Discovery Fellowship Fund, increased by £1.7 million to £3.1 million (2023: £1.4 million), mainly due to a significant legacy from Dr Elizabeth Graham recognised in the year.

On 23 November 2023, the Government announced £250.0 million of funding to the Royal Society to deliver a new mid-career Fellowship. The funding will support outstanding researchers and scientists for up to ten years to pursue ground-breaking discovery-led research in STEM subjects. The new Fellowships, which will open to applications in summer 2024, will be called the Royal Society Faraday Discovery Fellowships. Fellowship awards will be made on the basis of excellence. It is anticipated that there will be at least 32 awards in total and the fund, including any interest earned, will be disbursed in full by the end of a 20-year period from when funding was received. The value of each Fellowship will be up to £8.0 million to support individual researchers and their teams. An agreement with DSIT

Financial review continued

was signed and the Society subsequently received £250.0 million on 6 March 2024. At 31 March 2024, the funds were invested in a UK liquidity fund.

Expenditure

Expenditure is incurred on raising funds and charitable activities. The Society undertakes a broad range of activities that provide public benefit either directly or indirectly, in line with our strategic priorities. Read more on the Society's public benefit statement on pages 9 – 10.

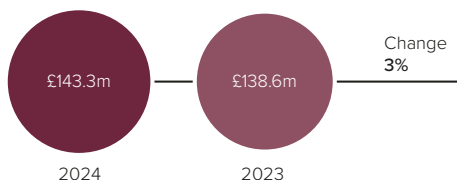
Expenditure on raising funds includes the direct costs of raising funds, associated support costs, costs of trading and investment management fees. Expenditure on raising funds reduced from £3.1 million in 2023 to £2.7 million in 2024.

Expenditure on charitable activities

The Society's charitable expenditure is categorised in the statement of financial activities, as follows:

- Grants to fund scientific research;
- Providing scientific advice for policy;
- Promoting science education and engagement;

Expenditure on charitable activities



- Supporting scientific collaboration, nationally and internationally; and
- Recognising scientific excellence.

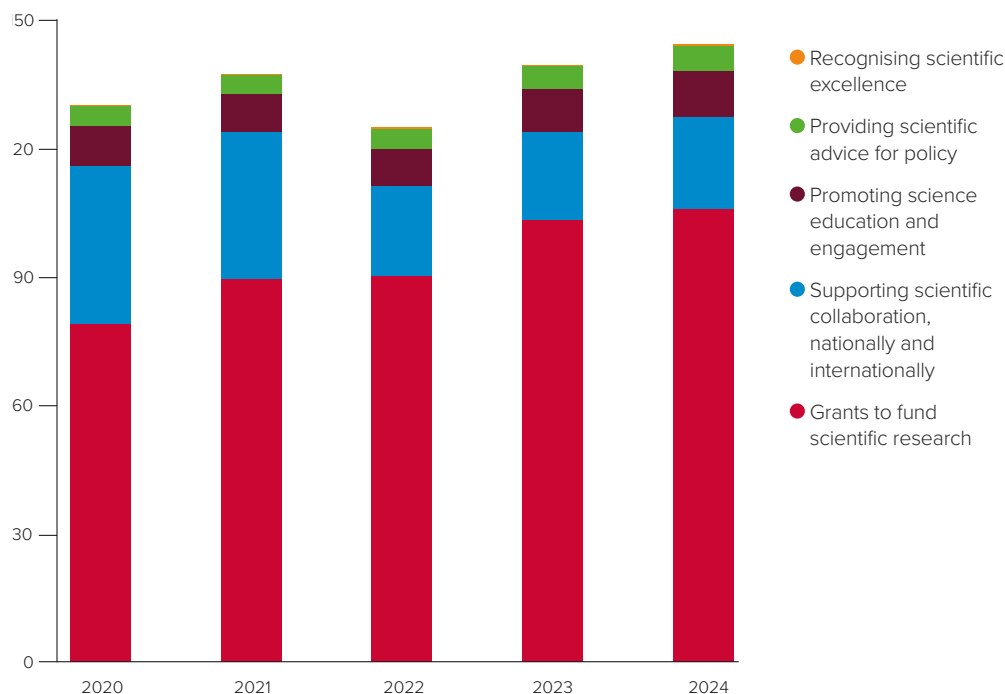
Each of the areas above support the delivery of the strategic objectives set out in the 2022 – 2027 strategic plan. The expenditure chart on page 49 illustrates expenditure both by strategic objective and expenditure category.

The majority of the Society's charitable expenditure relates to grant awards, this year accounting for £110.2 million (2023: £108.8 million). The increase in grant expenditure largely relates to increases in Newton International Fellowships, which rose by £2.0 million to £6.2 million (2023: £4.2 million), and Royal Society Research Professorships, which rose by £1.7 million to £21.2 million (2023: £19.5 million). These increases were partly offset by a decrease of £1.2 million to £2.9 million relating to Sir Henry Dale Fellowships scheme, which is due to come to an end in 2026/27, and decreases in schemes funded by the Society's ODA funding from the UK Government, with the Newton Advanced Fellowships and RS Challenge Grants ending in 2023, showing a refund of £1.0 million due in 2024 following reconciliations performed at the end of the awards.

Aside from grants activity, expenditure on providing scientific advice for policy increased from £5.3 million in 2023 to £5.8 million in 2024. The Society's work in this area focused particularly on the Society's *Science 2040 programme*, looking at what the UK science system could and should look like in the future, and reports on new energy storage solutions and the effectiveness of non-pharmaceutical interventions in the COVID-19 pandemic.

Expenditure on promoting science education and engagement grew from £10.0 million in 2023 to £10.7 million in 2024. The Society's expenditure in this area includes the annual Summer Science Exhibition and the DSIT-funded Education Partnership Grants scheme, focusing growth on schools in disadvantaged areas across the UK, particularly working with partners in the North of England to expand the scheme to develop multi-school projects.

Expenditure on charitable activities £m



Financial review continued

The Society implemented a new finance system in the year and expenditure to develop the Society's digital capabilities is included in the strategic priority of corporate and governance, which enables the Society to deliver against its objectives.

The expenditure chart opposite illustrates expenditure by both strategic priority and expenditure category in the Statement of Financial Activities.

Expenditure by both strategic priority and expenditure category in the Statement of Financial Activities

Research system and culture: £126.1m

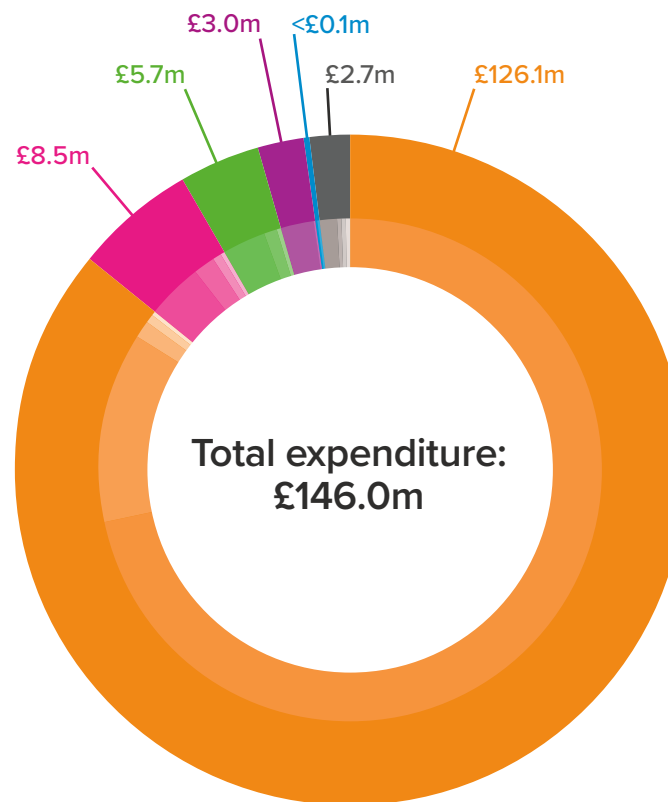
- Grants to fund scientific research **£105.2m**
- Supporting scientific collaboration **£18.9m**
- Promoting science education and communication **£1.6m**
- Recognising excellence in science **£0.3m**
- Providing scientific advice for policy **<£0.1m**

Influencing – UK and global: £8.5m

- Providing scientific advice for policy **£5.7m**
- Supporting scientific collaboration **£2.3m**
- Promoting science education and communication **£0.4m**
- Grants to fund scientific research **<£0.1m**

Science and society: £5.7m

- Promoting science education and communication **£5.7m**
- Providing scientific advice for policy **<£0.1m**
- Recognising excellence in science **<£0.1m**



Corporate and governance: £3.0m

- Promoting science education and communication **£3.0m**
- Providing scientific advice for policy **<£0.1m**

Fellowship and Foreign Membership: <£0.1m

- Supporting scientific collaboration **<£0.1m**
- Recognising excellence in science **<£0.1m**

Expenditure on raising funds: £2.7m

- Investment management fees **£2.1m**
- Direct costs on raising funds **£0.3m**
- Support costs on raising funds **£0.3m**
- Cost of trading **<£0.1m**

Financial review continued

Royal Society (London) Ltd

Royal Society (London) Ltd was set up in 2013 to process corporate sponsorships at the Society. The company commenced trading in 2019 and had income of £0.1 million in the year (2023: £0.1 million).

Pension and Life Assurance Plan of the Royal Society

The Society operates a defined benefit pension scheme, which was closed to new members in 2014.

The FRS 102 valuation of the scheme at 31 March 2024 showed a surplus of £0.3 million (2023: £0.5 million deficit). The Scheme surplus is recognised as an asset because the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This represents the difference between the assets and the obligations of the fund. The improved position is mainly due to a change in market conditions, where there is a reduction in liabilities due to an increase in the discount rate assumption, and the payment of deficit funding contributions in the year of £1.2 million. In accordance with FRS 102, the actuarial losses on the scheme of £0.6 million (2023: £2.4 million actuarial gains) have been taken to unrestricted funds.

The calculation to determine the accounting surplus or deficit differs from the calculation of the funding surplus or deficit of the scheme, the purpose of which is to determine whether further

payments into the scheme are required. Sensitivity analysis of the scheme deficit sets out that a change in the discount rate assumption of 0.1% results in a change in liabilities of £0.6 million.

A triennial valuation of the scheme at 1 January 2022 was agreed during 2022/23. This showed a decrease in the 'technical provisions' deficit from £8.7 million to £6.0 million and it was agreed with the Trustees that the Society will pay deficit payments of £1.2 million per annum under a four-year recovery plan. Current budgets and forecasts indicate that the Society will be able to meet these contributions as they arise. Further payments, if any, will be determined following the 2025 triennial valuation.

Investment policy and performance

The Society holds a significant investment portfolio which was valued at £558.1 million at 31 March 2024, up from £283.4 million in 2023. Most of this increase was due to the receipt of £250.0 million for the Faraday Discovery Fellowship Fund in March 2024, which was invested in a UK liquidity fund at year end pending agreement of a bespoke investment strategy for the restricted fund.

During 2022/23, the Society completed a procurement exercise to appoint a new investment consultant and Mercer Limited (Mercer) was selected. The transition of the Society's investments to Mercer took place in the first quarter of 2023/24.

Following this, there was a detailed review of the Society's investment strategy and changes were made to asset allocation and to the investment policy, reflecting updates made in August 2023 to Charity Commission CC14 *Investing charity money: guidance for trustees*. Mercer manages the Society's investment assets under a discretionary mandate with target allocation ranges. The investment strategy was agreed with consideration of expected performance of the portfolio in terms of financial return, drawdown risk and average ESG rating of the portfolio. Most of the Society's investments are now held in pooled funds with an allocation to equity funds of between 60% and 90%; fixed income funds of up to 30%; and alternative funds of up to 30%, with the option to invest in private markets in the future. The Society's Investment Committee periodically discuss and review the investment managers' ESG ratings as part of their monitoring role, and to understand the engagement with managers on ESG matters on behalf of the Society.

On 23 March 2016, Council passed a resolution under Section 104A(2) of the Charities Act 2011 to adopt the use of total return in relation to its permanent endowments with the exception of the Theo Murphy Australia Fund. The investment objective of the Society is to at least maintain the real value of its investment assets while generating a stable and sustainable return to fund charitable activities, thus being even

handed between current and future beneficiaries.

The Society does not invest in organisations that conflict with the charity's purpose, or where Council deem that to do so would hamper the charity's work, for example by alienating those who support the Society financially. Council has determined that the Society should not invest in companies or funds that derive a significant portion of their income from the sale of manufacture of tobacco. The Society recognises that the nature of investing, particularly in pooled funds makes total exclusion of certain asset classes unrealistic, however, the Society seeks to ensure its exposure to thermal coal, oil and gas extraction and production remains less than 0.5% of the total value of the portfolio, although in practice it is expected that the level will be well below this. The Investment Committee receives quarterly updates on this metric from its investment advisors.

The Society ensures that performance is managed against appropriate benchmarks. Income from investments for the year was £11.8 million (2023: £8.7 million).

The majority of equity markets experienced strong, positive returns over the 12-month period to 31 March 2024, led by the US equity market. Positive investor sentiment continued during the final quarter of 2023/24, buoyed by resilient economic data and expectations of interest rate cuts later in the year.

Financial review continued

Reserves

The total funds of the Society increased by £274.9 million to £609.5 million during the financial year, mainly due to income received to set up the Royal Society Faraday Discovery Fellowships, income from and the gain on investments, the recognition of a significant legacy in the year and the defined benefit pension scheme surplus. The total funds excluding the Royal Society Faraday Discovery Fellowship fund increased by £24.9 million to £359.5 million.

At 31 March 2024, income received for the Royal Society Faraday Discovery Fellowship fund was invested with Mercer. It is anticipated that the fund, including any interest earned, will be disbursed in full by the end of a 20-year period from when funding was received.

Free reserves are unrestricted reserves (after the pension asset or deficit) less heritage assets and intangible and tangible fixed assets. The Society holds free reserves so that it can respond to unforeseen charitable opportunities or risks and continue to honour existing commitments in the event of a shortfall of income. The Society's policy is to review its income streams and expenditure commitments on an annual basis and assess the main financial risks faced by the Society and their associated likelihood in order to develop a risk-based reserves level. The target level was set cognisant of the risks associated with the changes in the publishing landscape and volatility in investment markets, which may affect returns.

At the balance sheet date, the value of the Society's free reserves was £35.7 million (2023: £32.4 million), well above the target level for 2023/24 of £15.0 million. The increase in the level of free reserves is largely due to the increase in the value of the investment portfolio and the improved position in the defined pension scheme as at 31 March 2024, in addition to the receipt of a significant unrestricted legacy in the year. The Society continues to develop longer-term strategies, for example an environmental sustainability strategy, to increase its charitable activities in a sustainable way, which will reduce the level of reserves while ensuring that it has adequate resources to enable it to respond to emerging risks and opportunities.

| | 2024 £m | 2023 £m |
|---|------------|------------|
| Unrestricted funds | 94.2 | 91.3 |
| Unrestricted intangible and tangible fixed assets | (9.2) | (9.6) |
| Heritage assets | (49.3) | (49.3) |
| Free reserves | 35.7 | 32.4 |

Enterprise Fund (Amadeus RSEF LP)

The Royal Society Enterprise Fund was created with the aim of becoming a financially successful contributor to early-stage science-based companies in the UK and a role model for the translation of excellent science for commercial and social benefit. Due to the dual benefits expected to be received, the fund is accounted for as a social investment in the

financial statements. The Society entered into a Limited Partnership Agreement with Amadeus Capital Partners in 2014 to create the Amadeus RSEF LP.

Statement of policy on fundraising

Section 162a of the Charities Act 2011 requires the Society to make a statement regarding fundraising activities because it is subject to an external audit. We do not use professional fundraisers or 'commercial participators' or indeed any third parties to solicit donations. We are therefore not subject to any regulatory scheme or relevant codes of practice, nor have we received any complaints in relation to fundraising activities nor do we consider it necessary to design specific procedures to monitor such activities.

Modern Slavery Act

The Society is committed to taking the appropriate measures to reduce the risk of slavery and human trafficking taking place in our organisation or our supply chains. Pursuant to Section 54 of the Modern Slavery Act 2015, the Society has published its slavery and human trafficking statement for the financial year ended 31 March 2024. Further information is available on our website.

Approach to financial forecasting

The Society's five-year financial model is updated annually. The financial model projects the income and expenditure over the period and the impact on the Society's funds and free reserves position. In developing the financial model, a number of assumptions were made, including the rate of inflation, the net contribution of trading activities, income from charitable activities and the performance of investments. We reforecast the financial performance for the year each quarter throughout the year, as well as completing regular cash flow reviews. Financial performance is reviewed by the Senior Leadership team, Planning and Resources Committee and Council.

Going concern

The Trustees consider that there are no material uncertainties about the Society and Royal Society (London) Ltd to continue as a going concern. This conclusion has been reached after careful consideration of reserves levels, future forecasts and changes in external factors. The Society manages uncertainties through risk management processes with mitigations in place for key risk areas, and has a robust reserves position and availability of liquid assets in cash at bank and in hand and as liquid assets within the investment portfolio. Royal Society Trading Limited was dormant for the year ended 31 March 2024.

Principal risks and uncertainties

Throughout 2023, Council, Audit Committee and senior leadership have worked to enhance risk management processes and align internal controls more closely to the Royal Society's high level strategic objectives. This activity, which ran in parallel with the external governance review, was designed to complement its findings, strengthen oversight of key programmes of work and inform strategic decision making.

Two in-depth workshops – facilitated by the Society's internal audit firm, Crowe LLP – were conducted to explore the Royal Society's attitude to and tolerance of risk across a range of its core activities. Insights from these discussions informed the development of the new risk register, featuring nine new risk statements that will now form the basis of the Society's ongoing risk management process. Each risk statement has been mapped against existing control measures, as well as any additional mitigating actions which need to be developed.

The new risk statements have been compared with those included in last year's reporting and, where appropriate, an indication has been provided of any year-on-year shifts in overall risk exposure. Alongside the risk statements themselves is a detailed analysis of underlying triggers, along with immediate impacts and long-term implications if the risk were to occur. The Society also recalibrated the way in which it assesses both the probability and the impact of specific risks as part of this review process.




Council is ultimately accountable for risk management, working closely with the Audit Committee and supported by the internal auditors to regularly assess the organisation's exposure to risk. Audit Committee advises on risk and provides oversight of the Society's internal controls, including its governance and risk management processes. In addition, each of the Society's sections holds its own risk register to manage risks associated with the delivery of key programmes and workstreams. These sectional risk registers are updated regularly and used to anticipate and mitigate emerging risks, enabling issues to be quickly identified and escalated as appropriate.



Risk management is a continual process. Council and senior staff reflect frequently on uncertainties and risks to achieving the Society's goals and the effectiveness of the various means it employs to mitigate those risks. They are also vigilant in identifying new risks emerging in the Society's wider operating environment and taking steps to address them. Due to the interrelated nature of many of the risks currently being monitored, actions and processes often contribute to the mitigation of several risks simultaneously.

Principal risks and uncertainties continued

Key

Strategic priorities at risk

-  Fellowship and foreign membership
-  Influencing – UK and global
-  Research system and culture

-  Science and society
-  Corporate and governance

Status of risk

-  High risk
-  Medium risk
-  Low risk

| Risk | Strategic priorities | Management | Status of risk |
|---|--|---|---|
| <p>Operating environment</p> <p>The global and national political environment is adverse for science</p> |   | <ul style="list-style-type: none"> • Ongoing engagement with key stakeholders and policymakers in the UK and globally. • Active advocacy for continued investment in science. • Emphasise value of international collaboration and desire to work globally. • Promote strong research culture that values and facilitates collaboration. • Clear messaging about Society's independence of government. • Support international collaboration through Royal Society grant programmes and other strategic partnerships. | <p>Current status:</p>  <p>Prior year status:</p>  <p>Overall risk status has been reduced following UK Government's decision to associate with the Horizon Europe scientific funding programme</p> |
| <p>Trust</p> <p>The Fellowship loses confidence in the Royal Society or its trustees</p> |    | <ul style="list-style-type: none"> • Regular reporting to and engagement with the Fellowship. • Active management of relations with Fellowship, with dedicated Fellowship Engagement Manager role. • Committees structured to promote engagement and aid decision-making. • Grant making and sectional committees include relevant experts. • Robust peer-review process. | <p>Current status:</p>  <p>Prior year status:</p>  |
| <p>Reputational</p> <p>The Royal Society's reputation for excellence and integrity is damaged</p> |     | <ul style="list-style-type: none"> • Committees formed of experts in subject area. • Regular review of performance against strategy. • Policies and procedures in place to govern sign-off and decision making processes. • Programme evaluations. • Annual and end of activity reports. | <p>Current status:</p>  <p>Prior year status:</p>  |

Principal risks and uncertainties continued

| Risk | Strategic priorities | Management | Status of risk |
|--|--|--|--|
| <p>Regulatory</p> <p>The Royal Society fails to comply with legal and regulatory obligations and governance good practice</p> |  | <ul style="list-style-type: none"> • Appropriate policies in place (including safeguarding, health and safety, disability, discrimination HR, data protection etc). These policies are regularly reviewed and scrutinised by system of internal and external audits. • Regular training and refresher courses setting out staff roles and responsibilities regarding regulatory compliance. • Close monitoring and evaluation of spend, with oversight from relevant Committees. • Internal safeguarding working group and safeguarding officers appointed, alongside a Council member with designated responsibility for safeguarding. • Appropriate legal advice sought and followed. | <p>Current status</p>  <p>Prior year status:</p>  |
| <p>Business continuity</p> <p>Unplanned events prevent the Royal Society from operating</p> |      | <ul style="list-style-type: none"> • Senior-level management, committees and Council all heavily involved in policy formulation and review. • Regular review, test and update of information security policies and disaster preparedness measures, supported with staff training. • Regular review and update of business continuity and disaster recovery plans to help minimise disruption to operations from unexpected events, including cyber attack. • The Society takes a risk-based approach to setting a target level of free reserves. The target level is set cognisant of the risks facing the Society. | <p>Current status:</p>  <p>Prior year status:</p>  |
| <p>Impact and value for money</p> <p>The Royal Society fails to be effective in pursuit of its purpose and/or fails to demonstrate sufficient impact and/or value for money</p> |      | <ul style="list-style-type: none"> • Public benefits explicitly set out in new five-year strategy document. • Annual Trustees report and accounts and quarterly reporting against strategy. • Regular meetings of the Officers and regular communication from the Officers to Council. • Oversight of the Society's activities by Fellows with relevant experience, and close engagement with relevant Committees. • Implementation of findings of Governance review. | <p>Current status:</p>  <p>Prior year status:</p>  |

Principal risks and uncertainties continued

| Risk | Strategic priorities | Management | Status of risk |
|---|----------------------|---|--|
| <p>Relevance</p> <p>The Royal Society fails to adapt or respond to relevant emerging opportunities and/or issues</p> | | <ul style="list-style-type: none"> Developing foresight and horizon-scanning capabilities as part of Science 2040 influencing. Regular meetings of Officers used to monitor emerging issues and escalate as necessary. Active agenda to positively influence and encourage engagement from underrepresented groups. | <p>Current status:</p> <p>Prior year status:</p> <p>Overall risk status has been reduced to reflect improved oversight of risks and emerging issues and renewed focus on long-term horizon-scanning as part of Science 2040 forward look</p> |
| <p>Financial</p> <p>The Royal Society's income fails</p> | | <ul style="list-style-type: none"> Strengthen existing relations and develop new relationships, seeking to secure additional funding and diversify sources of funding. Active management of relationships with key stakeholders, including partners and funders. Improved financial planning process and closer link between annual budgets and organisational strategy. | <p>Current status:</p> <p>Prior year status:</p> <p>Overall risk status has been reduced in response to clarity around Horizon Europe and confirmation of new Faraday funding</p> |
| <p>Assets</p> <p>The Royal Society's assets are diminished/damaged/lost</p> | | <ul style="list-style-type: none"> Clear loans policy and approval process. Appropriate storage arrangements, with robust security measures in place. Detailed inventory of holdings and ongoing prioritised programme of cataloguing. Appropriate insurance. | <p>Current status:</p> <p>Prior year status:</p> <p>N/A (New risk line)</p> |

Governance

Structure and management

The Society is a registered charity and the Royal Society Council is the Trustee body under charity law. The Society was founded in 1660 and incorporated by Royal Charter in 1662, 1663 and 1669. A Supplemental Charter was granted in 2012, and that now serves as the Society's governing document. The members of its Council are elected by and from the Fellowship. Under the Charter, the Royal Society Council "shall and may have full authority, power, and faculty from time to time to draw up, constitute, ordain, make, and establish such laws, statutes, acts, ordinances, and constitutions as shall seem to them, or to the major part of them, to be good, wholesome, useful, honourable, and necessary, according to their sound discretions, for the better government, regulation, and direction of the Royal Society aforesaid, and of every Member of the same, and to do and perform all things belonging to the government, matters, goods, faculties, rents, lands, tenements, hereditaments, and affairs of the Royal Society aforesaid."

Council

The Charter specifies that Council must have between 20 and 24 members, each of whom must be a Fellow of the Society. Council determines the strategic direction of the Society and in particular approves the Society's strategic plan. Council also approves plans for specific charitable programmes on the recommendation of relevant committees, and those committees oversee activities within the programmes on behalf of Council. Council currently has 22 members.

Membership of Council

Among the members of Council are the President, who is the Chair of Council, and five Officers: the Biological Secretary, the Physical Secretary, the Foreign Secretary (a post held by two Fellows on a job-share basis), and the Treasurer. During the year, there were also 16 so-called Ordinary Members of Council. The President and the Officers normally serve five-year terms and the Ordinary Members serve three-year terms. There have been 62 Presidents of the Royal Society since it was founded in 1660. Previous Presidents of the Royal Society have included Christopher Wren, Samuel Pepys, Isaac Newton, Joseph Banks, Humphry Davy and Ernest Rutherford. Most changes in

Appointment of Officers

- 1 Nominations are sought from amongst the Fellowship.
- 2 Nominations Committee recommends a shortlist for interview to Council.
- 3 A panel consisting of Officers and Council Members, and chaired by the Chair of Nominations Committee, interviews shortlisted candidates and recommends a candidate to Council.
- 4 Council approves a candidate to recommend to the Fellowship.
- 5 The candidate's name is put to the Fellowship for ratification.

Appointment of Ordinary Members of Council

- 1 Nominations are sought annually from amongst the Fellowship.
- 2 Nominations Committee recommends a shortlist of Fellows for a ballot to Council.
- 3 Council approves a slate of 12 Fellows to be put to the Fellowship for election.
- 4 The Fellowship elects six candidates.

Governance continued

the membership of Council took place as usual on 30 November, which is the Society's Anniversary Day. New members included Professor Jon Keating FRS, who became Treasurer with effect from 11 April 2023, and Professor Sheila Rowan FRS, who became Physical Secretary with effect from 30 November 2023. The new members received an induction, which included a review of relevant documents and presentations on Trustee duties by a partner in a leading charity law practice. During the year, Council also received guidance from professional advisers on specific matters and updates on relevant developments affecting charities and Trustees.

Council delegates responsibility for the day-to-day management of the Society's affairs to the Executive Director.

Fellows are not remunerated for serving as Trustees. Council has complied with its duty to have due regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which that guidance is relevant. With a view to increasing the diversity of Officers, the Charity Commission approved the application submitted by Council to make grants to Officers' parent institutions to reimburse some of the costs that arise for them from the significant time commitment involved in Officers' roles.

Committees

The Council is supported by a number of committees and working groups to which it has delegated some of its functions. Its Standing Committees include committees that oversee key strands of the Society's work, committees that make recommendations to Council of recipients of medals and awards, and committees that assess applications for and make grant awards. All Standing Committees have terms of reference agreed by Council that set out the delegations of responsibility to that committee and a member of Council sits on most committees. The committee structure diagram on the following page illustrates the Society's committee structure by type of business and provides additional information on committees relevant to central business on finance and planning.

General Purposes Committee (GPC)

The GPC is a subcommittee of Council and its members are the President and Officers of the Society. Members of the Senior Leadership Team also attend its meetings, the first of which took place in April 2024. It may give advice to Council on areas where decisions are reserved to Council, as well as on the Society's international and development programmes.

Key business in the year

Over the last 12 months, Council has overseen a number of measures to inform strategic decision making, risk management and further strengthen governance procedures at the Royal Society.

In early 2023, the Society commissioned a consultancy to independently review the effectiveness of its governance processes and internal control mechanisms. Fieldwork included observations of key meetings, reviews of committee papers and briefings, and in-depth interviews with a sample of relevant stakeholders, including members of Council and the Committee. The consultancy presented its findings in September 2023, including a number of recommendations designed to clarify roles and responsibilities of decision-making bodies within the Society and improve oversight of key programmes of work. The review also proposed the establishment of a dedicated sub-Committee within Council to supervise the operational aspects of the Society's work, thereby creating more time to focus on matters of strategic significance. The recommendations were formally endorsed by Council when it met on 30 November 2023.

In parallel, the Royal Society has undertaken a thorough review of its risk management processes, revisiting how risks are framed, how they are prioritised and exploring the Society's overall appetite for and tolerance of risk. Workshops – facilitated by the Society's internal audit firm, Crowe LLP – were held to identify underlying causes for key risks, as well as areas where there is scope for the Society to be more ambitious in its aims. Informed by these discussions, and working closely with senior leadership, a streamlined risk register has been developed to improve the Society's ability to monitor and actively manage risk and more closely align risk discussions with its high-level strategic objectives. A topline summary of the new risk register is included on pages 53 – 55 of this report.

The Royal Society has also developed a system of quarterly reporting to regularly review progress against its strategic objectives. These reports – mirroring the structure of the Society's strategic objectives – are designed for internal stakeholders to facilitate regular conversations about performance, resource allocation and interdependencies between teams. The reports are shared across the organisation to promote understanding of how individual workstreams are contributing to the Society's long-term goals and to identify opportunities for cross-directorate collaboration.

Governance continued

Council

The Trustee body under charity law. Council has a system of committees and determines the memberships of committees, which comprise Fellows and many non-Fellows with relevant expertise. Delegations of authority by Council are explicit in the terms of reference of committees.

General Purposes Committee (GPC)

A subcommittee of Council. Its members are the President and Officers of the Society. Members of the Senior Leadership Team also attend its meetings. It may give advice to Council on areas where decisions are reserved to Council, as well as on the Society's development programmes.

Fellowship committees

The members of Council, Fellows and Foreign Members are elected by the Fellowship. Council determines the candidates for election on the advice of its Nominations Committee and sectional committees. The sectional committees span the scientific disciplines and a committee to advise on general and honorary candidates whose contributions to science are not primarily in research.

Financial, planning and subsidiary committees

Committees make recommendations to Council for approval in a range of areas, including financial planning and budgeting, the effectiveness of the Society's internal control system, external audit and financial statements, pay-related matters and trading activities.

Programme committees

There are programmes and associated committees in diversity, education, grants, industry and translation, prizes, public engagement, international, publishing, science policy and scientific meetings, among others. If they are not themselves members of Council, Chairs of these committees are invited to attend specific Council meetings to present reports.

Audit Committee

The Audit Committee oversees audit and risk management processes on behalf of Council, ensuring internal controls are robust, proportionate and that they comply with relevant regulatory frameworks. The Audit Committee regularly reviews the Society's governance systems, making recommendations to Council on financial reporting, risk management and associated matters.

Planning and Resources Committee

The Planning and Resources Committee monitors financial performance, oversees the Society's trading activities and the provision of services, and recommends the Society's financial plan and its annual budgets to Council for approval.

Investment Committee

The Society's Investment Committee advises Council on investment policy, determines investment strategy and oversees the performance of the Society's investment managers.

Remuneration Committee

The Remuneration Committee considers pay-related matters, including the remuneration of key management personnel.

Governance continued

Charity Governance Code

Council reviews its compliance with the Charity Governance Code annually and it is reported to Audit Committee each year. Many of the Code's recommended practices already apply in the Royal Society. The table below addresses these, as well as acknowledged areas for improvement.

| Principle | |
|--|--|
| Organisational purpose | <p>The Society's underlying mission – to promote excellence in science and its application for human benefit – remains relevant and is widely understood at all levels of the Society.</p> <p>The Strategic Plan for 2022 – 2027 identifies the key outcomes that the Society seeks to secure in pursuit of this mission.</p> <p>The Society will continue work to align Committees' work programmes and internal audit processes more closely with the Strategy in the coming year.</p> |
| Leadership | <p>Council agendas are designed to provide Council with the opportunity to provide high-level insights on the Society's strategic aims and planning.</p> <p>The recommendations of an independent Board Effectiveness Review, submitted to Council in November 2023, are now being implemented.</p> |
| Integrity | <p>Regular briefings are provided to Council from the Society's legal advisers on its members' duties of trustees, in general and in specific matters (for instance safeguarding).</p> <p>The Code of Conduct makes clear the Society's expectations regarding standards for Fellows' conduct and the accompanying Disciplinary Regulations detail the processes that the Society follows.</p> |
| Decision making, risk and control | <p>Council is routinely provided with opportunities to consider aspects of the Society's strategy across the range of its work.</p> <p>Standing Committees report regularly to Council on their work, seeking approval where appropriate on key decisions.</p> <p>The Society is in the midst of work to improve its risk management processes, and Council will work closely with the Society's Audit Committee to improve reporting and prioritisation.</p> |
| Board effectiveness | <p>Oversight of Council's work programme by the Officers of the Society and General Purposes Committee allows for effective planning.</p> <p>A dedicated Nominations Committee provides advice to Council on the appointment and election of new members. The Society's approach to such appointments (which are constrained by the rules set out in the Charter, which limits such appointments to Fellows of the Society) was reviewed as part of the Board Effectiveness Review and recommendations of this review are now being implemented.</p> |
| Equality, diversity and inclusion | <p>There is regular reporting to Council on the Society's relevant work programmes. The importance of these themes are highlighted in the Society's values and Code of Conduct.</p> <p>The Society publishes key diversity data regarding its work annually, and work is under way to make the information easier to engage with.</p> |
| Openness and accountability | <p>The Society conforms to key reporting requirements.</p> <p>The Officers and Executive Director meet regularly with the Fellowship in question and answer sessions to provide accountability on the Society's work programmes. Special General Meetings of the Fellowship are now fully hybrid, allowing for maximum participation, and the Society holds Fellowship Forums with Fellows across the country.</p> |

Statement of Trustees' responsibilities

The Council members (who are the Trustees of the Society) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and regulations.

Charity law requires the Council members to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Council members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Council members are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Council members. The Council members' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The current Council members, having made enquiries of fellow Council members and the charity's auditors, confirm that:

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

This report was approved by Council on 2 July 2024 and signed on their behalf by



Sir Adrian Smith

President of the Royal Society

Independent auditor's report to the Trustees of the Royal Society

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2024 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of the Royal Society ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements 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.

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity'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.

Opinion on other matter

In our opinion, in all material respects, the Core and International Science Partnerships Fund grant payments received from the Department for Science, Innovation and Technology ("DSIT") have been applied for the purposes set out in the grant letter and in accordance with the terms and conditions of the grants.

Other information

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

or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity 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.

Independent auditor's report to the Trustees of the Royal Society continued

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities, 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's 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 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management, those charged with governance and the Audit Committee; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations, we considered the significant laws and regulations to be the relevant Charities Acts and applicable accounting framework.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be relevant tax legislation, employment law, data protection and fundraising regulations. We also considered the risks of non-compliance with other requirements imposed by the Charity Commission and we considered the extent to which non-compliance might have a material effect on the Group financial statements.

Our procedures in respect of the above included:

- Reviews of minutes of meetings of Council, Audit Committee, Investment Committee and Planning and Resources Committee for any instances of non-compliance with laws and regulations;
- Reviews of any correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Reviews of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiries of management, the Audit Committee and internal audit regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Reviews of minutes of meetings of Council, Audit Committee, Investment Committee and Planning and Resources Committee for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, grant income entitlement, grant income and expenditure matching and cut-off of conferencing income.

Independent auditor's report to the Trustees of the Royal Society continued

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, including those which potentially impact remuneration and other performance targets, by agreeing to supporting documentation;
- Testing a sample of grant agreements to confirm entitlement to the income;
- Testing a sample of grant income by matching it to the validity of expenditure incurred, including a test of control for a sample of grant expenditure; and
- Assessing significant estimates made by management for bias, including assumptions related to the valuation of the defined benefit pension scheme and assumptions related to the valuation of heritage assets.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

BDO LLP, statutory auditor

Gatwick, UK

Date: 30 July 2024

BDO LLP is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

| | Notes | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|--|-------|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|---------------------------|
| Income and endowments from donations and legacies | 1 | 2,576 | 480 | – | – | 3,056 | 1,350 |
| Faraday Discovery Fellowship Fund | 1 | – | 250,000 | – | – | 250,000 | – |
| Income from charitable activities | | | | | | | |
| Grants for charitable activities | 4 | 9 | 120,212 | – | – | 120,221 | 119,211 |
| Trading in furtherance of charitable activities | 3 | 10,203 | 894 | – | – | 11,097 | 10,411 |
| | | 10,212 | 121,106 | – | – | 131,318 | 129,622 |
| Other trading activities | 3 | 25 | 40 | – | – | 65 | 65 |
| Income from investments | 2 | 1,604 | 1,708 | 1,927 | 6,602 | 11,841 | 8,735 |
| Other income | | – | 10 | – | – | 10 | 14 |
| Total income | | 14,417 | 373,344 | 1,927 | 6,602 | 396,290 | 139,786 |
| Expenditure on raising funds | 5 | 750 | 538 | 309 | 1,079 | 2,676 | 3,081 |
| Expenditure on charitable activities | 6 | | | | | | |
| Grants to fund scientific research | | 2,562 | 102,686 | – | – | 105,248 | 102,487 |
| Providing scientific advice for policy | | 2,768 | 2,995 | – | – | 5,763 | 5,342 |
| Promoting science education and engagement | | 8,155 | 2,583 | – | – | 10,738 | 9,952 |
| Supporting scientific collaboration, nationally and internationally | | 6,979 | 14,170 | – | – | 21,149 | 20,520 |
| Recognising scientific excellence | | 52 | 329 | – | – | 381 | 309 |
| | | 20,516 | 122,763 | – | – | 143,279 | 138,610 |
| Total expenditure | | 21,266 | 123,301 | 309 | 1,079 | 145,955 | 141,691 |
| Net (expenditure)/income before net gains/(losses) on investments | | (6,849) | 250,043 | 1,618 | 5,523 | 250,335 | (1,905) |
| Net gains/(losses) on investments | 17 | 3,243 | 2,647 | 4,421 | 14,905 | 25,216 | (22,171) |
| Net (expenditure)/income for the year | | (3,606) | 252,690 | 6,039 | 20,428 | 275,551 | (24,076) |
| Gross transfers between funds | 22 | 7,079 | (2,076) | (1,676) | (3,327) | – | – |
| Actuarial (losses)/gains on defined benefit pension scheme | 24 | (620) | – | – | – | (620) | 2,431 |
| Net movement in funds | | 2,853 | 250,614 | 4,363 | 17,101 | 274,931 | (21,645) |
| Total funds brought forward | | 91,308 | 39,978 | 45,168 | 158,108 | 334,562 | 356,207 |
| Total funds carried forward | | 94,161 | 290,592 | 49,531 | 175,209 | 609,493 | 334,562 |

All of the above results are derived from continuing activities. There are no other gains or losses other than those stated above.

The Consolidated Statement of Financial Activities is for the Group as a whole. The total income of the Charity for the year was £396.3m (2023: £139.8m). The Charity's total funds increased by £274.9m in the year (2023: £21.6m decrease).

The notes that follow form part of the financial statements.

Consolidated and Charity balance sheets

As at 31 March 2024

| | Notes | Group | | Charity | |
|---|-------|----------------|----------------|----------------|----------------|
| | | 2024 £'000 | 2023 £'000 | 2024 £'000 | 2023 £'000 |
| Fixed assets | | | | | |
| Tangible assets | 14B | 7,891 | 8,297 | 7,891 | 8,297 |
| Intangible assets | 14A | 1,303 | 1,261 | 1,303 | 1,261 |
| Heritage assets | 16 | 49,320 | 49,300 | 49,320 | 49,300 |
| Investments | 17 | 558,071 | 283,369 | 558,071 | 283,369 |
| | | 616,585 | 342,227 | 616,585 | 342,227 |
| Current assets | | | | | |
| Stocks | | 48 | 51 | 48 | 51 |
| Debtors: receivable within one year | 18 | 9,010 | 5,162 | 9,092 | 5,198 |
| Cash at bank and in hand | | 5,726 | 15,176 | 5,640 | 15,125 |
| | | 14,784 | 20,389 | 14,780 | 20,374 |
| Creditors: amounts falling due within one year | 19 | (22,216) | (27,530) | (22,212) | (27,515) |
| Net current liabilities | | (7,432) | (7,141) | (7,432) | (7,141) |
| Total assets less current liabilities | | 609,153 | 335,086 | 609,153 | 335,086 |
| Net assets before pension scheme liability | | 609,153 | 335,086 | 609,153 | 335,086 |
| Defined benefit pension scheme asset/(liability) | 24 | 340 | (524) | 340 | (524) |
| Total net assets | | 609,493 | 334,562 | 609,493 | 334,562 |
| Permanent endowment funds | 22 | 175,209 | 158,108 | 175,209 | 158,108 |
| Expendable endowment funds | 22 | 49,531 | 45,168 | 49,531 | 45,168 |
| Restricted funds | 22 | 290,592 | 39,978 | 290,592 | 39,978 |
| Unrestricted Funds | | | | | |
| Revaluation reserve | 22 | 47,541 | 47,541 | 47,541 | 47,541 |
| Defined benefit pension reserve | 22 | 340 | (524) | 340 | (524) |
| Unrestricted income funds | 22 | 46,280 | 44,291 | 46,280 | 44,291 |
| Total funds | | 609,493 | 334,562 | 609,493 | 334,562 |

The financial statements were approved and authorised for issue by Council on 2 July 2024 and signed on its behalf by

Professor Jon Keating FRS
Treasurer

Consolidated statement of cash flows

For the year ended 31 March 2024

| | Notes | 2024 | | Restated |
|---|-------|-----------|-----------|----------|
| | | £'000 | £'000 | 2023 |
| | | | | £'000 |
| Net cash generated by/(used in) operating activities | A | | 231,325 | (4,609) |
| Cash flows from investing activities: | | | | |
| Investment income | 2 | 259 | | 84 |
| Purchase of intangible assets | 14A | (184) | | (501) |
| Purchase of tangible fixed assets | 14B | (763) | | (666) |
| Purchase of heritage assets | 16 | (20) | | (53) |
| Additions to investment portfolio | 17 | (250,000) | | – |
| Withdrawals from investment portfolio | 17 | 9,933 | | 9,295 |
| Net cash (used in)/provided by investment activities | | | (240,775) | 8,159 |
| (Decrease)/increase in cash and cash equivalents | | | (9,450) | 3,550 |
| Cash and cash equivalents at 1 April | | | 15,176 | 11,626 |
| Cash and cash equivalents at 31 March | | | 5,726 | 15,176 |

Consolidated statement of cash flows continued

For the year ended 31 March 2024

A. Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | Notes | 2024 £'000 | 2023 £'000 |
|--|-------|----------------|---------------|
| Net income/(deficit) as per the statement of financial activities | | 275,551 | (24,076) |
| Adjustments for: | | | |
| Depreciation and amortisation charges | 14 | 1,304 | 1,206 |
| (Gains)/losses on investments | 17 | (25,216) | 22,171 |
| Investment income | 2 | (11,841) | (8,735) |
| Losses on the disposal of fixed assets | 14 | 7 | 37 |
| Investment management fees charged to portfolio | 17 | 2,163 | 2,126 |
| Decrease/(increase) in stocks | | 3 | (14) |
| Increase in debtors | 18 | (3,848) | (2,105) |
| (Decrease)/increase in creditors | 19 | (5,314) | 6,130 |
| Difference between pension charge and cash contributions | 24 | (1,484) | (1,349) |
| Net cash generated by/(used in) operating activities | | 231,325 | (4,609) |

B. Analysis of changes in net debt

| | Balances at 1 April 2023 £'000 | Cash flows £'000 | Balances at 31 March 2024 £'000 |
|---------------------------|---|---------------------|--|
| Cash and cash equivalents | 15,176 | (9,450) | 5,726 |
| Total | 15,176 | (9,450) | 5,726 |

The Society transitioned to a new investment manager in the year and the presentation of cash inflows and outflows relating to investment income, additions and disposals in the consolidated statement of cash flows was reviewed. The consolidated statement of cash flows for the year ended 31 March 2024 does not include investment income, purchases and proceeds where the resulting cash flows do not pass through the Society's bank accounts; the recognition of investment income, sales and purchases is limited to recognising additions to or withdrawals from the investment portfolio.

In prior years, the consolidated statement of cash flows presented all movements within the investment portfolio, not only movements in and out of the portfolio that impacted cash and cash equivalents. The consolidated statement of cash flows for the year ended 31 March 2023 has been restated to remove transactions that did not impact the Society's cash and cash equivalents, reducing reported investment income, purchases and proceeds.

These restatements do not impact fixed or current asset investment balances, total or individual funds or net income/(expenditure), therefore no adjustment is required in respect of earlier years. The prior year restatement schedule is disclosed in Note 29.

Accounting policies

For the year ended 31 March 2024

The principal accounting policies adopted in the preparation of these financial statements are as follows.

Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (FRS 102) and with the Statement of Recommended Practice: Accounting and Reporting by Charities FRS 102 as revised in 2019 (the SORP 2019 2nd Edition) together with the reporting requirements of the Charities Act 2011.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The accounts have been prepared on a going concern basis. This conclusion has been reached after careful consideration of reserves levels, future forecasts and changes in external factors. The Society manages uncertainties through risk management processes with mitigations in place for key risk areas, and has a robust reserves position and availability of liquid assets in cash at bank and in hand and as liquid assets within the investment portfolio. The Royal Society (the Society) is a Public Benefit Entity as defined by FRS 102. The accounting policies have been applied consistently throughout the financial statements and the prior year.

Royal Society Trading Limited, a trading subsidiary of the Royal Society, was dormant in the year.

Basis of consolidation

These financial statements consolidate the results of the Royal Society and its active wholly owned subsidiary, Royal Society (London) Ltd, on a line-by-line basis. In the consolidated financial statements uniform accounting policies have been used. A separate statement of financial activities for the Charity itself is not presented.

Cash flow statement

The Society meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to presentation of a cash flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group’s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Judgements, estimates and associated assumptions are reviewed on an ongoing basis and are based on historical experience and other factors that are considered to be relevant, including

expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements relate to the accounting treatment of the multi-employer defined benefit scheme. Critical accounting estimates and assumptions relate to the defined benefit pension scheme and the valuation of heritage assets.

Multi-employer defined benefit scheme

Certain employees participated in the USS multi-employer defined benefit scheme. The final active member of the USS multi-employer pension scheme left the Society in the prior year. The Society was required to either enrol a member into the USS multi-employer pension scheme or pay the Section 75 debt. As at 31 March 2023, the Society could not reliably estimate the liability and a decision had not been made as to whether a member would be enrolled in the USS multi-employer pension scheme therefore it was a possible but uncertain obligation. The latest estimate of the value of the debt as at 31 March 2022 was £1.4 million and this was disclosed as a contingent liability in Note 20 of the financial statements for year ended 31 March 2023. The Society settled the debt at £647,000 on 2 November 2023. This has been recognised as expenditure in the year.

Defined benefit pension scheme

The cost of the defined benefit pension scheme and the present value of the scheme surplus or liability depend on a number of factors, including assumptions about inflation, discount rates and mortality, which are taken by actuarial specialists. The valuation of the scheme is particularly sensitive to discount rate assumptions, with a 0.1% movement in the discount rate resulting in a £0.6 million change in the value of the scheme liabilities. The Scheme surplus is recognised as an asset as at 31 March 2024 because the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Impairment of heritage assets

Heritage assets held at valuation, cost or deemed cost at the date of transition to FRS 102 totalled £49.3 million at 31 March 2024 (2023: £49.3 million). In 2022, a rolling schedule of valuations per asset class was agreed. In 2022, printed books were valued and the archives were valued in 2023. There were no indicators of impairment identified as a result of these reviews.

The last detailed impairment assessment of the pictures, sculptures and other works of art, and other artefacts was last performed in 2015. The valuation assumes that since 2015: (a) the physical condition of the assets has not deteriorated; and (b) there have not been any significant changes in the markets of these assets.

Accounting policies continued

For the year ended 31 March 2024

A review of the indicators of impairment is undertaken annually and should this review identify any indicators, then a detailed impairment assessment would be undertaken. No impairment was required as a result of this review.

Income

Income is accrued and recognised when conditions on entitlement are met, receipt can be quantified reliably and is probable.

Donations and legacies

Donated goods and services are included at the value to the Society where these can be quantified. No amounts are included in these financial statements for the services donated by volunteers or Fellows.

Donations are accounted for on a receivable basis where receipt is probable and there is entitlement to the income. Donations include Gift Aid based on amounts receivable at the accounting date.

Legacy income is recognised on a receivable basis when there is sufficient evidence to assess that receipt is probable and receipt can be quantified reliably. Receipt of a legacy, in whole or in part, is only considered probable when the charity has been notified of the executor's intention to make a contribution.

Fellows' annual contributions are recognised in the year in which they become due.

Grants for charitable activities

Grants are recognised when all conditions for receipt are met. Where donor-imposed restrictions apply to the timing of the related expenditure as a precondition of its use, the grant is treated as deferred income until those restrictions are met. Grants received for specific purposes are accounted for as restricted funds.

Income from trading activities

Income from conferencing activities is recognised when the event takes place. Income from publishing activities is recognised when the publication or service is provided. Income for the sales of subscriptions, package subscriptions and consortium deals is recognised evenly over the period of the subscription or service.

Income from investments

Investment income and interest on deposits is recognised on an accruals basis. Investment income arising on endowment funds is credited to the appropriate fund in accordance with the prescribed conditions.

Expenditure

Expenditure, including irrecoverable VAT, is accounted for on an accruals basis. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Support costs, which cannot be directly attributed to a particular activity, are apportioned based on the costs of staff engaged in direct activities.

Expenditure on raising funds

Costs of raising funds include those costs incurred in raising donations and legacies.

Expenditure on charitable activities

Charitable expenditure includes all expenditure incurred on grants awarded and on other schemes run in pursuance of the Society's objectives under its Charter, including Fellowship activities and primary purpose trading.

The direct costs of supporting these activities, including staff and other overhead costs, are separately analysed and shown as support costs under this heading.

Grants are recognised as a liability when the Society formally notifies the recipient of the award. Due to the nature of the funding source for the majority of grant awards, the liability is measured as the total of expected payments for the period to the next confirmation of income due. Payments due in future periods are disclosed as grant commitments. Any termination liabilities are recognised when a decision to cease the grant is made. Liabilities for

awards, where more than one year of expected payments are provided at the outset, are discounted to current value using a rate equivalent to the opportunity cost from investments foregone.

Leased assets

Rentals payable under operating leases are charged to the statement of financial activities evenly over the term of the lease.

Tangible fixed assets

Tangible fixed assets are capitalised at cost, including purchase price and any other costs of bringing the asset into working condition for its intended use. The Society only capitalises items costing more than £5,000. Batches of items below this threshold are capitalised if forming part of a larger asset or project and together cost more than £5,000. Depreciation is provided on all assets, excluding freehold land and assets under development, to write off the cost of tangible fixed assets on a straight-line basis over their expected useful lives as follows:

- Leasehold improvements:
20 – 30 years
- Leasehold fixtures and fittings:
3 – 10 years
- Computers and AV equipment:
3 – 5 years
- Other equipment:
10 – 20 years

On completion, assets under development are transferred to the relevant category and depreciated.

Accounting policies continued

For the year ended 31 March 2024

Intangible assets

Intangible assets consist of computer software, which is not an integral part of its related hardware, and digital archives. Intangible assets are capitalised at cost, including the purchase price of computer software licences and any other costs directly attributable to bringing the software and digital archives into use, such as configuration or implementation costs. Software development costs are recognised as an intangible asset when all of the conditions of FRS 102 are met. Software as a service, related costs and subscription licences are not capitalised.

The Society only capitalises items costing more than £5,000. Batches of items below this threshold are capitalised if forming part of a larger asset or project and together cost more than £5,000.

Intangible assets are measured at cost less accumulated amortisation and any impairment losses.

Amortisation is charged to write off the cost of the intangible asset on a straight-line basis over their expected useful lives as follows:

- CRM software: 5 years
- Digital archives: 20 years

Heritage assets

Heritage assets comprise:

- printed books;
- archives;
- pictures, sculptures and other works of art; and
- other artefacts.

Printed books and archives are included on the balance sheet at deemed cost using a valuation performed in 2003. Pictures, sculptures and other works of art, and other artefacts are included on the balance sheet on a valuation basis based on a valuation conducted by Weller King, fine art dealers, in 2004 and 2015. Impairment reviews of these collections are undertaken every 5 – 10 years and when changes in circumstances indicate. A review of indicators of impairment is undertaken annually. The value of heritage assets is adjusted where the Trustees consider there to be a material impairment on the values compared to those stated.

In 2022, a rolling schedule of valuations per asset class was agreed. In 2022, printed books were valued and the archives were valued in 2023. There were no indicators of impairment identified in these reviews and the recent valuations were significantly in excess of the deemed cost included on the balance sheet.

Additions to heritage assets are made by purchase or donation. Purchases are initially recorded at cost and donations are recorded at a fair value where practicable.

The Society holds and maintains these assets principally for their contribution to knowledge and culture in line with its charitable aims.

The Trustees do not consider that a reliable estimate of the fair value can be obtained for a large part of the archives collection without incurring costs that would exceed the benefits provided. The Society was founded in 1660 and the collection has been built up throughout its existence and the number of assets held in the collection is extensive and diverse in nature. Reliable and relevant information on the cost of many of the assets is therefore not readily available and there is a lack of comparable market values. As such, these assets are not recognised in the accounts.

Investments

Listed investments are held at fair value. Unlisted investments are held at cost as an approximation to fair value where the fair value is not obtainable. Private equity investments are valued at fair value based on the latest information from the fund managers. Realised gains and losses on investments sold in the year and unrealised gains and losses on revaluation of investments are included in the statement of financial activities.

Investment management fees are allocated proportionally against the funds under investment.

The Enterprise Fund is accounted for as a social investment, owing to the dual benefits expected to be received.

The investments in subsidiary undertakings are held at cost on the Society-only balance sheet.

Total return accounting

The Society adopts the use of total return in relation to its permanent and expendable endowments with the exception of the Theo Murphy Australia Fund. Income from the endowments and investment gains and losses are recognised in the endowment column of the statement of financial activities. Unapplied total return that is allocated to income funds is presented as an allocation between endowment funds and income funds as a transfer on the face of the statement of financial activities.

The amount of any unapplied total return fund is included as part of the relevant endowment together with the value of the trust for investment on the balance sheet.

The Trustees' policy is to distribute up to 4% of the rolling five-year average capital value of the fund. In determining that the Charity should adopt a total return approach, the Trustees considered the Charities (Total Return) Regulations 2013 and received advice from Stone King LLP and Cazenove Capital Investment managers.

The core endowment represents the part of the assets that the Trustees seek to maintain in real terms. It is based on the value of the endowments at 31 March 2012, together with an allowance for inflation (UK consumer price index (CPI) as determined by the Office for National Statistics).

Accounting policies continued

For the year ended 31 March 2024

Impairment of fixed assets

Tangible fixed assets, intangible assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value.

Investments held at cost are reviewed annually for impairment. Any impairment is recognised in the corresponding statement of financial activities category in the year in which it occurs.

Heritage assets are reviewed for indicators of impairment at the end of each reporting period to ensure that the carrying value reflects their carrying amounts.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate at the date of the transaction. Assets and liabilities in foreign currency are translated into sterling at the exchange rate at the balance sheet date. Resulting gains or losses are included in the statement of financial activities.

Financial instruments

The Society has financial assets and financial liabilities of a kind that qualify as basic. Basic financial instruments are initially recognised at transaction value and are subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents are cash at bank and in hand as shown in the balance sheet. Cash held by Fund Managers in discretionary mandates is excluded from cash and included within Fixed Asset Investments.

Fund accounting

Restricted funds can only be used for particular purposes specified or agreed by the donor. Permanent endowment funds are funds where the capital must be retained and invested. Expendable endowment funds are funds that must be invested to produce income. Unrestricted funds may be used for any purpose in the furtherance of the general objectives of the charity.

Pension costs

Defined benefit pension scheme assets are measured at fair value and liabilities on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the Scheme liabilities. The actuarial valuations are obtained triennially and updated under FRS 102 rules at each balance sheet date. Any surplus or deficit is shown in the balance sheet as an asset or liability.

The charge to the statement of financial activities is calculated so as to spread the cost of pensions over employees' working lives with the Society. The charge comprises the administration costs of running the scheme, the current service

cost computed by the actuary under FRS 102 and gains and losses on settlements and curtailments. Past service costs or credits are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest on the assets and liabilities for the period is shown as a net amount of other finance costs or credits charged or credited to the statement of financial activities. Actuarial gains and losses are recognised immediately under the description 'Actuarial (losses)/gains on defined benefit pension scheme'.

Multi-employer schemes are accounted for as defined contribution schemes as it is not possible to identify the Society's share of the underlying assets and liabilities on a reasonable and consistent basis. Contributions payable relating to funding of the deficit are included as a liability on the balance sheet and charged to the statement of financial activities.

The amounts charged to the statement of financial activities for defined contribution pension schemes represent the employer's contributions payable in the year. The method for the allocation of pension costs between funds is to allocate on a pro rata basis using departmental salary costs as a base.

Contingent liabilities

A contingent liability is either a possible but uncertain obligation or a present obligation that is not recognised. Contingent liabilities are disclosed in the financial statements when the following circumstances arise:

- A past event gives the Society a possible obligation, the existence of which will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the Society's control; and
- A provision would otherwise be made but either it is not probable that an outflow of resource will be required, or the amount of the obligation cannot be measured reliably.

Termination benefits

Termination benefits are payable when employment is terminated by the Society, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The amounts charged to the statement of financial activities represent the best estimate of the expenditure required to settle the obligation at the balance sheet date.

Accounting policies continued

For the year ended 31 March 2024

Taxation

The Society is a charity within the meaning of Paragraph 1 Schedule 6 of the Finance Act 2010. Accordingly, the Society is exempt from income and corporation taxes on income and gains to the extent that they are applied to charitable purposes. The trading subsidiaries do not generally pay UK corporation tax because their policy is to pay taxable profits to the Society as Gift Aid.

Prior year comparatives

In accordance with FRS 102, prior year comparative figures can be found as follows:

- Consolidated statement of financial activities – Note 26;
- Analysis of net assets between funds – Note 27;
- Movement on trust and specific funds in year – Note 28.

Notes to the financial statements

For the year ended 31 March 2024

1 Income and endowments from donations and legacies

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|------------------------------------|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|---------------------------|
| Gifts and donations | 42 | 99 | – | – | 141 | 502 |
| Legacies | 2,268 | 381 | – | – | 2,649 | 614 |
| Fellows' contributions | 266 | – | – | – | 266 | 234 |
| | 2,576 | 480 | – | – | 3,056 | 1,350 |
| Faraday Discovery Fellowship Fund* | – | 250,000 | – | – | 250,000 | – |
| Total | 2,576 | 250,480 | – | – | 253,056 | 1,350 |

* During the year, the Society received £250.0 million from DSIT to deliver a new mid-career Fellowship. The new Fellowships will be called the Royal Society Faraday Discovery Fellowships and will be made on the basis of scientific excellence. It is anticipated that there will be at least 32 awards in total and the fund, including any interest earned, will be disbursed in full by the end of the 20-year period from when funding was received.

2 Income from investments

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|------------------------|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|---------------------------|
| Dividends and interest | 1,401 | 1,693 | 1,927 | 6,602 | 11,623 | 8,669 |
| Bank deposit interest | 203 | 15 | – | – | 218 | 66 |
| Total | 1,604 | 1,708 | 1,927 | 6,602 | 11,841 | 8,735 |

3 Trading

| | External income £'000 | Recharged internal lettings £'000 | Gross expenditure £'000 | 2024 Net surplus £'000 | 2023 Net surplus £'000 |
|--|--------------------------|--------------------------------------|----------------------------|---------------------------|---------------------------|
| Trading activities through subsidiary companies | | | | | |
| Sponsorships | 65 | – | (4) | 61 | 58 |
| Trading in furtherance of charitable activities | | | | | |
| Publishing | 7,437 | – | (3,444) | 3,993 | 3,809 |
| Conferencing activities in furtherance of objectives – Carlton House Terrace | 2,722 | 1,893 | (3,107) | 1,508 | 990 |
| Other | 938 | – | – | 938 | 694 |
| | 11,097 | 1,893 | (6,551) | 6,439 | 5,493 |
| Total | 11,162 | 1,893 | (6,555) | 6,500 | 5,551 |

The costs of the Society's publishing operation and the costs associated with the lettings in furtherance of charitable objects are included in 'Promoting science education and engagement' and 'Supporting scientific collaboration, nationally and internationally' respectively on the face of the statement of financial activities. The costs of trading through subsidiary companies are included in expenditure on raising funds.

The Society was exempt from income tax, corporation tax and capital gains tax on income derived from its primary purpose trading and charitable activities.

Notes to the financial statements continued

For the year ended 31 March 2024

4 Grants for charitable activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|--|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|---------------------------|
| From Government and other public bodies | | | | | | |
| Core grant from Department for Science, Innovation and Technology (DSIT) | – | 110,235 | – | – | 110,235 | 108,435 |
| DSIT International Science Partnership Fund | – | 2,201 | – | – | 2,201 | – |
| DSIT Pioneer Fund (formerly disclosed separately as DSIT Long-Term Talent Schemes and DSIT Transitional Funding) | – | 368 | – | – | 368 | 135 |
| DSIT Newton Fund | – | (672) | – | – | (672) | 87 |
| DSIT Global Challenges Research Fund | – | (89) | – | – | (89) | 3,620 |
| Foreign Commonwealth Development Office (FCDO) | – | (6) | – | – | (6) | (304) |
| Other grants from government and public bodies | – | 723 | – | – | 723 | 556 |
| From other external bodies | | | | | | |
| Contribution to charitable activities | 9 | 7,452 | – | – | 7,461 | 6,682 |
| Total | 9 | 120,212 | – | – | 120,221 | 119,211 |

Details of the income to and movement of individual funds are disclosed in Note 22.

5 Expenditure on raising funds

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|--------------------------------|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|---------------------------|
| Direct costs of raising funds | 259 | – | – | – | 259 | 480 |
| Support costs on raising funds | 246 | 5 | – | – | 251 | 468 |
| Cost of trading | 4 | – | – | – | 4 | 7 |
| Investment management fees | 241 | 533 | 309 | 1,079 | 2,162 | 2,126 |
| Total | 750 | 538 | 309 | 1,079 | 2,676 | 3,081 |

6 Expenditure on charitable activities

| | Staff costs £'000 | Grant costs £'000 (Note 9) | Other direct costs £'000 | Support costs £'000 (Note 7) | 2024 Total £'000 | 2023 Total £'000 |
|---|----------------------|----------------------------------|-----------------------------|------------------------------------|---------------------|---------------------|
| Charitable activities | | | | | | |
| Grants to fund scientific research | 2,410 | 99,766 | 678 | 2,394 | 105,248 | 102,487 |
| Providing scientific advice for policy | 2,437 | – | 538 | 2,788 | 5,763 | 5,342 |
| Promoting science education and engagement | 3,148 | 832 | 3,138 | 3,620 | 10,738 | 9,952 |
| Supporting scientific collaboration, nationally and internationally | 3,552 | 9,307 | 4,381 | 3,909 | 21,149 | 20,520 |
| Recognising scientific excellence | – | 275 | 82 | 24 | 381 | 309 |
| Total | 11,547 | 110,180 | 8,817 | 12,735 | 143,279 | 138,610 |

Notes to the financial statements continued

For the year ended 31 March 2024

7 Support costs

| | Media relations and public engagement £'000 | Facilities and building management £'000 | Support services £'000 | Governance £'000 | 2024 Total £'000 | 2023 Total £'000 |
|---|--|---|---------------------------|---------------------|------------------------|------------------------|
| Support costs on raising funds | 21 | 69 | 112 | 49 | 251 | 468 |
| Charitable activities | | | | | | |
| Grants to fund scientific research | 205 | 657 | 1,068 | 464 | 2,394 | 2,426 |
| Providing scientific advice for policy | 239 | 765 | 1,244 | 540 | 2,788 | 2,477 |
| Promoting science education and engagement | 310 | 993 | 1,615 | 702 | 3,620 | 3,206 |
| Supporting scientific collaboration, nationally and internationally | 335 | 1,072 | 1,744 | 758 | 3,909 | 2,824 |
| Recognising scientific excellence | 2 | 6 | 11 | 5 | 24 | 4 |
| | 1,091 | 3,493 | 5,682 | 2,469 | 12,735 | 10,937 |
| Total | 1,112 | 3,562 | 5,794 | 2,518 | 12,986 | 11,405 |

Facilities and building management comprises the rent and running costs (maintenance, insurance, cleaning and security) of Carlton House Terrace.

Support services comprises finance, IT, HR and pension costs.

Support costs are allocated on a pro rata basis using departmental salary costs as a base.

8 Staff costs

| | 2024 £'000 | 2023 £'000 |
|-----------------------|---------------|---------------|
| Costs by type | | |
| Salaries | 14,339 | 12,154 |
| Social Security costs | 1,438 | 1,291 |
| Pension costs | 1,720 | 1,238 |
| Total | 17,497 | 14,683 |

As required by FRS 102, included in 2024 staff costs is an amount of £350,000 (2023: £326,000) relating to holiday pay owed to staff at 31 March 2024.

Pension costs include employer contributions to two Royal Society pension schemes, a defined contribution scheme and a defined benefit scheme, and the Universities Superannuation Scheme (USS) pension scheme as follows:

- The Royal Society Group Personal Pension Plan (defined contribution): £928,000 (2023: £716,000)
- The Pension and Life Assurance Plan of the Royal Society (defined benefit): £408,000 (2023: £337,000)
- USS: £nil (2023: £27,000)

Notes to the financial statements continued

For the year ended 31 March 2024

8 Staff costs continued

The following numbers of employees of the Royal Society earning £60,000 per annum or more received total emoluments within the bands shown:

| | 2024 | 2023 |
|---------------------|------|------|
| £60,001 – £70,000 | 14 | 16 |
| £70,001 – £80,000 | 11 | 7 |
| £80,001 – £90,000 | 4 | 2 |
| £90,001 – £100,000 | 2 | 1 |
| £100,001 – £110,000 | 1 | 3 |
| £110,001 – £120,000 | 1 | 3 |
| £120,001 – £130,000 | 3 | 1 |
| £130,001 – £140,000 | 2 | 1 |
| £140,001 – £150,000 | – | 1 |
| £150,001 – £160,000 | 1 | – |
| £160,001 – £170,000 | – | 2 |
| £170,001 – £180,000 | 2 | – |
| £390,001 – £400,000 | – | 1 |
| £420,001 – £430,000 | 1 | – |

The 14 key management personnel of the Royal Society (2023: 13) received total remuneration of £2,226,000, including employer's NIC (2023: £1,998,000).

The average number of employees, analysed by function, was:

| | 2024 | 2023 |
|--------------------------------------|------------|------------|
| Expenditure on raising funds | 3 | 6 |
| Expenditure on charitable activities | 193 | 167 |
| Support (including governance) | 70 | 61 |
| Total | 266 | 234 |

The average full-time equivalent was 261 (2023: 230).

Termination payments made in the year totalled £121,000 (2023: £nil).

Notes to the financial statements continued

For the year ended 31 March 2024

9 Grants

| | Grants to institutions £'000 | Grants to individuals £'000 | 2024 Total £'000 | 2023 Total £'000 |
|--|------------------------------------|-----------------------------------|------------------------|------------------------|
| Fellowships | | | | |
| University Research Fellowships | – | 59,491 | 59,491 | 60,523 |
| Royal Society Research Professorships | – | 21,216 | 21,216 | 19,506 |
| Dorothy Hodgkin Fellowships | – | 9,078 | 9,078 | 8,537 |
| Newton International Fellowships | – | 6,157 | 6,157 | 4,151 |
| FLAIR Fellowships | – | (259) | (259) | (54) |
| Sir Henry Dale Fellowships | – | 2,913 | 2,913 | 4,054 |
| International Collaboration Awards | – | 1,468 | 1,468 | 2,033 |
| Newton Advanced Fellowships | – | (699) | (699) | (642) |
| Challenge Grants | – | (323) | (323) | (59) |
| Wolfson Research Merit Award | (42) | – | (42) | 504 |
| Industry Fellowships | – | 1,680 | 1,680 | 1,697 |
| Royal Society Wolfson Fellowship and Wolfson Visiting Fellowship | 3,090 | – | 3,090 | 3,345 |
| Leverhulme Trust Senior Research Fellowships | – | 376 | 376 | 350 |
| International Fellowship Grants | – | 301 | 301 | 316 |
| Professorship of Public Engagement | – | 27 | 27 | 27 |
| Education Schemes | | | | |
| Partnership grants scheme | 398 | – | 398 | 235 |
| Education Research Fellowships | – | 5 | 5 | – |
| Other education grants | – | 233 | 233 | 41 |
| Other Grant Programmes | | | | |
| FCDO Africa Capacity Building Initiative | – | (6) | (6) | (438) |
| International Exchanges | – | 2,699 | 2,699 | 2,864 |
| Entrepreneur in Residence | – | 916 | 916 | 815 |
| APEX Awards | – | 480 | 480 | 745 |
| Commonwealth Science Conference | – | – | – | (3) |
| Australian Academy of Science Think Tank | – | 285 | 285 | 154 |
| Paul Instrument Fund | – | – | – | 8 |
| Awards and prizes | – | 474 | 474 | 201 |
| Newton International Exchanges | – | (53) | (53) | (120) |
| Polish Academy of Sciences | – | 167 | 167 | – |
| Foundation for Science and Technology | – | 42 | 42 | – |
| Other | – | 66 | 66 | 58 |
| Total | 3,446 | 106,734 | 110,180 | 108,848 |

Notes to the financial statements continued

For the year ended 31 March 2024

9 Grants continued

Recipients of institutional grants

| | 2024 Number | 2023 Number | 2024 Total £'000 | 2023 Total £'000 |
|---------------------------------------|----------------|----------------|------------------------|------------------------|
| University of Cambridge | 11 | 11 | 461 | 331 |
| University of Edinburgh | 7 | 9 | 280 | 331 |
| University of Bristol | 9 | 11 | 277 | 322 |
| University College London (UCL) | 8 | 9 | 256 | 245 |
| University of Birmingham | 6 | 7 | 225 | 195 |
| University of Glasgow | 6 | 8 | 162 | 291 |
| University of East Anglia | 2 | 2 | 154 | 136 |
| Imperial College London | 13 | 10 | 120 | 328 |
| University of Warwick | 2 | 5 | 102 | 79 |
| University of Nottingham | 3 | 4 | 101 | 110 |
| The Francis Crick Institute | 2 | 2 | 74 | 188 |
| University of Exeter | 1 | 1 | 74 | 14 |
| Nottingham Trent University | 2 | 2 | 73 | 84 |
| Plymouth Marine Laboratory | 1 | – | 64 | – |
| University of Manchester | 3 | 3 | 63 | 115 |
| Durham University | 3 | 4 | 57 | 57 |
| King's College London | 2 | 3 | 51 | 74 |
| Heriot-Watt University | 1 | – | 51 | – |
| University of Dundee | 1 | 2 | 49 | 15 |
| University of Oxford | 6 | 4 | 48 | 51 |
| Brunel University London | 1 | 1 | 48 | 49 |
| University of Leicester | 2 | 3 | 46 | 102 |
| University of Salford | 1 | – | 39 | – |
| University of Liverpool | 2 | 1 | 39 | 27 |
| University of Southampton | 3 | 3 | 37 | 90 |
| Liverpool School of Tropical Medicine | 2 | 2 | 37 | 77 |
| University of Leeds | 3 | 3 | 34 | 85 |
| University of York | 3 | 2 | 29 | 32 |
| Cardiff University | 2 | – | 25 | – |
| University of Bath | 1 | 4 | 22 | 37 |
| Queen's University Belfast | 1 | 1 | 22 | 40 |
| University of Sussex | 1 | 2 | 22 | 75 |
| Swansea University | 1 | 2 | 17 | 63 |

Notes to the financial statements continued

For the year ended 31 March 2024

9 Grants continued

| | 2024 Number | 2023 Number | 2024 Total £'000 | 2023 Total £'000 |
|--|----------------|----------------|------------------------|------------------------|
| Diamond Light Source Ltd | 1 | 1 | 12 | 43 |
| University of St Andrews | 1 | 1 | 12 | 22 |
| University of Northumbria at Newcastle | 1 | 1 | 5 | 57 |
| Queen Mary University of London | – | 1 | – | 8 |
| Newcastle University | – | 1 | – | 1 |
| University of Portsmouth | 1 | 1 | (21) | 47 |
| Aberystwyth University | 1 | – | (70) | – |
| Other organisations | 89 | 90 | 349 | 263 |
| Total | 206 | 217 | 3,446 | 4,084 |

Grants are generally awarded to particular individuals, although the actual award is made to the host organisation.

Details of individual grants awarded during the year analysed by organisation are available from the finance department on request.

10 Reconciliation of grants payable

| | 2024 Total £'000 | 2023 Total £'000 |
|--------------------------------|------------------------|------------------------|
| Liability at 1 April | 10,379 | 8,014 |
| New grants awarded in year | 115,821 | 113,491 |
| Grants paid in year | (113,967) | (106,482) |
| Grants refunded to the Society | (5,641) | (4,644) |
| Liability at 31 March | 6,592 | 10,379 |

All grants payable fall due within one year.

Notes to the financial statements continued

For the year ended 31 March 2024

11 Payments to Trustees and related party transactions

| | 2024 Total £'000 | 2023 Total £'000 |
|----------------------------------|------------------------|------------------------|
| Expenses: travel and subsistence | 139 | 93 |

No Trustees received remuneration from the Society in the year (2023: nil). Expenses were reimbursed to or paid on behalf of 20 Trustees (2023: 16 Trustees).

Indemnity insurance

With the consent of the Charity Commission, the Society has taken out Trustees' indemnity insurance. The cost of this insurance for the year was £11,000 (2023: £14,000). No claims have been made under this policy.

Grants and awards

Professor Stephen Barnett FRS is an award holder of Royal Society Research Professorships grant. The total value of the award is £1,236,000. This was awarded and taken up in 2021/22. A payment of £286,000 was made to the University of Glasgow in 2023/24 in respect of this award.

Professor Gideon Davies FRS is an award holder of Royal Society Research Professorships grant. The total value of the award is £975,000. This was awarded and taken up in 2021/22. A payment of £213,000 was made to the University of York in 2023/24 in respect of this award.

Professor Jennifer Thomas FRS is an award holder of Royal Society Research Professorships grant. The total value of the award is £1,474,000. This was awarded and taken up in 2020. A payment of £254,000 was made to University College London in 2023/24 in respect of this award.

Professor David Baulcombe FRS is a collaborator on a University Research Fellowship grant. The total value of the award is £1,065,000. This was awarded and taken up in 2020/21. A payment of £209,000 was made to the University of Cambridge in 2023/24 in respect of this award.

Other

Sir Adrian Smith, President of the Royal Society, has use of the President's flat at Carlton House Terrace. The value of this benefit in kind is deemed to be £13,259.09 per year.

Sir Adrian Smith's wife, Lucy Heller, is Chief Executive Officer of ARK, an educational charity. During the 2023/24 financial year, ARK held one event (2023: three) at the Royal Society and paid the Royal Society a total of £4,000 (2023: £6,000) for these events.

Dame Julie Maxton, Executive Director of The Royal Society, is a Trustee Board member of The Foundation for Science and Technology (FST). The Royal Society provides an annual grant to FST to support its activities. The grant paid this year was £42,000 (2023: £36,500). FST holds regular stakeholder events in the Royal Society's premises and pays for the venue hire. During the 2023/24 financial year, FST paid the Royal Society total of £78,000 for these events (2023: £88,000). During the year, Dame Julie Maxton hosted a private lunch at the Royal Society and paid £762.48 for the event.

With a view to increasing the diversity of Officers, the Charity Commission approved the application submitted by Council to make grants to Officers' parent institutions to reimburse some of the costs that arise from the significant time commitment involved in Officers' roles. The grants paid this year totalled £151,000 (2023: £200,000). The term of Officers is not aligned to the Society's financial year and payments are paid pro-rata to the time served in the year. In the year, grants were paid to three institutions (2023: two).

Related party transactions

The Royal Society had two wholly owned trading subsidiaries during the year, Royal Society Trading Limited (registered number 06967016) and Royal Society (London) Ltd (registered number 08808518).

Details of transactions with these subsidiaries are set out in Note 25.

Notes to the financial statements continued

For the year ended 31 March 2024

12 Total expenditure include the following amounts:

| | 2024 Total £'000 | 2023 Total £'000 |
|--|------------------------|------------------------|
| Operating lease rentals | | |
| Plant and machinery | 86 | 77 |
| Property | 490 | 490 |
| | 576 | 567 |
| Fees payable to the Charity's auditors for: | | |
| The audit of the Charity and Group accounts | 93 | 75 |
| The audit of the Charity's subsidiaries accounts pursuant to legislation | 2 | 4 |
| Tax returns of the Charity and trading subsidiaries | 7 | 6 |
| Total auditor's remuneration | 102 | 85 |
| Charges on owned assets | | |
| Depreciation and amortisation | 1,304 | 1,206 |
| | 1,304 | 1,206 |

Notes to the financial statements continued

For the year ended 31 March 2024

13 Financial memoranda

Income and expenditure relating to government grants during the year was as follows:

| | 2024 Income/ (refund) £'000 | 2024 (Expenditure)/ refund £'000 | 2024 Net £'000 | 2023 Income/ (refund) £'000 | 2023 (Expenditure)/ refund £'000 | 2023 Net £'000 |
|---|--------------------------------------|---|----------------------|--------------------------------------|---|----------------------|
| Department for Science, Innovation and Technology – Core grant | 110,235 | (110,235) | – | 108,435 | (108,435) | – |
| Department for Science, Innovation and Technology – Pioneer Fund programme (formerly disclosed separately as DSIT Long-Term Talent Schemes and DSIT Transitional Funding) | 368 | (368) | – | 135 | (135) | – |
| Department for Science, Innovation and Technology – International Science Partnerships Fund | 2,201 | (2,201) | – | – | – | – |
| Department for Science, Innovation and Technology – Global Challenges Research Fund | (89) | 89 | – | 3,620 | (3,620) | – |
| Department for Science, Innovation and Technology – Newton Fund | (672) | 672 | – | 88 | (88) | – |
| Foreign, Commonwealth and Development Office grant | (6) | 6 | – | (304) | 304 | – |
| Home Office Shared Service Centre | 681 | (681) | – | 556 | (556) | – |

Notes to the financial statements continued

For the year ended 31 March 2024

14 Intangible and tangible fixed assets

14A Intangible assets

Group and Charity

| | Software £'000 | Digital archives £'000 | 2024 £'000 | 2023 £'000 |
|--|-------------------|------------------------------|---------------|---------------|
| Cost | | | | |
| At 1 April | 392 | 1,199 | 1,591 | 334 |
| Additions | 88 | 96 | 184 | 501 |
| Transfers | – | 10 | 10 | 756 |
| At 31 March | 480 | 1,305 | 1,785 | 1,591 |
| Accumulated amortisation | | | | |
| At 1 April | 149 | 181 | 330 | 78 |
| Charge for year | 80 | 62 | 142 | 119 |
| Transfers | – | 10 | 10 | 133 |
| At 31 March | 229 | 253 | 482 | 330 |
| Net book value at 31 March 2024 | 251 | 1,052 | 1,303 | – |
| Net book value at 31 March 2023 | – | – | – | 1,261 |

A customer relationship management (CRM) system was completed and went live during 2020/21. The asset costs were reviewed and they met the criteria of an intangible asset. The CRM system continues to be developed and improved, with costs incurred during this process being capitalised.

Costs relating to the digitisation of the Royal Society's archives were deemed to have met the criteria of an intangible asset. The digital archives continues to be developed and expanded, with costs incurred during this process being capitalised.

Amortisation of intangible fixed assets is included within the expenditure on charitable activities in Note 6.

The Royal Society was contractually committed to spending £23,000 on the acquisition of intangible assets as at 31 March 2024 (2023: £nil).

Notes to the financial statements continued

For the year ended 31 March 2024

14 Intangible and tangible fixed assets continued

14B Tangible fixed assets

Group and Charity

| | Leasehold improvements £'000 | Computers and other equipment £'000 | Assets under development £'000 | 2024 £'000 | 2023 £'000 |
|--|------------------------------------|--|--------------------------------------|---------------|---------------|
| Cost | | | | | |
| At 1 April | 21,362 | 3,468 | 107 | 24,937 | 26,097 |
| Additions | 84 | 609 | 70 | 763 | 666 |
| Disposals | (89) | (194) | – | (283) | (1,070) |
| Transfers | (166) | 257 | (101) | (10) | (756) |
| At 31 March | 21,191 | 4,140 | 76 | 25,407 | 24,937 |
| Depreciation | | | | | |
| At 1 April | 14,380 | 2,260 | – | 16,640 | 16,719 |
| Charge for year | 791 | 371 | – | 1,162 | 1,087 |
| Disposals | (82) | (194) | – | (276) | (1,033) |
| Transfer | (321) | 311 | – | (10) | (133) |
| At 31 March | 14,768 | 2,748 | – | 17,516 | 16,640 |
| Net book value at 31 March 2024 | 6,423 | 1,392 | 76 | 7,891 | – |
| Net book value at 31 March 2023 | 6,982 | 1,208 | 107 | – | 8,297 |

All tangible fixed assets are used for the support of charitable activities within the Society.

Depreciation of tangible fixed assets is included within the expenditure on charitable activities in Note 6.

15 Capital commitments

Group and Charity

| | 2024 £'000 | 2023 £'000 |
|-----------------------------------|---------------|---------------|
| Authorised and contracted for | 81 | 140 |
| Authorised but not contracted for | 1,761 | 1,313 |
| Total commitment | 1,842 | 1,453 |

At the balance sheet date, £836,000 (2023: £423,000) of capital commitments was authorised for refurbishment of 6-9 Carlton House Terrace. Of these commitments £58,000 (2023: £nil) had been contracted for by the year end. A further spend of £815,000 (2023: £787,000) had been authorised on IT projects. Other general capital items total £191,000 (2023: £243,000). Of these commitments £23,000 (2023: £140,000) had been contracted for by the year end.

Notes to the financial statements continued

For the year ended 31 March 2024

16 Heritage assets

Group and Charity

The Society holds an extensive collection of heritage assets relating to the history of the Society itself and the wider history of scientific endeavour. The collection has four main components:

Printed works: The Library contains over 78,000 titles, published from the 1470s to the present day. The main strength of the collection is in the 17th and 18th centuries; from the 1680s to the mid-19th century, the policy of the Library was to acquire every important scientific publication.

Archives: These comprise an extraordinary and unrivalled record of the development of science that spans nearly 360 years. The archive collection is a unique resource for historians, particularly historians of science, containing over 260,000 items. It includes the manuscript of Isaac Newton's *Principia Mathematica*.

Pictures, sculptures, and other works of art: The collection includes over 300 original works (primary collection) and approximately 10,000 photographs and engravings (secondary collection), many of them portraits of past and present Fellows.

Other artefacts: The collection comprises approximately 250 items and includes scientific instruments, historic furniture and the Society's Charter Book.

The collections are accessible to scholars and the wider public through the Royal Society's History of Science Centre, which includes a reference library and an extensive online presence, including fully searchable catalogue and image library.

Summary of heritage asset transactions

| | Assets held at cost £'000 | Assets held at valuation £'000 | 2024 £'000 | 2023 £'000 |
|---|---------------------------------|--------------------------------------|---------------|---------------|
| Purchases/donations | | | | |
| At 1 April | 36,407 | 12,893 | 49,300 | 49,247 |
| Additions | 20 | – | 20 | 53 |
| Disposals | – | – | – | – |
| Valuation or cost at 31 March | 36,427 | 12,893 | 49,320 | 49,300 |
| The heritage assets comprise: | | | | |
| Printed books | | | 13,278 | 13,278 |
| Archives | | | 22,994 | 22,988 |
| Pictures, sculptures and other works of art | | | 9,292 | 9,278 |
| Other artefacts | | | 3,756 | 3,756 |
| Total | | | 49,320 | 49,300 |

The printed books and archives were originally valued in August 2003 by Roger Gaskell, a rare book dealer, and the pictures and other artefacts were valued in 2015 by Weller King, Fine Art Dealers. The valuations are on a fair market/replacement basis on those parts of the collection where it is felt such a valuation can be reasonably made. Assets are held at valuation as a proxy for cost. There were no disposals in the current or prior year.

Notes to the financial statements continued

For the year ended 31 March 2024

16 Heritage assets continued

Five-year financial summary of heritage asset transactions

| | 2024 £'000 | 2023 £'000 | 2022 £'000 | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|---------------|---------------|---------------|
| Purchases/donations | | | | | |
| Printed books | – | – | – | – | 1 |
| Archives | 6 | 7 | 16 | – | 37 |
| Pictures, sculptures and other works of art | 14 | 46 | 68 | 2 | 22 |
| Other artefacts | – | – | – | – | – |
| Total purchases/donations | 20 | 53 | 84 | 2 | 60 |

Donated heritage assets are recognised in the year they are received. There were no disposals of heritage assets during the year (2023: £nil). Other than heritage assets disposed of in 2021, there have been no other disposals of heritage assets within the last five years.

Preservation and management

Expenditure which in the Trustees' view is required to preserve or clearly prevent further deterioration of individual collection items is recognised in the Income and Expenditure account when it is incurred.

The Society has an ongoing cataloguing project and the Society's major strategic facilities for the long-term preservation of its historic archives, manuscripts and printed books are environmentally controlled store rooms (conforming to British Standard BS EN 16893:2018).

The Society's modern records have been subject to a full audit, completed in April 2011. This process enabled the full-life management, destruction and permanent archiving of pertinent files. Conservation of both old and new archives is now underway.

Each of the Society's major collections (archives, modern records, printed books, pictures, journals, objects) has a designated member of curatorial staff and exhibited materials are looked after by the curator of each new exhibition. Collections are managed and recorded in discrete databases and according to the prevailing standard in each area (for example, International Standard Archival Description (ISAD) for archival cataloguing, SPECTRUM for museum standards and picture control). In 2018, the Society's archives achieved accredited status (for procedures and service quality) with the UK National Archives.

Notes to the financial statements continued

For the year ended 31 March 2024

17 Investments

Group and Charity

| | 2024 £'000 | 2023 £'000 |
|--|----------------|---------------|
| Valuation at 1 April | 283,369 | 308,310 |
| Additions of investments | 561,759 | 74,288 |
| Disposal of investments | (297,843) | (85,965) |
| Net change in cash invested for trades within portfolio | (263,916) | 11,453 |
| Investment management costs | (2,163) | (2,126) |
| Net cash added/(withdrawn) to portfolio | 251,649 | (420) |
| Net gains/(losses) on valuation at 31 March | 25,216 | (22,171) |
| Valuation at 31 March | 558,071 | 283,369 |
| Total historical cost at the end of the year | 527,862 | 246,619 |
| The valuation at 31 March comprises: | | |
| Investments listed on a recognised stock exchange including investments and unit trusts: | | |
| UK | 28,087 | 147,009 |
| Overseas | 267,653 | 102,018 |
| Other unlisted securities: | | |
| UK | 9,901 | 10,013 |
| Overseas | 1,469 | 1,947 |
| Cash: | | |
| UK | 25,052 | 9,761 |
| Overseas | 225,909 | 12,621 |
| Total | 558,071 | 283,369 |

Overseas investments comprise equities, unit/investment trusts and fixed interest funds.

The Society owns 100% of the issued share capital of The Royal Society Trading Limited (Note 25). The company was dormant throughout the current and prior year.

The Society owns 100% of the issued share capital of Royal Society (London) Ltd (Note 25). The principal activity of the company is corporate sponsorships.

Funds are invested as follows:

| | 2024 £'000 | 2023 £'000 |
|---|----------------|---------------|
| Specific investments – Amadeus RSEF | 9,732 | 9,478 |
| Specific investments – Theo Murphy Australia Fund | 3,981 | 4,154 |
| Pooled investments | 544,358 | 269,737 |
| Total | 558,071 | 283,369 |

Notes to the financial statements continued

For the year ended 31 March 2024

18 Debtors

| | 2024 Receivable within one year £'000 | 2023 Receivable within one year £'000 |
|---------------------|---|---|
| Trade debtors | 1,469 | 2,404 |
| Grants receivable | 3,485 | 876 |
| Legacies receivable | 2,585 | 554 |
| Other debtors | 77 | 3 |
| Accrued income | 484 | 603 |
| Prepayments | 910 | 722 |
| Total | 9,010 | 5,162 |

In 2024, all Group debtors related to the Charity. In 2023, Group debtors included £25,000 Royal Society (London) Ltd accrued income.

As at 31 March 2024 and as at 31 March 2023, all debtors were receivable within one year.

During the year, probate was granted on a legacy due to the Society and the balance due from the estate is recognised as a legacy receivable at 31 March 2024.

The estate includes a property valued at £0.7m in the estate accounts issued at the time of probate.

19 Creditors

| | 2024 Due within one year £'000 | 2023 Due within one year £'000 |
|-----------------------------|---|---|
| Trade creditors | 796 | 1,063 |
| Publications advanced sales | 4,546 | 4,572 |
| Grants payable | 6,592 | 10,379 |
| Other creditors | 434 | 468 |
| Accruals and provisions | 1,375 | 2,375 |
| Deferred income | 8,473 | 8,673 |
| Total | 22,216 | 27,530 |

Included in the Group creditors are creditors of £4,000 (2023: £15,000) relating to Royal Society (London) Ltd. All other creditors relate to the Charity.

At 31 March 2024, there were no creditors due after one year (2023: £nil).

Reconciliation of deferred income

| | 2024 £'000 | 2023 £'000 |
|------------------------------------|---------------|---------------|
| Deferred income brought forward | 8,673 | 7,142 |
| Amount released from previous year | (8,673) | (7,142) |
| Income deferred in the year | 8,473 | 8,673 |
| Total | 8,473 | 8,673 |

Notes to the financial statements continued

For the year ended 31 March 2024

20 Statement of total returns

| | Expendable endowment £'000 | Permanent endowment £'000 | 2024 Total £'000 |
|--------------------------------------|----------------------------------|---------------------------------|------------------------|
| Investment returns | | | |
| Investment Income | 1,927 | 6,602 | 8,529 |
| Capital gains | 4,421 | 14,842 | 19,263 |
| Investment management costs | (309) | (1,079) | (1,388) |
| Total return for year | 6,039 | 20,365 | 26,404 |
| Indexation | (1,120) | (3,680) | (4,800) |
| Less application of total return | (1,676) | (3,327) | (5,003) |
| Net total return for the year | 3,243 | 13,358 | 16,601 |
| Unapplied total return | | | |
| At 31 March 2024 | 13,398 | 53,339 | 66,737 |
| At 31 March 2023 | 10,155 | 39,981 | 50,136 |

21 Analysis of net assets between funds

Group

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2024 Total funds £'000 | 2023 Total funds £'000 |
|--|--------------------------------|------------------------------|---|--|---------------------------------|---------------------------------|
| Funds balances at 31 March are represented by: | | | | | | |
| Intangible assets | 1,303 | – | – | – | 1,303 | 1,261 |
| Tangible fixed assets | 7,891 | – | – | – | 7,891 | 8,297 |
| Heritage assets | 49,320 | – | – | – | 49,320 | 49,300 |
| Investments | 42,739 | 290,592 | 49,531 | 175,209 | 558,071 | 283,369 |
| Net current liabilities | (7,432) | – | – | – | (7,432) | (7,141) |
| Creditors: due after one year | – | – | – | – | – | – |
| Defined benefit pension scheme asset/(liability) | 340 | – | – | – | 340 | (524) |
| Net assets | 94,161 | 290,592 | 49,531 | 175,209 | 609,493 | 334,562 |

The net current liabilities in 2024 are funded by investments, which could be realised to meet the net liabilities as they fall due.

All net current liabilities in the Group accounts relate to the Charity.

There is no material difference in net assets between funds for the Charity and the Group.

Notes to the financial statements continued

For the year ended 31 March 2024

22 Movements on Trust and specific funds in year – Group

| | Relevant value b/f £'000 | Indexation £'000 | Relevant value c/f £'000 | Unapplied total return at 1 April 2023 £'000 | Income £'000 | Investment gains £'000 | Expenditure £'000 | Indexation £'000 | Transfers/ application of total return £'000 | Unapplied total return at 31 March 2024 £'000 | Total at 31 March 2024 £'000 |
|---|--------------------------------|---------------------|--------------------------------|--|-----------------|------------------------------|----------------------|---------------------|---|---|---------------------------------------|
| Permanent endowment funds | | | | | | | | | | | |
| Life Sciences Trust | 13,624 | 436 | 14,060 | 3,936 | 751 | 1,682 | (123) | (436) | (704) | 5,106 | 19,166 |
| Maths and Physical Sciences Trust | 12,495 | 400 | 12,895 | 3,642 | 690 | 1,547 | (113) | (400) | (647) | 4,719 | 17,614 |
| RW Paul Instrument Fund | 13,399 | 429 | 13,828 | 5,452 | 802 | 1,805 | (131) | (429) | (47) | 7,452 | 21,280 |
| Theo Murphy – UK | 64,223 | 2,055 | 66,278 | 23,872 | 3,748 | 8,436 | (612) | (2,055) | (1,568) | 31,821 | 98,099 |
| Other permanent endowments | 11,244 | 360 | 11,604 | 3,079 | 611 | 1,372 | (100) | (360) | (361) | 4,241 | 15,845 |
| Total permanent endowments part of the UTR | 114,985 | 3,680 | 118,665 | 39,981 | 6,602 | 14,842 | (1,079) | (3,680) | (3,327) | 53,339 | 172,004 |
| Funds not part of the unapplied total return | | | | | | | | | | | |
| Theo Murphy – Australia | 3,142 | | 3,142 | | | 63 | | | | | 3,205 |
| Total permanent endowments | 118,127 | 3,680 | 121,807 | 39,981 | 6,602 | 14,905 | (1,079) | (3,680) | (3,327) | 53,339 | 175,209 |

| | Relevant value b/f £'000 | Indexation £'000 | Relevant value c/f £'000 | Unapplied total return at 1 April 2023 £'000 | Income £'000 | Investment gains £'000 | Expenditure £'000 | Indexation £'000 | Transfers/ application of total return £'000 | Unapplied total return at 31 March 2024 £'000 | Total at 31 March 2024 £'000 |
|---|--------------------------------|---------------------|--------------------------------|--|-----------------|------------------------------|----------------------|---------------------|---|---|---------------------------------------|
| Expendable endowment funds | | | | | | | | | | | |
| General Trust Fund | 13,063 | 418 | 13,481 | 5,062 | 774 | 1,774 | (124) | (418) | (718) | 6,350 | 19,831 |
| Life Sciences Trust | 7,983 | 255 | 8,238 | 2,273 | 438 | 1,004 | (70) | (255) | (411) | 2,979 | 11,217 |
| Maths and Physical Sciences Trust | 4,348 | 139 | 4,487 | 1,257 | 239 | 549 | (38) | (139) | (225) | 1,643 | 6,130 |
| Other expendable funds | 9,619 | 308 | 9,927 | 1,563 | 476 | 1,094 | (77) | (308) | (322) | 2,426 | 12,353 |
| Total expendable endowment funds | 35,013 | 1,120 | 36,133 | 10,155 | 1,927 | 4,421 | (309) | (1,120) | (1,676) | 13,398 | 49,531 |

Indexation has been applied using the annual CPI rate to March.

Notes to the financial statements continued

For the year ended 31 March 2024

22 Movements on Trust and specific funds in year – Group continued

| | Brought forward at 1 April 2023 £'000 | Income £'000 | Investment and actuarial gain/(loss) £'000 | (Expenditure)/ pension credit £'000 | Transfers £'000 | Carried forward at 31 March 2024 £'000 |
|-----------------------------------|--|-----------------|---|--|--------------------|---|
| Restricted funds | | | | | | |
| Life Sciences Trust | 3,483 | (8) | 100 | (2,188) | 793 | 2,180 |
| Maths and Physical Sciences Trust | 2,619 | 41 | 163 | (1,958) | 792 | 1,657 |
| Enterprise Fund | 9,478 | – | 552 | (298) | – | 9,732 |
| Nutrition in Old Age Fund | 7,294 | 318 | 747 | (51) | (18) | 8,290 |
| Faraday Discovery Fellowship Fund | – | 250,556 | – | (37) | – | 250,519 |
| Other restricted funds | 17,104 | 122,437 | 1,085 | (118,769) | (3,643) | 18,214 |
| Total restricted funds | 39,978 | 373,344 | 2,647 | (123,301) | (2,076) | 290,592 |
| Unrestricted funds | | | | | | |
| General Trust Fund | 19,215 | 828 | 1,902 | (701) | 561 | 21,805 |
| Revaluation reserve | 47,541 | – | – | – | – | 47,541 |
| Defined Benefit Pension Reserve | (524) | – | (620) | 1,484 | – | 340 |
| General purpose | 25,076 | 13,589 | 1,341 | (22,049) | 6,518 | 24,475 |
| Total unrestricted funds | 91,308 | 14,417 | 2,623 | (21,266) | 7,079 | 94,161 |

Purposes of funds

The objects of the Life Sciences Trust are to promote and advance for the general benefit of the public, including the scientific (science, medicine, engineering and technology) community, the study and investigation of, and research into all areas of life sciences and other science at the interface between this area and other areas of science. This shall be done in particular by supporting scientists working in this area, advancing engagement of the public in all matters relating to such science and providing the best possible scientific advice and information to those making policy in the area of life science.

The objects of the Mathematics and Physical Sciences Trust are to promote and advance for the general benefit of the public, including the scientific (science, medicine, engineering and technology) community, the study and investigation of, and research into all areas of mathematics and physical sciences and other science at the interface between this area and other areas of science. This shall be done in particular by supporting scientists working in this area, advancing engagement of the public in all matters relating to such science and providing the best possible scientific advice and information to those making policy in the area of mathematics and physical science.

Following the Deed of retirement of the other trustees, the property and investments of the RW Paul Instrument Fund were transferred to the sole remaining trustee being the Royal Society. The application of the income from the portfolio is restricted to the provision of grants under the Paul Instrument Grants Scheme.

The Theo Murphy Funds (in the UK and Australia) were created through a bequest from the estate of the late Theo Murphy. The funds “shall be used or applied to further scientific discovery in the fields of medicine, science, technology and engineering”. The Australia Fund will carry out activities in Australia in accordance with the will.

The objects of the General Fund are to promote and advance for the general benefit of the public, including the scientific (science, medicine, engineering and technology) community, the efficiency and effectiveness of the Royal Society and its Fellowship. This shall be done in particular by establishing, promoting, supporting and maintaining, for the general benefit of the public and the scientific community, its activities, premises, fixtures and fittings, equipment, libraries and archives, general publications and the history of science.

Notes to the financial statements continued

For the year ended 31 March 2024

22 Movements on Trust and specific funds in year – Group continued

The Enterprise Fund was created by generous donations in support of the Society in making equity investments in innovative early-stage businesses emerging from the science base in the UK and elsewhere.

The Nutrition in Old Age Fund was established following the receipt of a legacy for the study of nutrition in old age.

The Faraday Discovery Fund was established in the year following the receipt of £250 million from the Department for Science, Innovation and Technology (DSIT) to deliver a new mid-career Fellowship. The funding will support outstanding researchers and scientists for up to ten years to pursue groundbreaking discovery-led research in STEM subjects.

Other restricted funds comprise monies received to fund separate restricted projects in line with our charitable activities and are held as separate individual funds in our accounts. No individual balance is in excess of £4 million on 31 March 2024.

The revaluation reserve relates to the revaluation of the heritage assets, which arose prior to the transition to FRS 102.

The transfers between projects and funds include administration charges of the investments held in the trusts, administration costs reclaimed from projects where applicable, notional interest paid to projects in respect of income held during the year and any income released to the general reserves at the end of projects (where allowed under the gift or grant agreement).

23 Financial commitments – Group and Charity

At 31 March 2024 the Society had the following commitments:

Total future minimum lease payments under a non-cancellable operating lease in respect of occupation of 6–9 Carlton House Terrace, London is as follows for each of the following periods:

| | 2024 £'000 | 2023 £'000 |
|--------------------|---------------|---------------|
| Less than one year | 490 | 490 |
| One to five years | 1,960 | 1,960 |
| Over five years | 17,150 | 17,640 |
| Total | 19,600 | 20,090 |

The lease is due to expire on 5 January 2064 however the next 10-yearly rent review is due on 5 January 2025.

Agreements and commitments to fund research professorships/fellowships and other grants at 31 March 2024 totalled £273.0 million (2023: £195.0 million). Of these, £100.0 million (2023: £73.0 million) are due in less than one year, and £173.0 million (2023: £122.0 million) in between two and five years. There are no grants payable in more than five years. As the Society retains the discretion to terminate these grants they are treated as liabilities of future periods and will be financed by specific grants or other income receivable in those periods.

The Society has entered into investment contract commitments totalling £48,000 (2023: £49,000) payable at dates yet to be agreed.

Notes to the financial statements continued

For the year ended 31 March 2024

24 Pension obligations – Group and Charity

The Royal Society (the Employer) operates a defined benefit pension arrangement in the UK called the Pension and Life Assurance Plan of the Royal Society (the Plan), with assets held in a separately administered fund. The Plan provides retirement benefits on the basis of members' final salary. The Plan is closed to new members, although remains open to future benefit accrual, and provides benefits on a defined benefit basis.

The most recent valuation of the Plan under FRS 102 was carried out as at 31 March 2024. The valuation of the Plan used the projected unit method and was carried out by Barnett Waddingham LLP, professionally qualified actuaries. The Scheme surplus is recognised as an asset as at 31 March 2024 because the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

The FRS 102 liability does not include any allowance for discretionary benefits. The Employer expects to make contributions to the Plan during the year to 31 March 2025 of around £1,840,000 (2024: £1,740,000).

The Plan is subject to the Statutory Funding Objective under the Pensions Act 2004. A valuation of the Plan is carried out at least once every three years to determine whether the Statutory Funding Objective is met. As part of the process the Employer must agree with the trustees of the Scheme the contributions to be paid to address any shortfall against the Statutory Funding Objective and contributions to pay for future accrual of benefits.

The full actuarial valuation at 1 January 2022 showed a decrease in the deficit from £8,732,000 to £5,967,000. It was agreed with the Trustees that the Employer would pay a lump sum of £310,000 on or before 30 April 2023, and £103,333 per month for the period 1 April 2023 to 31 December 2026 to meet the deficit.

Contributions payable by the Employer in respect of future benefit accrual and expenses are at the rate of 38.4% of pensionable salaries. Members' contributions are 7% of pensionable salaries. Life cover and dependants' pensions in respect of death in service are provided by additional insurance premiums. Contributions payable by the Employer in respect of expenses are at the rate of £15,500 per month.

Notes to the financial statements continued

For the year ended 31 March 2024

24 Pension obligations – Group and Charity continued

The principal assumptions used to calculate Plan liabilities include:

| | 2024 % pa | 2023 % pa |
|--|--|--|
| Inflation (RPI) | 3.25 | 3.30 |
| Inflation (CPI) | 2.80 | 2.80 |
| Salary escalation | 2.00 | 2.00 |
| Increase to pensions in payment* – subject to LPI minimum 4% | 4.25 | 4.20 |
| Increase to pensions in payment* – subject to LPI | 3.05 | 3.20 |
| Statutory revaluation | 2.80 | 2.80 |
| Discount rate | 4.90 | 4.75 |
| Pre-retirement mortality table | 105% of S3NA | 105% of S3NA |
| Post-retirement mortality table | 105% of S3NA | 105% of S3NA |
| Post-retirement mortality projection | CMI_2022 projections with LTR of 1.25% pa and initial addition of 0.25% pa. The 2020 and 2021 weight parameters are both 0% and the 2022 weight parameter is 25% | CMI_2021 projections with LTR of 1.25% pa and initial addition of 0.25% pa. The 2020 and 2021 weight parameters are both 10% |
| Tax free cash | 20% of pension | 20% of pension |
| Withdrawals | None | None |

* Pensions in payment increase by the lesser of the annual increase in the retail price index or 5%. For service prior to 1 November 2001 this is subject to a minimum increase of 4%.

Under the mortality tables and projections adopted, the assumed future life expectancy at age 60 is as follows:

| | 2024 | 2023 |
|--------------------------|------------|------------|
| Male currently aged 40 | 27.8 years | 27.9 years |
| Female currently aged 40 | 30.6 years | 30.7 years |
| Male currently aged 60 | 26.3 years | 26.4 years |
| Female currently aged 60 | 29.2 years | 29.3 years |

Notes to the financial statements continued

For the year ended 31 March 2024

24 Pension obligations – Group and Charity continued

The assets in the Plan were:

| | Value at 31 March 2024 £'000 | Value at 31 March 2023 £'000 |
|--|---------------------------------------|---------------------------------------|
| Equities | 5,406 | 10,609 |
| LDI Portfolio | 14,408 | 9,962 |
| Multi asset fund | 7,655 | 14,691 |
| Cash | 12,266 | 3,629 |
| Annuity policies | 3,379 | 3,873 |
| Total market value of Plan assets | 43,114 | 42,764 |
| Present value of scheme liabilities | (42,774) | (43,288) |
| Net pension asset/(liability) | 340 | (524) |

The assets do not include any investment in the Employer.

Reconciliation of present value of scheme liabilities

| | Value at 31 March 2024 £'000 | Value at 31 March 2023 £'000 |
|---|---------------------------------------|---------------------------------------|
| Defined benefit obligation at 1 April | 43,288 | 58,972 |
| Current service cost | 168 | 388 |
| Contributions by Plan participants | 74 | 89 |
| Interest cost | 2,019 | 1,603 |
| Benefits paid | (1,676) | (1,447) |
| Experience loss on liabilities | 355 | 3,414 |
| Changes to demographic assumptions | (269) | (866) |
| Changes to financial assumptions | (1,185) | (18,865) |
| Defined benefit obligation at 31 March | 42,774 | 43,288 |

Notes to the financial statements continued

For the year ended 31 March 2024

24 Pension obligations – Group and Charity continued

Sensitivity analysis of the scheme surplus/(deficit)

The sensitivity of the present value of the scheme surplus/(deficit) to changes in the principal assumptions used is set out below.

| | Change in assumption | Change in liabilities |
|--|--|-----------------------|
| Discount rate | -0.10% | 626 |
| Rate of inflation* | -0.10% | (179) |
| Commutation | No commutation | 559 |
| Mortality – long-term improvements | 1% pa long-term rate of mortality improvements | (297) |
| Mortality – no weight on pandemic data | 2022 weight parameter set to 0% | 549 |

* Other assumptions linked to the rate of inflation are also assumed to change appropriately.

Reconciliation of fair value of scheme assets

| | Value at 31 March 2024 £'000 | Value at 31 March 2023 £'000 |
|--|---------------------------------------|---------------------------------------|
| Fair value of scheme assets at 1 April | 42,764 | 54,668 |
| Interest on assets | 2,032 | 1,510 |
| Contributions by the Employer | 1,760 | 2,122 |
| Contributions by Scheme participants | 74 | 89 |
| Benefits paid | (1,676) | (1,447) |
| Administration costs | (121) | (292) |
| Return on Plan assets less interest | (1,719) | (13,886) |
| Fair value of scheme assets at 31 March | 43,114 | 42,764 |

The actual return on Plan assets in the year was £310,000 (2023: -£12,300,000).

Notes to the financial statements continued

For the year ended 31 March 2024

24 Pension obligations – Group and Charity continued

Analysis of the amount charged to the statement of financial activities – operations

| | Value at 31 March 2024 £'000 | Value at 31 March 2023 £'000 |
|----------------------|---------------------------------------|---------------------------------------|
| Current service cost | 168 | 388 |
| Administration costs | 121 | 292 |
| Interest cost | 2,019 | 1,603 |
| Interest on assets | (2,032) | (1,510) |
| Total charge | 276 | 773 |

Actuarial gains and losses

| | Value at 31 March 2024 £'000 | Value at 31 March 2023 £'000 |
|---|---------------------------------------|---------------------------------------|
| Losses on scheme assets in excess of interest | 1,719 | 13,886 |
| Experience losses on liabilities | 355 | 3,414 |
| Gains from changes to demographic assumptions | (269) | (866) |
| Gains from changes to financial assumptions | (1,185) | (18,865) |
| Actuarial net losses/(gains) | 620 | (2,431) |

The Royal Society (the Employer) operates two pension schemes and contributes to the Royal Society Group Personal Pension Plan (defined contribution). During the year ended 31 March 2024, employer contributions to this scheme totalled £928,000 (2023: £716,000).

As at 31 March 2024, none of the Society's staff were members of the Universities Superannuation Scheme (USS), a defined benefit scheme (2023: one member). During the year ended 31 March 2024, employer contributions to this scheme were £nil (2023: £27,000).

USS is a defined benefit scheme which is externally funded and valued every three years by professionally qualified independent actuaries using the Projected Unit Method. The scheme is a 'last man standing' scheme which means that in the event that another member institution becomes insolvent, the other participating members will pick up any funding shortfall. There was a contingent liability in the prior year financial statements for the possible but uncertain debt obligation. This Section 75 debt obligation was settled in November 2023 when the Society made a lump-sum payment of £647,000, following the final active member of the USS multi-employer pension scheme leaving the Society and a decision being made not to enrol a member into the Scheme.

Notes to the financial statements continued

For the year ended 31 March 2024

25 Subsidiary undertakings

The Society owns 100% of the £1 called-up and issued share capital of Royal Society (London) Ltd, company number 08808518. Royal Society (London) Ltd company has been set up to process corporate sponsorships at the Society.

| | Royal Society (London) Ltd | |
|--|-----------------------------------|--------------|
| | 2024 | 2023 |
| | £'000 | £'000 |
| Results for the year ended 31 March: | | |
| Trading income | | |
| External income | 65 | 65 |
| Cost of sales | – | – |
| Gross profit | 65 | 65 |
| Administrative expenses | (4) | (7) |
| Operating profit | 61 | 58 |
| Qualifying charitable donation payable to Parent Charity | (61) | (58) |
| Result for the period | – | – |
| Total funds brought forward at 1 April | – | – |
| Total funds carried forward at 31 March | – | – |
| Balance sheet as at 31 March: | | |
| Current assets | | |
| Debtors | – | 25 |
| Cash at bank and in hand | 86 | 51 |
| | 86 | 76 |
| Creditors: amounts falling due within one year | (86) | (76) |
| Net current liabilities | – | – |
| Capital and reserves | | |
| Called up share capital | – | – |
| Profit and loss reserve | – | – |
| Shareholder's funds | – | – |

The Society owns 100% of the £1 called-up and issued share capital of Royal Society Trading Limited, company number 06967016. Royal Society Trading Limited was dormant in the years ended 31 March 2023 and 31 March 2024.

Royal Society (Australia) Pty Limited ACN 126112678 is the Trustee of the Royal Society Theo Murphy (Australia) Fund. It is an Australian company, the shares of which are wholly owned by the Society.

Notes to the financial statements continued

For the year ended 31 March 2024

26 Prior year comparison – Consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2023

| | Notes | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2023 Total funds £'000 |
|--|-------|-----------------------------|---------------------------|-------------------------------------|------------------------------------|---------------------------|
| Income and endowments from donations and legacies | 1 | 356 | 994 | – | – | 1,350 |
| Income from charitable activities | | | | | | |
| Grants for charitable activities | 4 | – | 119,211 | – | – | 119,211 |
| Trading in furtherance of charitable activities | 3 | 9,757 | 654 | – | – | 10,411 |
| | | 9,757 | 119,865 | – | – | 129,622 |
| Other trading activities | 3 | 25 | 40 | – | – | 65 |
| Income from investments | 2 | 1,330 | 1,074 | 1,443 | 4,888 | 8,735 |
| Other income | | – | 14 | – | – | 14 |
| Total income | | 11,468 | 121,987 | 1,443 | 4,888 | 139,786 |
| Expenditure on raising funds | 5 | 1,213 | 538 | 309 | 1,021 | 3,081 |
| Expenditure on charitable activities | 6 | | | | | |
| Grants to fund scientific research | | 2,379 | 100,108 | – | – | 102,487 |
| Providing scientific advice for policy | | 2,463 | 2,879 | – | – | 5,342 |
| Promoting science education and engagement | | 7,900 | 2,052 | – | – | 9,952 |
| Supporting scientific collaboration, nationally and internationally | | 5,444 | 15,076 | – | – | 20,520 |
| Recognising scientific excellence | | 64 | 245 | – | – | 309 |
| | | 18,250 | 120,360 | – | – | 138,610 |
| Total expenditure | | 19,463 | 120,898 | 309 | 1,021 | 141,691 |
| Net (expenditure)/income before net gains/(losses) on investments | | (7,995) | 1,089 | 1,134 | 3,867 | (1,905) |
| Net losses on investments | 17 | (2,873) | (859) | (3,949) | (14,490) | (22,171) |
| Net (expenditure)/income for the year | | (10,868) | 230 | (2,815) | (10,623) | (24,076) |
| Gross transfers between funds | 22 | 6,622 | (2,592) | (1,604) | (2,426) | – |
| Actuarial gains on defined benefit pension scheme | 24 | 2,431 | – | – | – | 2,431 |
| Net movement in funds | | (1,815) | (2,362) | (4,419) | (13,049) | (21,645) |
| Total funds brought forward | | 93,123 | 42,340 | 49,587 | 171,157 | 356,207 |
| Total funds carried forward | | 91,308 | 39,978 | 45,168 | 158,108 | 334,562 |

Notes to the financial statements continued

For the year ended 31 March 2024

27 Prior year comparison

Analysis of net assets between funds – Group

| | Unrestricted funds £'000 | Restricted funds £'000 | Expendable endowment funds £'000 | Permanent endowment funds £'000 | 2023 Total funds £'000 |
|---|--------------------------------|------------------------------|---|--|---------------------------------|
| Funds balances at 31 March 2023 are represented by: | | | | | |
| Intangible assets | 1,261 | – | – | – | 1,261 |
| Tangible fixed assets | 8,297 | – | – | – | 8,297 |
| Heritage assets | 49,300 | – | – | – | 49,300 |
| Investments | 40,115 | 39,978 | 45,168 | 158,108 | 283,369 |
| Net current liabilities | (7,141) | – | – | – | (7,141) |
| Defined benefit pension scheme liability | (524) | – | – | – | (524) |
| Net assets | 91,308 | 39,978 | 45,168 | 158,108 | 334,562 |

Notes to the financial statements continued

For the year ended 31 March 2024

28 Prior year comparison

Movements on Trust and specific funds in year – Group

| | Brought forward at 1 April 2022 £'000 | Income £'000 | Expenditure £'000 | Transfers £'000 | Investment and actuarial gain/(loss) £'000 | Carried forward at 31 March 2023 £'000 |
|---|--|-----------------|----------------------|--------------------|---|---|
| Permanent endowment funds | | | | | | |
| Life Sciences Trust | 19,423 | 566 | (118) | (675) | (1,636) | 17,560 |
| Maths and Physical Sciences Trust | 17,849 | 521 | (109) | (620) | (1,504) | 16,137 |
| RW Paul Instrument Fund | 20,167 | 588 | (123) | (82) | (1,699) | 18,851 |
| Theo Murphy – UK | 94,589 | 2,758 | (576) | (707) | (7,969) | 88,095 |
| Theo Murphy – Australia | 3,507 | – | – | – | (365) | 3,142 |
| Other permanent endowments | 15,622 | 455 | (95) | (342) | (1,317) | 14,323 |
| Total permanent endowment funds | 171,157 | 4,888 | (1,021) | (2,426) | (14,490) | 158,108 |
| Expendable endowment funds | | | | | | |
| General Trust Fund | 19,938 | 580 | (124) | (681) | (1,588) | 18,125 |
| Life Sciences Trust | 11,291 | 328 | (70) | (394) | (899) | 10,256 |
| Maths and Physical Sciences Trust | 6,172 | 180 | (39) | (216) | (492) | 5,605 |
| Other expendable endowments | 12,186 | 355 | (76) | (313) | (970) | 11,182 |
| Total expendable endowment funds | 49,587 | 1,443 | (309) | (1,604) | (3,949) | 45,168 |
| Restricted funds | | | | | | |
| Life Sciences Trust | 4,551 | 107 | (1,915) | 851 | (111) | 3,483 |
| Maths and Physical Sciences Trust | 3,669 | 94 | (1,665) | 724 | (203) | 2,619 |
| Enterprise Fund | 9,136 | – | (337) | – | 679 | 9,478 |
| Nutrition in Old Age Fund | 7,631 | 215 | (45) | (18) | (489) | 7,294 |
| Other restricted funds | 17,353 | 121,571 | (116,936) | (4,149) | (735) | 17,104 |
| Total restricted funds | 42,340 | 121,987 | (120,898) | (2,592) | (859) | 39,978 |
| Unrestricted funds | | | | | | |
| General Trust Fund | 19,994 | 559 | (693) | 593 | (1,238) | 19,215 |
| Revaluation reserve | 47,541 | – | – | – | – | 47,541 |
| Defined Benefit Pension Reserve | (4,304) | – | 1,349 | – | 2,431 | (524) |
| General purpose | 29,892 | 10,909 | (20,119) | 6,029 | (1,635) | 25,076 |
| Total unrestricted funds | 93,123 | 11,468 | (19,463) | 6,622 | (442) | 91,308 |
| Total for all trusts | | | | | | |
| Life Sciences Trust | 35,264 | 1,001 | (2,103) | (218) | (2,646) | 31,298 |
| Maths and Physical Sciences Trust | 27,690 | 795 | (1,813) | (112) | (2,199) | 24,361 |
| RW Paul Instrument Fund | 20,167 | 588 | (123) | (82) | (1,699) | 18,851 |

Notes to the financial statements continued

For the year ended 31 March 2024

28 Prior year comparison continued

| | Brought forward at 1 April 2022 £'000 | Income £'000 | Expenditure £'000 | Transfers £'000 | Investment and actuarial gain/(loss) £'000 | Carried forward at 31 March 2023 £'000 |
|---------------------------------|--|-----------------|----------------------|--------------------|---|---|
| Theo Murphy – UK | 94,589 | 2,758 | (576) | (707) | (7,969) | 88,095 |
| Other permanent endowments | 15,622 | 455 | (95) | (342) | (1,317) | 14,323 |
| Theo Murphy – Australia | 3,507 | – | – | – | (365) | 3,142 |
| General Trust Fund | 39,932 | 1,139 | (817) | (88) | (2,826) | 37,340 |
| Other expendable endowments | 12,186 | 355 | (76) | (313) | (970) | 11,182 |
| Enterprise Fund | 9,136 | – | (337) | – | 679 | 9,478 |
| Nutrition in Old Age Fund | 7,631 | 215 | (45) | (18) | (489) | 7,294 |
| Other restricted funds | 17,353 | 121,571 | (116,936) | (4,149) | (735) | 17,104 |
| Revaluation reserve | 47,541 | – | – | – | – | 47,541 |
| Defined Benefit Pension Reserve | (4,304) | – | 1,349 | – | 2,431 | (524) |
| General purpose | 29,892 | 10,909 | (20,119) | 6,029 | (1,635) | 25,076 |
| Total | 356,207 | 139,786 | (141,691) | – | (19,740) | 334,562 |

29 Prior year restatement

| | Previously Reported Group 2023 £'000 | Adjustments 2023 £'000 | Restated Group 2023 £'000 |
|--|---|---------------------------|------------------------------|
| Cash flows from investing activities: | | | |
| Investment income | 8,735 | (8,651) | 84 |
| Purchase of investments | (85,320) | 85,320 | – |
| Proceeds from sale of investments | 85,964 | (85,964) | – |
| Withdrawals from investment portfolio | – | 9,295 | 9,295 |
| Total | 9,379 | – | 9,379 |

The Society transitioned to a new investment manager in the year and the presentation of cash inflows and outflows relating to investment income, investment additions and disposals in the consolidated statement of cash flows was reviewed.

In prior years, the consolidated statement of cash flows presented all movements within the investment portfolio, not only movements in and out of the portfolio that impacted cash and cash equivalents. The consolidated statement of cash flows for the year ended 31 March 2023 has been restated to remove transactions that did not impact the Society's cash and cash equivalents, reducing reported investment income, purchases and proceeds. These restatements do not impact fixed or current asset investment balances, total or individual funds or net income/(expenditure), therefore no adjustment is required in respect of earlier years.

Reference and administrative details

President

Sir Adrian Smith

Treasurer

Sir Andrew Hopper
(until 11 April 2023)

Professor Jon Keating
(appointed 11 April 2023)

Biological Secretary

Dame Linda Partridge

Physical Secretary

Sir Peter Bruce*

Professor Sheila Rowan**

Foreign Secretary

Professor Alison Noble***

Sir Mark Walport***

Members of Council

Professor Judith Armitage*

Professor Stephen Barnett

Sir David Baulcombe

Professor Doreen Cantrell

Sir Steven Cowley*

Professor Sarah Darby**

Professor Gideon Davies**

Professor Anne Dell

Professor Annette Dolphin

Dame Athene Donald

Professor Alison Etheridge

Professor Carlos Frenk**

Professor Yvonne Jones

Professor Alison Noble***

Professor Tim Palmer**

Professor Robin Perutz

Professor Anne Ridley**

Dame Julia Slingo

Sir Jim Smith*

Professor Jennifer Thomas*

Sir Mark Walport***

Dr Stephen West**

Audit Committee Chair

Richard Bacon

Executive Director

Dame Julie Maxton

Key Management Personnel

Katie Coupar-Evans,
Director of Development
& Scientific Programmes
(appointed 1 September 2023)

Mary Daly,
Chief Financial Officer

Richard Gascoigne,
Director of IT

Dr Katy Gearing,
Programme Director,
Industry and Sector Engagement
(appointed 20 November 2023)

Bill Hartnett,
Director of Communications

Linda Kelly,
Director of Human Resources

Dr Rupert Lewis,
Chief Science Policy Officer

Dr Paul McDonald,
Director of Grants Programmes

Lesley Miles,
Chief Programmes, Partnerships
and Engagement Officer

Dr Alan Pitt,
Director of Fellowship, Strategy
and Governance

Dr Stuart Taylor,
Director of Publishing
(until 31 August 2023)

Rod Cookson,
Director of Publishing
(appointed 27 September 2023)

Ian Wiggins,
Director of International Affairs

Statutory Auditor

BDO LLP
2 City Place, Beehive Ring Road,
Gatwick RH6 0PA

Bankers

NatWest Group
1 Princes Street, London EC2R 8BP

Investment Managers

Rathbone Brothers PLC
8 Finsbury Circus, London EC2M 7AZ
(until 18 August 2023)

Mercer Limited
1 Tower Place West, Tower Place, London
EC3R 5BU (appointed 18 May 2023)

Internal Auditors

Crowe UK LLP
55 Ludgate Hill, London EC4M 7JW

Lawyers

Stone King LLP
91 Charterhouse Street, London
EC1M 6HR

Withers LLP
20 Old Bailey, London EC4M 7AN

Registered address

6 – 9 Carlton House Terrace
London SW1Y 5AG

royalsociety.org

Registered Charity Number 207043

* Until 30 November 2023

** Appointed 30 November 2023

*** Council member appointed Foreign
Secretary on 2 May 2023



The Royal Society is a self-governing Fellowship of many of the world's most distinguished scientists drawn from all areas of science, engineering, and medicine. The Society's fundamental purpose, as it has been since its foundation in 1660, is to recognise, promote, and support excellence in science and to encourage the development and use of science for the benefit of humanity.

The Society's strategic priorities emphasise its commitment to the highest quality science, to curiosity-driven research, and to the development and use of science for the benefit of society. These priorities are:

- The Fellowship, Foreign Membership and beyond
- Influencing
- Research system and culture
- Science and society
- Corporate and governance

For further information

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