

Company number 522061

Registered Charity number 209299

**BRITISH EDITORIAL SOCIETY OF
BONE & JOINT SURGERY (THE)
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019**

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
(A COMPANY LIMITED BY GUARANTEE)
YEAR ENDED 31 DECEMBER 2019

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BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

Officers and professional advisers

COUNCIL OF MANAGEMENT

Mr Timothy Wilton FRCS (Chairman)
Mr Martin Bircher FRCS (Treasurer)
Ms Deborah Eastwood FRCS (Secretary)
Mr Fergal Monsell FRCS
Mr Don McBride FRCS (President of the British Orthopaedic Association, from 1st October 2019)
Professor Philip Turner FRCS (President of the British Orthopaedic Association, to 30th September 2019)

Secretary Ms Deborah Eastwood MA FRCS

Managing Director Mr Richard Hollingsworth

Editor, *The Bone & Joint Journal* Professor Fares Haddad FRCS

CHARITY NUMBER 209299

COMPANY NUMBER 522061

REGISTERED OFFICE 22 Buckingham Street
London WC2N 6ET

BANKERS Coutts & Co
440 Strand
London WC2R 0QS

SOLICITORS Wilsons Solicitors LLP
4 Lincoln's Inn Fields
London WC2A 3AA

AUDITOR Crowe U.K LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

INVESTMENT ADVISORS BlackRock Investment Managers (UK) Limited
33 King William Street
London EC4R 9AS

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

TRUSTEES' REPORT

The Board of Trustees of The British Editorial Society of Bone & Joint Surgery ("the Society") present their Annual Report for the year ended 31 December 2019 under the Companies Act 2006 and the Charities Act 2011, together with the audited financial statements for that period.

REFERENCE AND ADMINISTRATIVE DETAILS

The British Editorial Society of Bone & Joint Surgery is a registered charity (No. 209299) and a company (No. 522061) limited by membership guarantees. Its registered office is as shown on page 1.

The present Trustees, and any past Trustees who served during the period, are given on page 1, together with the names of the senior executive staff. The external advisers of the Society are also set out on page 1.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society reviewed its Memorandum and Articles of Association adopted on 23rd July 1953 and amended by Special Resolutions on 23 September 2002 and 17th September 2012. Following this review, revised Articles of Association were adopted by Members of the Society at the AGM on 31st May 2019. The Articles have been updated to reflect changes in legislation and best practice. All the operative provisions of the Memorandum have been included into the Articles. The only governing document of the Charity is now the Articles of Association. The membership of the Charity has been simplified. The Members are everyone appointed to *The Bone & Joint Journal* Editorial Board. Council now has the power to appoint up to two co-opted trustees to serve on the Council of Management. Co-opted trustees are not required to have served on *The Bone & Joint Journal* Editorial Board. Proceedings at general meetings now cater for written resolutions and communication by electronic means, and the provisions in relation to the dissolution of the Charity which were previously in the Memorandum are now set out in the Articles.

The Board of Trustees, ("the Council of Management"), is responsible for the overall governance of the Society. Trustees are elected by, and are members of, *The Bone & Joint Journal* Editorial Board.

Members of the Society elect the Council of Management at the AGM, and the total number of Trustees may not exceed five. The President of the BOA occupies one of the five Trustee positions ex officio. The Chairman of the Council of Management is also Chairman of the Society. Elected Members of Council may remain in office for three years, and may, be re-elected for up to two further three-year terms. Council elects a Chairman, Treasurer and Secretary from its elected members. The person elected as Chairman serves in that office for three years.

Each Member of Council is required to take responsibility for specific aspects of the Society's work. Council normally meets formally four times a year.

New trustees receive a copy of the Articles, and as they have been a member of *The Bone & Joint Journal* Editorial Board, they are already familiar with the major issues facing the Society. Trustee training is provided in specific areas such as investment, when required.

The Council delegates the exercise of certain powers in connection with the management and administration of the Society as set out below. This is controlled by requiring regular reporting back to the Council, so that all decisions made under delegated powers can be ratified by the full Council in due course. The Council seeks advice from experts in advertising, finance, marketing, electronic publishing, and other areas as required.

REMUNERATION COMMITTEE AND MANAGEMENT REMUNERATION

The Remuneration Committee comprises the Chairman, Treasurer and Managing Director. The Committee meets annually to review staff salaries and benefits and the fees paid to independent contractors. The review takes account of performance, prevailing market rates, and any changes in the job role.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
ANNUAL REPORT (CONTINUED)
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MANAGING DIRECTOR AND EDITOR

The Managing Director is responsible for the day-to-day management of the Society and for implementing policies agreed by the Council of Management. The Managing Director is assisted by a group of senior managers. The Editor is responsible for directing the editorial policy of *The Bone & Joint Journal*. He is aided by a team of Associate Editors, and by the Editorial Board. On editorial matters the Editor is accountable to the Editorial Board, and on publishing business matters to the Managing Director. The Managing Director reports to Council through the person of the Chairman. The Society publishes four other journals, each with their own Editors and Editorial Boards, and all the Society's journals, whilst editorially independent, come under the overall governance of the Council of Management.

STATEMENT OF THE COUNCIL OF MANAGEMENT'S RESPONSIBILITIES

The Council of Management are responsible for preparing the Annual Report and the financial statements in accordance with applicable law FRS 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

The law applicable to charities in England and Wales requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing these financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard, applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Council of Management is responsible for the maintenance and integrity of the corporate and financial information included in the Society's website.

The Council of Management have prepared these financial statements in accordance with FRS 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)' and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

So far as each of the Council of Management is aware, there is no relevant audit information of which the Society's auditors are unaware. Each member of the Council of Management has taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
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RISK MANAGEMENT

Risks are reviewed as a part of the regular Council meetings. A risk register is maintained and formally approved by Council on a quarterly basis. Key risks reviewed include advertising sales revenue, the Impact Factors of our journals, membership deals with orthopaedic associations, and changing business models. Advertising sales have been under pressure due to market conditions, including mergers within the orthopaedic industry. Membership deals with orthopaedic associations in the UK and overseas form a very important proportion of individual subscriptions, and they are kept under close review. In view of the recent Covid-19 pandemic, a separate risk register has been produced to monitor, and where appropriate, mitigate, the more immediate short and medium-term risks to the Society.

CONFLICT OF INTEREST

Council has adopted a policy for conflicts of interest. All the trustees and senior managers have made a declaration of potential conflicts and signed the policy. The declarations have been reviewed and no serious conflicts have arisen.

OBJECTS AND PRINCIPAL ACTIVITIES OF THE CHARITY

The objects of the Society for the public benefit are defined as: "The advancement of education in, and the improvement in the practice of, orthopaedics and allied branches of surgery together with the diffusion of such knowledge throughout the world."

Our principal activity in furtherance of these objects is the publication of *The Bone & Joint Journal* and related journals under the Society's Bone & Joint Publishing imprint. Other activities include: providing orthopaedic information via our websites; disseminating *The Bone & Joint Journal* and our other journals as widely as possible; and providing publishing services to third parties. The objectives of those activities, and the Society's achievements against them, are discussed under the heading Achievements and Performance, below. When planning our activities, the Council of Management have considered the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011. The Society provides public benefit by helping to increase the knowledge and skills of practising orthopaedic surgeons and researchers. Article titles and abstracts are fully searchable and freely available online for all content in *The Bone & Joint Journal*, and the full text of all articles over 5 years' old is also freely available.

ACHIEVEMENTS AND PERFORMANCE

From the strategic plan this period's key objectives and the impact of our achievements are summarised as follows:

Publishing and Marketing The Bone & Joint Journal

Our aim is to publish the best quality papers in the science and practice of orthopaedics in *The Bone & Joint Journal*, and to encourage surgeons to subscribe and to read the Journal.

Submissions for publication from surgeons and researchers worldwide totalled 1,766 in calendar year 2019 (2018: 1,624). All submissions undergo a rigorous double-blind peer review process, and as a result only some 15% are accepted for publication, ensuring that the best papers in orthopaedics are published in *The Bone & Joint Journal*. We have continued to develop our online submissions and reviewing system which helps to ensure that we maintain our impressive response time to authors. About 90% of papers receive an initial decision from the Editor within six weeks of receipt.

Our policy is to keep the subscription rates to *The Bone & Joint Journal* as low as possible to increase accessibility. Surgeons in training benefit from a 50% discount on the consultant rate. At December 2019, trainee subscribers comprised some 10% of our total paid subscribers. We market the Journal worldwide in accordance with a Marketing Plan approved by Council as part of the annual budget cycle. This encompasses a wide range of activities including stands in exhibitions, approaches to orthopaedic associations, print media, email and specially designed web pages.

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Amongst other activities we have had stands in the technical exhibitions of the EFORT Congress in Lisbon, the BOA Congress in Liverpool, the AAOS meeting in Las Vegas, the COA annual meeting in Montreal, the AAHKS meeting in Dallas, and the EPOS meeting in Tel Aviv.

Providing orthopaedic information via the website

Our aim is to have a website which orthopaedic surgeons regard as “The Source” of reference and education.

We transitioned all the journals to a new online platform hosted by Atypon in early 2018. Every issue of the *The Bone & Joint Journal* published since 1948 is available in its entirety via the website and full text for all issues more than five years’ old is freely available without subscription. In January 2012 we also launched a new open access journal aimed at the research community: *Bone & Joint Research*. This received its first Impact Factor in 2015 and the Impact Factor has increased in subsequent years. In February 2012 we launched a new summary digest journal for orthopaedic surgeons, *Bone & Joint 360*, whose worldwide circulation continues to grow.

We continue to expand the information for orthopaedic surgeons that is available via our website. In January 2016 we launched *EFORT Open Reviews*, a new open access journal, in partnership with the European Federation of National Associations of Orthopaedics and Traumatology (EFORT), and in September 2016 we signed an agreement with the European Paediatric Orthopaedic Society (EPOS) to publish *Journal of Children’s Orthopaedics*. This launched successfully in January 2017. Early in 2020 we will launch a new journal *Bone & Joint Open*.

To disseminate The Bone & Joint Journal as widely as possible

Our aim is to increase the understanding of how *The Bone & Joint Journal* is published, to encourage authors to submit their papers to us, and thus increase the educational standard of the papers we publish. We also aim to make *The Bone & Joint Journal* as widely available as possible, given our financial constraints, so that the educational content reaches the widest possible worldwide audience.

The Editor has given talks at orthopaedic meetings in the UK and at many conferences around the world on *The Bone & Joint Journal* and our publishing process. The Editor has also hosted well-attended Reviewers’ Days at the Journal offices in London, and we continue to expand the number of reviewers in the UK and internationally.

Local editions: We work with third-party publishers to publish local editions of selected papers, either to provide translations into major languages or to reach markets more easily than we can. These local editions are typically distributed free, funded by local sponsorship.

Developing countries: We support the Research4Life project that provides free online access to journals via accredited institutions in developing countries.

ABC Travelling Fellows: We provide donations to cover the travel costs of the ABC Travelling Fellows (surgeons selected by the AOA and BOA as the leaders amongst their generation to travel and learn about orthopaedic surgery in other countries) while they are in the UK, and we fund travel for UK surgeons travelling to the USA. Donations are also routinely made to support the EFORT Mark Paterson Travelling Fellowships, and to the British Orthopaedic Research Society (BORS).

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

Providing publishing services

Our aim is to work closely with national and supranational orthopaedic associations, providing production and publishing services, including those for EFORT and EPOS mentioned above. Our Orthopaedic Proceedings Supplement comprises the abstracts from presentations made at selected national and specialist society meetings worldwide. We published papers from the International Hip Society in the July issue of the Journal. We also published a supplement from the Current Concepts in Joint Replacement meeting. In 2019 we published the papers from The Hip and The Knee Societies of the USA.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Statement of Financial Activities (SoFA) set out on page 12, shows that total income of £2.59m was up 6% on £2.45m for 2018. Online sales and open access revenues were at £379k from £365k in 2018, while subscriptions were £1.38m, from £1.30m the previous year. Expenditure on charitable activities at £2.65m was higher than the £2.32m in 2018. Total expenditure of £2.74m was higher than the previous year's figure of £2.45m, and this resulted in a net inflow for the period of -£146,678 (2018: £8,941). After taking into account realised and unrealised gains on investments, total fund balances increased by £1,282k (2018: loss of £350k) to £18.60m (2018: £17.33m).

FINANCIAL MANAGEMENT POLICIES

Reserves

The Society's total funds were valued at approximately £18.60m at 31 December 2019 (2018: £17.32m), of which £14.68m represents the free reserves (2018: £13.27m). Free reserves comprise unrestricted funds which are expendable at the discretion of the Council of Management in furtherance of the charity's objects being total unrestricted funds less tangible fixed assets, investment properties and designated funds.

Why we hold the reserves

These provide an important resource which has enabled the Society to advance orthopaedic education by maintaining low subscription rates despite running a trading deficit on our publishing activities. These reserves have also allowed the Society to fund the important educational initiative of providing reduced subscription rates to trainees to encourage the newest members of the profession to subscribe to our publications in both their paper and electronic forms. The income derived from the investments is used for continuing operations and for funding new developments. These developments include continued investment in new technology for the digital transfer of information, the cost of maintaining and enhancing the website, and investment in new publishing activities in furtherance of our charitable objectives.

The Council of Management has reviewed the level of free reserves which it feels are appropriate for a Society which carries a number of major risks in its publishing activities, and believes that a figure of approximately £8-10m is required in order to mitigate risks including the following:

- the need to invest in new technology to exploit the potential of digital transfer of information
- increasing publication, printing and distribution costs
- potential decreases in advertising revenue
- potential litigation from author, patient, manufacturer or other organisation
- plans to invest in additional medical publishing activities to further our educational objectives
- fluctuations in stock market performance
- uncertainty following Brexit
- impact of Covid-19 on operating revenues and investment income

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
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FOR THE YEAR ENDED 31 DECEMBER 2019

The Council of Management believe that it is important for the Society to hold reserves to mitigate these risks, and to provide investment income to the Society. They are mindful that the current level is higher than the £8 - 10m range referred to above and will continue to keep this under review. The Council of Management has noted the volatility in financial markets caused by the Covid-19 pandemic and a decrease in the value of the Society's reserves in Q1 2020. Council has also designated £0.5m of reserves for future charitable donations over a 5-10 year period to organisations involved with orthopaedic care and education. In 2019, £53k (2018: £6k) was spent to support travelling fellowships and other charitable donations.

What level (or range) of reserves the trustees believe the charity needs

The Council of Management regularly reviews the level of reserves which it feels are appropriate for a charitable medical publisher and Council believes that the current level of reserves enables us to achieve our charitable objectives. In order to maintain this level of reserves, Council has given the investment managers the investment objective of maximising long-term total return while also providing income.

Arrangements for monitoring and reviewing the policy

The Treasurer and Managing Director meet regularly with the Society's investment managers, BlackRock, to review targets, the investment managers' performance against them, and to assess whether invested assets are at an appropriate level. The Treasurer reports the outcome of these meetings back to Council. The Council of Management are keeping under review the impact of changes in the global economy on our principal sources of income – subscriptions and advertising – and on our costs. Significant changes in these might require a revision of the Reserves Policy.

Review of policy

The Trustees review this Reserves Policy on an annual basis.

Going Concern

Bearing in mind current trading, future plans and existing levels of reserves, the Council of Management has a reasonable expectation that the Society has adequate resources to continue its activities for the foreseeable future. Council has considered the potential adverse effect of the Covid-19 pandemic on the Society. Although there is likely to be a negative impact on advertising revenue and investment income, the Council of Management believe the existing strategy and core activities of the Society can continue as planned. Accordingly, the Council continues to adopt the going concern basis in preparing the financial statements.

INVESTMENT POLICY AND PERFORMANCE

Under the Articles of Association, the Society is required to invest monies not immediately required for the purposes of the Society, in investments or securities as may be thought fit. The Council of Management has delegated their investment powers to BlackRock, who oversee the everyday interests in the investments and report to the Society on a quarterly basis.

During 2019 the Charity transitioned the investment portfolio to invest in the new BlackRock Charities Growth & Income Fund. The Fund seeks to provide a liquid, risk-aware, diversified investment solution for charity investors. The Fund has twin objectives: it aims to deliver long-term capital growth and a steady income distribution.

The Fund's sustainable investment policy is central to its strategy which closely aligns with the values, ethos and principles of the Society. In addition to specific sector exclusions, such as tobacco and armaments, Environmental, Social and Governance (ESG) criteria is integrated into the investment process as a long-term risk management tool.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

The Society's objective for its investments is to maximise the long-term total return, after providing for the annual income target, which is approximately £300,000, with cautious to moderate risk appetite.

During the year ending 31 December 2019, the portfolio produced an income of £352k (2018: £361k). The value of the portfolio increased to £13.09m (2018: £11.70m).

FUTURE PLANS

We plan to continue development of *The Bone & Joint Journal* as the leading international orthopaedic journal, including further enhancements of the website, and international editions.

We will also further develop our newer titles, *Bone & Joint Research* and *Bone & Joint 360*, *EFORT Open Reviews* and the *Journal of Children's Orthopaedics*. We will launch a new journal *Bone & Joint Open* and investigate and develop other new publishing opportunities in orthopaedics where appropriate.

AUDITOR

Crowe U.K LLP has indicated its willingness to be reappointed as statutory auditor for the next financial year.

This report has been prepared taking advantage of the small companies exemptions within the Companies Act.

Signed on behalf of the Council of Management on 19th June 2020 by:



Martin Bircher
Chairman

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)

Opinion

We have audited the financial statements of British Editorial Society of Bone & Joint Surgery (The) for the year ended 31 December 2019 which comprise the Statement of Financial Activities, Balance Sheet, 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).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

INDEPENDENT AUDITOR'S REPORT (continued)

TO THE MEMBERS OF BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- trustees were not entitled to take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT (continued)
**TO THE MEMBERS OF BRITISH EDITORIAL SOCIETY OF BONE & JOINT
SURGERY (THE)**

Auditor's responsibilities for the audit of the financial statements

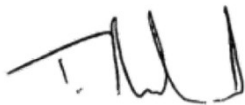
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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



Tim Redwood

Senior Statutory Auditor

For and on behalf of

15 July 2020

Crowe U.K. LLP

Statutory Auditor

London

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2019

Unrestricted Funds

	Notes	2019 £	2018 £
Income from			
<i>Charitable activities</i>			
Subscriptions	3	1,383,183	1,304,295
Reprints and royalties		80,690	59,854
Online sales		378,650	364,521
Other income		3,895	700
<i>Other trading activities</i>			
Rental income		128,285	104,712
Advertisements		262,460	257,816
<i>Investments</i>			
Interest receivable	5	5,332	2,417
Income from investments	4	351,565	360,642
Total income		2,594,060	2,454,957
Expenditure on			
<i>Raising funds</i>			
Advertisements		68,511	84,051
Investment manager's fees		15,160	27,648
Property costs		6,627	7,137
		90,298	118,836
<i>Charitable activities</i>			
Publishing and marketing the Journals		2,147,656	1,928,604
Providing orthopaedic information via the website		188,565	166,579
Disseminating the Journals as widely as possible		116,557	60,409
Providing publishing services		197,662	171,587
	6	2,650,440	2,327,180
Total expenditure		2,740,738	2,446,016
Net income before investment gains and losses		(146,678)	8,941
Net gains / (losses) on investments		1,428,183	(358,869)
Net income and net movement in funds		1,281,505	(349,928)
Total funds brought forward		17,325,787	17,675,715
Total funds carried forward		18,607,292	17,325,787

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
BALANCE SHEET
AS AT 31 DECEMBER 2019

	Notes	Total 2019 £	Total 2018 £
FIXED ASSETS			
Intangible assets	7	41,450	89,202
Tangible assets	8	834,916	763,169
Investments	9	15,913,294	14,530,549
		<u>16,789,660</u>	<u>15,382,920</u>
CURRENT ASSETS			
Debtors	10	437,891	550,682
Cash at bank and in hand		2,255,660	2,240,518
		<u>2,693,551</u>	<u>2,791,200</u>
CREDITORS: amounts falling due within one year	11	<u>867,739</u>	<u>837,971</u>
NET CURRENT ASSETS		1,825,812	1,953,229
CREDITORS: amounts falling due more than one year	12	8,180	10,362
NET ASSETS		<u>18,607,292</u>	<u>17,325,787</u>
FUNDS			
Unrestricted funds	14		
General		16,992,605	15,682,473
Fixed assets		876,366	852,371
Revaluation reserve		416,503	416,503
Designated - charitable donations		321,818	374,440
		<u>18,607,292</u>	<u>17,325,787</u>

These financial statements were approved and authorised for issue by the Council of Management on 19th June 2020 and signed on their behalf by:

Chairman



Martin Bircher

Treasurer



Fergal Monsell

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	(a)	(270,757)	(255,609)
Cash flows from investing activities:			
Dividends, interest & rents from investments		351,565	363,059
Purchase of fixed assets		(111,105)	(48,208)
Proceeds from sales of investments		12,277,249	202,002
Purchase of investments		(12,231,810)	(194,343)
Net cash provided by investing activities		285,899	318,267
Change in cash and cash equivalents in the year		15,142	66,901
Cash and cash equivalents brought forward		2,240,518	2,173,618
Cash and cash equivalents carried forward	(b)	2,255,660	2,240,518

a) Reconciliation of net incoming resources to net cash inflow from operating activities	2019 £	2018 £
Net income / (expenditure) for the year	1,281,506	(349,928)
<i>Adjustment for:</i>		
Depreciation and amortisation charges	80,160	123,781
Gains / (losses) on investments	(1,428,184)	358,869
Dividends, interest and rents from investments	(351,565)	(363,059)
Loss on disposal of fixed assets	6,949	-
Decrease in debtors	112,791	5,103
Increase/(Decrease) in creditors	27,586	(30,378)
Net cash used in operating activities	(270,757)	(255,609)
b) Analysis of cash and cash equivalents	2019 £	2018 £
Cash in hand	2,255,660	2,240,518
	2,255,660	2,240,518

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

a) Charity information

The Society is a registered charity in England and Wales and a company limited by guarantee (company number: 522061). The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the company. There are 20 members. It is a Public Benefit entity, governed by its Memorandum and Articles of Association adopted on 23 July 1953 and amended by special resolutions on 23 September 2002 and 17 September 2012.

The Society's Charity Commission registration number is 209299 and its registered address is 22 Buckingham Street, London, WC2N 6ET.

b) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015.

The functional currency of the Society is considered to be GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

After making enquiries, and in discussing the issues and impact of the Covid-19 pandemic as stated on page 7, the Council of Management have a reasonable expectation that the Society has adequate resources to continue its activities for the foreseeable future. The trustees are not aware of any material uncertainties about the Society's ability to continue and accordingly, they continue to adopt the going concern basis in preparing the financial statements.

c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Society's accounting policies, which are described in this note, Council are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Council, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the presentation of the financial statements are as follows

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

d) Depreciation

All items with a value greater than £250 have been capitalised. Depreciation is only charged on an asset when it has been brought into use. Depreciation is provided on the cost of assets, in equal annual instalments, over the estimated useful lives of the assets. The rates of depreciation are as follows:

Freehold premises	Over 50 years
Long leasehold premises	Over 50 years
Computer equipment	33% per annum
Other equipment	20% per annum
Fixtures and fittings	10% per annum

e) Intangible assets

Intangible fixed assets represent software costs and website development costs capitalised in accordance with FRS102. These are stated at historical cost and amortised on a straight line basis over the period which revenue is expected to be generated (3years).

Amortisation is recognised in the Statement of Financial Activities as part of expenditure and is allocated across the expenditure headings on the same basis as Support & Governance costs.

f) Translation of foreign currencies

Transactions in foreign currencies are converted into sterling using the prevailing rate of exchange. There is also a rate pre-determined by the Council of Management which is used throughout the period.

Assets and liabilities at the period end which are denominated in foreign currency are translated at the rates ruling at the balance sheet date. Exchange differences arising on translation are dealt with in the Statement of Financial Activities.

f) Investments

Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. The differences between the carrying value (or cost if acquired during the period) and the proceeds of investments disposed of are shown as realised investment gains or losses in the Statement of Financial Activities.

Investment properties are stated at their market value at the balance sheet date. No depreciation is provided for in respect of investment properties in accordance with FRS102. Such properties are held for their investment potential and not for consumption within the business.

g) Pensions

Retirement benefits to certain employees are funded by contributions from the Society, which are paid into their personal pension schemes and charged against the results for the period in which they become payable.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (Continued)

h) Fund accounting

General funds are available for use at the discretion of the Council of Management in furtherance of the objects of the Society.

Designated funds comprise general funds which have been set aside at the discretion of the Council of Management for specific purposes.

i) Income

All income is accounted for on a receivable basis and is stated net of discounts. Any income restricted to future accounting periods is deferred and recognised in those accounting periods. Investment income is accounted for on an accruals basis. Rental income is recognised in the period to which it relates, based on the operating lease agreement.

Subscription income is recognised over the period during which the subscriber is entitled to the benefits of the subscription. Sales income is recognised in the period in which a sale takes place. Investment income is recognised based on the ex dividend date.

j) Expenditure

All expenses are accounted for on an accruals basis. Irrecoverable VAT is included with the item of expense to which it relates.

Expenditure on raising funds comprise those costs directly attributable to managing the investment portfolio and the costs of advertising in the journal publications.

Expenditure incurred in connection with the specific objects of the Society is included under the heading "charitable activities". This would include the costs of journal publications. Expenditure on charitable activities has been directly allocated to the main areas of expenditure where possible, and the remainder has been proportionally allocated on the basis of staff time spent in each area. Support costs comprise staff costs together with the general overheads of the Society. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

k) Financial Instruments

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument.

Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost with the exception of Investments which are held at fair value.

Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. TURNOVER

Analysis of subscription income by geographical area is as follows:

	2019	2018
	%	%
United Kingdom	38	32
Europe	9	15
USA	9	5
Rest of the world	44	48
	<u>100</u>	<u>100</u>

3. SUBSCRIPTIONS AND DEFERRED INCOME

	2019	2018
	£	£
Subscription income received	1,357,608	1,338,084
Release of prior year	519,804	486,015
Deferred in period	<u>(494,228)</u>	<u>(519,804)</u>
	<u>1,383,183</u>	<u>1,304,295</u>

4. INCOME FROM LISTED INVESTMENTS

	2019	2018
	£	£
Income from listed investments – UK	344,507	329,170
– Foreign	<u>7,058</u>	<u>31,472</u>
	<u>351,565</u>	<u>360,642</u>

5. INTEREST RECEIVABLE

	2019	2018
	£	£
Bank interest	5,332	2,385
Investment cash deposit interest	<u>-</u>	<u>32</u>
	<u>5,332</u>	<u>2,417</u>

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6. CHARITABLE ACTIVITIES

	Support Costs £	Direct Costs £	2019 Total £	<i>2018 Total £</i>
Publishing and marketing the Journals	628,809	1,518,847	2,147,656	<i>1,928,605</i>
Providing orthopaedic information via the website	62,862	125,703	188,565	<i>166,579</i>
Disseminating the journals as widely as possible	62,862	53,695	116,557	<i>60,409</i>
Providing publishing services	<u>31,432</u>	<u>166,230</u>	<u>197,662</u>	<u><i>171,587</i></u>
	<u>785,965</u>	<u>1,864,475</u>	<u>2,650,440</u>	<u><i>2,327,180</i></u>

	2019 £	<i>2018 £</i>
Support costs are represented by:		
Salaries	189,546	<i>176,612</i>
HR Consultancy	4,768	<i>6,358</i>
Training	15,249	<i>17,339</i>
Travelling	73,156	<i>67,438</i>
Repairs and maintenance	220,569	<i>82,918</i>
Depreciation	87,110	<i>123,781</i>
Staff recruitment	30,493	<i>26,513</i>
Entertaining	26,899	<i>27,617</i>
Stationery	2,391	<i>4,398</i>
Postage	516	<i>543</i>
Telephone and fax	7,929	<i>7,488</i>
Sundry expenses	5,875	<i>7,191</i>
Insurance	9,936	<i>8,267</i>
Exchange (gains) / losses	(4,177)	<i>(34,838)</i>
Legal and professional	24,885	<i>19,810</i>
Bank charges	7,731	<i>6,402</i>
Cleaning	14,456	<i>14,990</i>
Lighting and heating	5,083	<i>6,804</i>
Rates and water rates	21,954	<i>21,305</i>
Archive and library restoration	296	<i>295</i>
Bad debts	400	<i>3,600</i>
Audit and accountancy	40,900	<i>37,552</i>
	<u>785,965</u>	<u><i>632,383</i></u>

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Employee costs during the year:	2019	2018
	£	£
Wages and salaries	821,924	757,246
Social security costs	81,506	78,372
Other pension costs	71,702	72,607
	975,132	908,225

	No.	No.
The average number of employees, who were all involved in the direct charitable activities was	18	18

The number of individuals who earned greater than £60,000 during the year was as follows:

£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-

The key management personnel of the Society (excluding the Council of Management) are the Senior Management Team as defined on page 2 total remuneration paid to these individuals was £556,152 during the year (2018: 492,005)

Members of the Council of Management received no remuneration during either the current or preceding financial years. Expenses relating to travel and subsistence of £6,554 (2018: £12,480) were paid on behalf of 5 (2018: 5) members of the Council of Management during the year.

During the year the Society made termination payments of £61,985 (2018: nil) and £61,983 was outstanding at year-end (2018: nil).

7. INTANGIBLE FIXED ASSETS

	Software	Website	Total
	£	£	£
Cost			
At 1 January 2019	14,084	363,463	377,547
Additions	2,752	-	2,752
At 31 December 2019	<u>16,836</u>	<u>363,463</u>	<u>380,299</u>
Amortisation			
At 1 January 2019	13,666	274,679	288,345
Charge for the year	983	49,521	50,504
At 31 December 2019	<u>14,649</u>	<u>324,200</u>	<u>338,849</u>
Net book value			
At 31 December 2019	<u>2,187</u>	<u>39,263</u>	<u>41,450</u>
<i>At 31 December 2018</i>	<u><i>418</i></u>	<u><i>88,784</i></u>	<u><i>89,202</i></u>

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

8. TANGIBLE FIXED ASSETS

	Freehold premises £	Equipment £	Fixtures & fittings £	Total £
Cost				
At 1 January 2019	1,100,000	124,166	147,759	1,371,925
Additions	-	62,971	45,382	108,353
Disposals	-	(61,165)	(80,043)	(141,208)
At 31 December 2019	<u>1,100,000</u>	<u>125,972</u>	<u>113,098</u>	<u>1,339,070</u>
Depreciation				
At 1 January 2019	361,802	117,343	129,612	608,757
Charge for the year	14,668	11,514	3,475	29,657
Disposals	-	(61,115)	(73,145)	(134,260)
At 31 December 2019	<u>376,470</u>	<u>67,742</u>	<u>59,942</u>	<u>504,154</u>
Net book value				
At 31 December 2019	<u>723,530</u>	<u>58,230</u>	<u>53,156</u>	<u>834,916</u>
<i>At 31 December 2018</i>	<u>738,198</u>	<u>6,823</u>	<u>18,148</u>	<u>763,169</u>

Included within freehold property is land with an estimated cost of £366,600 which has not been depreciated.

A freehold property at 8 Buckingham Street included within freehold premises has been transferred to investment properties.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

9. INVESTMENTS HELD AS FIXED ASSETS

LISTED INVESTMENTS	2019 £	2018 £
Market value		
At start of the period	11,705,550	12,413,581
Additions	12,231,810	194,343
Disposals at carrying value	(12,277,250)	(202,002)
Unrealised (losses) / gains	1,428,184	(700,372)
	13,088,294	11,705,550
Market value of investments at end of the period	13,088,294	11,705,550
Cash held for reinvestment	-	1

	2019 £	2018 £
UK Fixed Interest	-	1,823,983
UK Equities	12,483,039	5,551,422
Overseas Equities	-	1,177,640
Property Unit Trusts	605,255	1,909,559
Other	-	1,179,859
Cash instruments	-	63,088
	13,088,294	11,705,551
Market value of investments at end of the period	13,088,294	11,705,551

INVESTMENT PROPERTIES

	2019 £	2018 £
Market Value		
At start of the period	2,825,000	725,000
Reclassification from tangible fixed assets	-	1,758,497
Revaluation gains / (losses)	-	341,503
	2,825,000	2,825,000
Market value at end of the period	2,825,000	2,825,000

A property located in Buckingham Street with a net book value of £1,758,497 in London was transferred from tangible fixed assets to investment properties during the year as the property is no longer being held as a functional tangible fixed asset. The market value at 31 December 2018 was estimated at £2,100,000 based upon a professional valuation undertaken during the year by Third Sector Property, Chartered Surveyors.

BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY (THE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. DEBTORS	2019	2018
	£	£
Trade debtors	121,785	123,994
Other debtors and accrued income	198,149	317,048
Prepayments	117,957	109,640
	<u>437,891</u>	<u>550,682</u>

11. CREDITORS: amounts falling due within one year	2019	2018
	£	£
Trade creditors	91,858	101,124
Other taxes and Social Security	31,963	21,284
Other creditors	58,361	54,300
Accruals and deferred income	685,557	661,263
	<u>867,739</u>	<u>837,971</u>

12. CREDITORS: amounts falling due more than one year	2019	2018
	£	£
Accruals and deferred income	8,180	10,362

13. PENSION SCHEME

The Society makes payments to certain employees' personal schemes. During the year £71,702 (2018: £72,607) was charged to the Statement of Financial Activities.

14. FUNDS

Statement of funds – current year

	At 1 January 2019	Income	Expenditure	Gains/ (losses)	Transfers	At 31 December 2019
	£	£	£	£	£	£
Unrestricted funds						
Designated fixed asset	852,371	-	-	-	23,995	876,366
Designated charitable donations	374,440	-	(52,622)	-	-	321,818
Revaluation reserve	416,503	-	-	-	-	416,503
General funds	15,682,473	2,594,060	(2,688,116)	1,428,183	(23,995)	16,992,605
Total unrestricted funds	<u>17,325,787</u>	<u>2,594,060</u>	<u>(2,740,738)</u>	<u>1,428,183</u>	<u>-</u>	<u>18,607,292</u>

The Council of Management have set aside £876,366 (2018: £852,371) into a designated fund to reflect the amount of funds held as tangible fixed assets.

THE BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Statement of funds – prior year

	At 1 January 2018	Income	Expenditure	Gains/ (losses)	Transfers	At 31 December 2018
	£	£	£	£	£	£
Unrestricted funds						
Designated fixed asset	2,686,442	-	(123,781)	-	(1,710,290)	852,371
Designated charitable donations	380,173	-	(5,733)	-	-	374,440
Revaluation reserve	75,000	-	-	341,503	-	416,503
General funds	14,534,100	2,454,957	(2,316,502)	(700,372)	1,710,290	15,682,473
Total unrestricted funds	17,675,715	2,454,957	(2,446,016)	(358,869)	-	17,325,787

THE BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

For the information of Trustees only

	Note	2019 £	2018 £
NET OPERATING INCOME			
Subscriptions	(i)	837,571	823,393
Reprints and supplements	(ii)	58,653	39,339
Royalties	(iii)	43,455	36,139
Advertisements	(iv)	165,000	144,887
On line sales		146,266	151,789
Net rental income		121,657	97,575
Sundry		3,895	700
		1,376,497	1,293,822
OVERHEAD EXPENDITURE			
Salaries		979,899	914,582
Training		15,249	17,339
Travelling		73,156	67,438
Entertaining		26,899	27,617
Stationery		2,391	4,398
Postage		516	543
Telephone and fax		7,929	7,488
Audit and accountancy		15,061	13,130
Sundry expenses		5,875	7,191
Insurance		9,936	8,267
Staff recruitment		30,493	26,513
Repairs and maintenance		220,569	82,918
Website costs		132,309	117,472
Depreciation and amortisation:			
Freehold premises		14,668	42,004
Fixtures, fittings and equipment		65,493	81,777
Loss on disposal of fixed assets		6,949	-
Exchange (profit)/loss		(4,177)	(34,838)
Promotion costs		108,434	131,996
Legal and professional		50,722	45,327
Bank charges		7,731	6,402
Cleaning		14,456	14,990
Lighting and heating		5,083	6,804
Rates and water rates		21,954	21,305
Archive and library restoration		296	295
Travelling fellows		26,622	5,733
Donations		26,000	-
SGML implementation		-	-
Bad Debts		400	3,600
		1,864,913	1,620,291
Investment manager's fees		15,160	27,648

THE BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

For the information of Trustees only

	Note	2019 £	2018 £
NET OPERATING INCOME LESS OVERHEAD EXPENDITURE FOR THE PERIOD		(503,576)	(354,117)
OTHER INCOME			
Income from unlisted investments		351,565	360,642
Bank deposit income		5,332	2,385
Other deposit interest		-	32
		<u>356,897</u>	<u>363,059</u>
 SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR		 <u>(146,679)</u>	 <u>8,941</u>
 Expenditure is made up as follows:			
Raising funds			
Advertisements direct expenditure	(iv)	68,511	84,051
Investment manager's fees		15,160	27,648
Property costs		6,627	7,137
		<u>90,298</u>	<u>118,836</u>
 Journal and educational material costs			
Subscriptions direct expenditure	(i)	616,546	555,041
Reprints and royalties direct expenditure	(ii) and (iii)	168,979	151,847
		<u>785,525</u>	<u>706,888</u>
 Support costs			
Overhead expenditure		<u>1,860,914</u>	<u>1,620,292</u>
 Total expenditure		 <u>2,736,737</u>	 <u>2,446,016</u>

THE BRITISH EDITORIAL SOCIETY OF BONE & JOINT SURGERY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

For the information of Trustees only

	2019 £	2018 £
(i) SUBSCRIPTIONS		
Received in British office	1,454,118	1,378,434
Printing and despatching	(219,243)	(231,211)
Indexing and referencing	(4,554)	(11,670)
Editing	(211,529)	(200,636)
Processing charges	(6,389)	(7,615)
Other	(174,831)	(103,909)
	616,546	555,041
Net income	837,572	823,393
(ii) REPRINTS		
Sales	37,234	23,715
Printing and despatching	(1,073)	(116)
	36,161	23,599
SUPPLEMENTS		
Receivable	28,948	28,878
Costs	(6,457)	(13,137)
	22,491	15,741
Total	58,652	39,340
(iii) ROYALTIES		
Receivable	43,455	36,139
Costs	-	-
Net income	43,455	36,139
(iv) ADVERTISEMENTS		
Income	233,511	228,938
	233,511	228,938
Costs of productions	(68,511)	(84,051)
Net income	165,000	144,887