

REGISTERED COMPANY NUMBER: 04128009 (England and Wales)
REGISTERED CHARITY NUMBER: 1085619

**REPORT OF THE TRUSTEES AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
PESGB**

Carter & Coley Limited
Chartered Accountants and Statutory Auditor
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PESGB

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

	Page
Report of the Trustees	1 to 13
Report of the Independent Auditors	14 to 16
Statement of Financial Activities - Group	17
Statement of Financial Position - Group	18 to 19
Statement of Financial Position – Charity	20 to 21
Notes to the Statement of Cash Flows	22
Notes to the Financial Statements	24 to 38

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principal activity of the Society continued to be that of a registered Charity to promote, for the public benefit, education in the scientific and technical aspects of petroleum exploration. The downturn in the oil price from 2015 is the most significant blow to the industry for the last 20 years and the repercussions will be felt within the petroleum exploration and related fields for the foreseeable future. This downturn is evident in our accounts. Our challenge has been to continue to serve our members in these difficult times, offering opportunities through education and networking to secure current and future employment. Our Charitable Objects were reviewed in 2021 by a volunteer working group made up of the membership and a new charitable objective was proposed that would support the development of the charity for the next 20 years. The change is mirroring a significant change in the industry that the society represents. A long consultation was undertaken and opinions around the issue were conflicting. The members voted on the change in objects and the vote closed and the outcome actioned in 2022.

MEMBERSHIP

Membership has reduced to around 2,700. This is less than expected due to inconsistent and flawed reporting. This has now been resolved. Despite downsizing or closure of many oil companies, the Sustaining Company Sponsorship remained stable at 28 during 2020. The benefits on offer to the Sustaining Sponsors was reviewed and new packages were put in place for our corporate supporters.

The team created materials and events relevant to the current challenges faced by our members. In addition, the cost to print the Membership Directory was negated as the membership database has all the up-to-date information on the members and they have control over how much information is shared. The members also received their last printed magazine in March 2020 as the cut in income caused by the pandemic meant that the magazine became online only.

PUBLICATIONS

The PESGB continues to offer members a reduced subscription to the Journal of Petroleum Geology, the Geological Society Journal of Petroleum Geoscience and Geo ExPro, However, these offers have declined in popularity. The PESGB is very appreciative to all those involved over the last thirty years in the production of the North Sea map and to the Map's sponsors. Due to limited funding, the PESGB North Sea Structural Map has not been updated.

The PESGB Magazine continues to inform the members about not only the technical aspects of what is happening in the oil industry but also giving members the opportunities to share their stories and experiences across the network. Editorial has been included from the Special Interest Groups and the Regional Groups on their activities and it also has hosted articles from members of the PESGB staff. It has become a conduit where information

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

travels in all directions across the network. The PESGB extends grateful thanks to its magazine editor and all volunteer news writers and other technical contributors, as well as the support received from advertisers.

VOLUNTEERS

The PESGB greatly appreciates the volunteer support of PESGB membership, those who contribute their industry knowledge regularly to the magazine, those who support the lecture and events programme in and those representatives within organisations, who assist the Society by displaying and distributing promotional material within their organisations.

Magazine Content – Much of the content is written by the volunteers.

The PESGB thanks all the established and new, Special Interest Groups (SIGs) and Regional Branches for organising and supporting the society through online meetings and lectures that they have staged throughout 2021. These groups have flourished during the pandemic and have seen higher levels of member engagement as result of their online activities. These self-directed, independent groups, form an opportunity to engage nationally and internationally with members, the pandemic has seen the SIGs become a reason for joining the society rather than just an additional activity. During 2020 these informal groups had a Summit to discuss collaboration opportunities and best practice. This was found to be very useful, and this model will be developed further for 2021 to support these groups in achieving their ambitions. The SIGS increased in number in 2021 to include the ‘Middle East’ and ‘Risk, Resources, Economics and Commercial’, both groups have started off very strongly with well attended meetings and a vibrant programme of activity. The PESGB office and Trustees extend a special thank you to all individuals and companies who support these events and to those members who volunteer their time to help to organise them. Volunteering by the members, to support the activities of the PESGB is an essential element in the management of the Society. Volunteers make up the governing Council of both PESGB and PESGB Conferences, they manage the content of the courses and conferences, as well as one-off projects (North Sea Map and website development). The volunteer contribution over the year is approximately 975 hours.

EVENTS

During 2021 a variety of online activities took place as the impact of the pandemic lasted significantly longer than we anticipated. The PESGB did manage to stage 2 in-person events. PETEX 2020 was postponed into 2021, and it took place in November 2021 at the Business Design Centre in Islington. PETEX was a significant risk to the society but had to be carried out due to contractual obligations. It was a success, both financially and reputationally and this was in part due to good luck with the timing as it was completed just days before the Omicron variant was announced. The second event was the Granite City Reception which happened in Aberdeen in December 2021 through the timing was not as fortunate and the event had to contend with both Covid restrictions and high winds at the marquee venue.

The monthly Evening Lecture series continued online, and we saw the member attendance continue to be buoyant because of the ease of access. The high calibre technical talks on a diverse range of topics are usually curated by the Aberdeen Council members

These evening lectures continued to be free to attend for members of the PESGB and the organisations with whom the Society has agreements. To encourage members to bring friends and colleagues we have allowed attendance

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

by non-members at a cost, this has been facilitated by a purchase ticket option for non-members on the website. This has proved a popular option and there have been non-members in attendance at nearly every lecture.

Conferences & Exhibitions

- DEVEX is jointly organised by PESGB/AFES/SPE and supported by the OGA. This was the 17th DEVEX conference and exhibition. The event was online and was attended by approximately 120 delegates and was chaired by the AFES. This was free to attend and did not make a profit for the organisers.
- The third YP Summit planned by the EAGE was done as an online event as part of their annual conference.
- PROSPEX 2021 was staged as a technical stream during PETEX and was hosted in collaboration with the OGA.
- PESGB Conferences Ltd (TRADING SUBSIDIARY COMPANY) The Charity's wholly owned trading subsidiary: PESGB Conferences Limited became responsible for all the conference activity in July 2018. The profits from all the conferences are donated to the PESGB.
- Outreach: The 2021 GEOLiteracy Tour which includes the Stoneley Lecture, though planned for May 2020 it was postponed until further notice. It will return to the programme when it can be organised without pandemic considerations.
- All networking activity and events which rely on in person activity were postponed until such a time as we can safely resume and comply with government guidance.
- PETEX 2021 had over 950 attendees over enjoying an excellent technical programme that was orchestrated by the technical committee. Exhibitors reported an excellent level of engagement by the delegates and the networking was intense due to the delegates having missed the opportunity to meet for the past 18 months.

Training

- During 2021 the training initiative called Night School continued to provide high quality training for eight hours over four sessions. This usually took place over a four-week period and was designed to be affordable for the individual rather than paid for by the employer. This has proved a very successful model since it went online because of the pandemic. During 2021 we had over 450 attendees to the Night School programme. Plans for Night School continue to develop in 2022 with the launch of a Corporate Training Pass

COMPLIANCE

To ensure the Society's organisational health, several areas of compliance were focused on in 2021 to ensure that the PESGB met all requirements for both organisations and charities where applicable.

Data Protection – The PESGB had a Data Protection Audit in February 2016, and this gave clarity to many aspects of the storage of data, both financial and member related. We adopted new procedures and continued to develop them as we adopt new systems. The PESGB is now fully compliant with the GDPR legislation.

Health and Safety – The PESGB focused on the Health and Safety of both the staff and the external activities of the organisation in 2021 maintaining an excellent record of compliance. New guidance for staff mental health in the aftermath of the pandemic and the changes to their working situation has been carefully monitored.

Contracts – Due to the closure of the PESGB admin office there has been a significant reduction in the number of contracts that the PESGB is now involved with.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Strategy – The strategy for the PESGB during 2021 focused on financial sustainability after a fight for survival in 2020 following the closure of the UK for the pandemic.

SCID (Sub Committee for Investments & Disbursements) – Due to the industry downturn and funds not being available, the Society has had to withdraw most of its funding to outside bodies.

YP/Student Mapping – Undergraduate mapping projects was not given in 2021 as universities did not have in person activity, only remote learning.

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees who form the Council have reviewed the Charity Commission guidance regarding public benefit and are satisfied that the objects of the Charity meet those requirements. The objective of the PESGB is to promote, for the public benefit, education into the scientific and technical aspects of petroleum exploration and production. The ‘public’ are our members in this context, but the wider public also have the potential to be involved with the PESGB and benefit from the association, thus on occasion our public can mean the ‘general public’. To achieve and further its objectives the PESGB organises, and supports various projects, including educational lectures, meetings, seminars, conferences and exhibitions, field trips, training courses and workshops. The annual Stoneley Lecture (although not able to be held in 2021 due to COVID-19) and related activities are an opportunity to engage the wider public with workshops for young people and those who are interested in, but not educated in, the field. The PESGB produces a monthly educational magazine and supports other educational publications. Various member services include the publication of an online Membership Directory, lecture programme, and a comprehensive website. The PESGB Trustees wish to thank all the volunteers whose contributions throughout a very challenging 2021 made our online events, courses, and the Magazine such a success. The Trustees review the strategic direction of the Society annually to ensure that all opportunities for the PESGB to meet its charitable objectives are explored. The Trustees regularly review the short- and medium-term financial plan for the Society and put in contingency measures to manage challenges that might impact on cashflow and the Society’s financial security.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Volunteers

LEADERSHIP

The Trustees play a key role in the leadership of the charity, volunteering both their time and their expertise. The Council meet bi-monthly for a four-hour meeting in which its strategy, performance against objectives and financial health are closely managed. Due to the extreme impact on the society of the global pandemic, the Presidents, Treasurer and Executive Director met weekly, to ensure the financial security of the society. Differing viewpoints are welcome and explored and decisions are made based on their relevance to the strategy and the charitable objects of the Society. The Trustees are voluntary positions and are elected to Council by the PESGB membership. If Trustees' circumstances change and they are no longer able to commit the time required, then they have the option to resign their position before the official end to their tenure. The Trustees are ambassadors for the Society and represent our values during interactions with the membership and in the delivery of the charitable objects. The PESGB's Mission dictates the strategy and ensures the delivery of the charitable objects. Our values set out how we will deliver it and the overarching areas give us the necessary framework. All Council meetings are carefully documented in minute form and are available to PESGB staff. Any HR issues within the office team are brought to the attention of the Council and support and direction given to the Executive Director as required. All new staff have a full induction before starting their role, and have regular updates to their job descriptions, formal appraisals, contracts and performance related pay. All volunteers, similarly, receive a contract with a role description and a full induction. The trading subsidiary PESGB Conferences Ltd and its relationship with the PESGB, the parent charity is formally overseen by the Society's solicitor. There were changes in the relationship in 2018 to ensure that all current legislation is accommodated within the agreement. The PESGB Conferences now has a separate governing body, over which the PESGB has the authority of veto.

FINANCIAL REVIEW

Where appropriate the PESGB follows the relevant guidelines of the Fundraising Regulator. The PESGB does not employ third parties to secure funds. The PESGB has not had any complaints about its fundraising practices during 2020. The PESGB does not target specific individuals or funding bodies for grant funding, although adhoc requests to the membership have occurred. Occasionally a member may offer to donate to a specific initiative that the PESGB is involved in, and money can be given to these projects by standing order. Any money donated for a particular project is 'ring-fenced from general spend.

Reserves Policy

This continues to be applied in accordance with The Charities Act as follows: Given the cyclical nature of the Oil Industry and therefore the potential threat to Society income sources, the PESGB's Trustees intend to hold back enough funds from its reserves, to ensure that the Society can function effectively over a two-year period of severely reduced income. The pandemic has been a situation whereby the society has had a severely reduced income over a sustained period.

In addition, the Society will retain funds in the reserve that are designated for the specific purposes of pre-investing in its large exhibitions and in investment in the organisation for its continued growth and development as a benefit for the members. The Trustees review the sum annually to ensure it is continually up to date. The sum estimated to cover both eventualities is set at £1,000,000. The PESGB financial reserve is currently at £477,881 which is lower than required due to the downturn. No corrective action was taken

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

2021 to align our reserve with our target but we are planning to make contributions into the reserve in future years to meet our target.

Investment Policy and Objectives

This has been established and adopted in 2002, a segment of the Charity's unrestricted funds, known as the 'reserve', is to be invested with a view to maintaining and enhancing its value. Value is defined by a combination of capital growth and generated income but there is no intent to create an income enough for the Charity to carry out its objectives. The Trustees employ the services of an Independent Financial Advisor to ensure that this money is invested in a manner appropriate to the policy and the written guidelines. Money from the investment totally £100,000 was used for operating costs in 2021 due to the issues caused by the pandemic but £50,000 was replaced before the end of 2021 due to the success of PETEX. It was agreed by the Council to delay repaying the further £50,000 back into the investment fund until the historic VAT issues were signed off.

Key Management Personnel Remuneration

The Trustees consider their Board of Trustees and the Executive Director as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All Trustees give their time freely and no trustee remuneration other than expenses for meeting attendance was paid in the year. Details of trustee expenses and related party transactions are disclosed in the accounts. Trustees are required to disclose all relevant interests and register them with the Executive Director and in accordance with the PESGB policy, withdraw from decisions where a conflict of interest arises. The pay of the PESGB Executive Director remains frozen. It is reviewed annually and normally increased in accordance with average earnings though this did not happen in 2021 due to the financial circumstances caused by the pandemic. In view of the nature of the Charity, its role as a membership society and its funding from the public it serves, the Trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for this role. The remuneration is also benchmarked with other membership societies within the Petroleum industry of a similar size and activity to ensure that the remuneration set is fair and is aligned with that generally paid for similar roles.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Presidents' Summary By James Churchill

As we emerge from the COVID-19 global pandemic, but are faced by other economic and political challenges, it is difficult to remember the operating condition for the PESGB during 2021. During 2021 the PESGB was still feeling the impact of the 2015 oil price crash which had resulted in the Society not posting a surplus since 2014, although the deficit of only £50k for 2020 is considered a success, as it encompasses the period of maximum disruption at the height of the COVID-19 global pandemic. However, the unwinding of difficult decisions taken during 2020, coupled with continued close financial management during 2021 and PETEX, have seen a return to surplus for the Society in 2021.

The disruption caused by the COVID-19 global pandemic cannot be underestimated. Many PESGB activities and events were cancelled or postponed. Those events that did take place were mainly virtual during the first half of 2021, for example DEVEX, whilst during the second half of the year we had the opportunity for physical events. A physical PETEX was a tremendous success and surpassed our forecast and contributed a material surplus to the Society. During the period running up to PETEX the Executive Director, Head of Events and Operations, President, Treasurer and Finance Manager were meeting almost daily to manage the risk and maximize the opportunity of the event. Historical bookkeeping issues were resolved during 2021 but the Society continued to face staff issues. The staff of the PESGB reduced from 8 to 5 during 2021, which although served to reduce staff costs, placed tremendous stress of those who remained during the execution of PETEX. "Night School" continued throughout 2021 with great success and represents an opportunity for future growth.

During 2021 Members also took part in an indicative vote to change to our Charitable Objects to better reflect our Society's activities and better position it for stability during the Energy Transition. An indicative vote on a change to the Society's name was also conducted with broad support for a change.

The PESGB faced significant economic headwinds during 2021 but despite this there are no material uncertainties to cast doubt on the Society's ability to continue as a going concern. Furthermore, the Trustees are pleased to report that the combined Charity and Conferences entity returned a net income of £231,762. This is principally the result of cost-saving measures taken in 2021, continued financial rigour during 2021 and a successful PETEX. Within this the Society has also seen an increase in net assets, mainly cash with an improved consolidated debtor's position, positive cash flow and increased net income for the Conferences entity. The Society's investments however decreased in value due to poorer stock market returns. The Trustees hope that this overall position forms a solid foundation for the Society as it continues to build its financial resilience and move into the Energy Transition.

FUTURE DEVELOPMENTS

2022/2023 Outlook

By Julian Bessa

The landscape in 2022 looks again to be a challenging period for the PESGB. Whilst our finances are in a much better position than when COVID hit in 2020, it is important that we continue along a financially prudent course again in 2022. It is only by doing this, that the Society can continue to provide membership benefits and remain relevant, beneficial, and useful to members at every stage of their careers.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The reach and engagement opportunities within our 2022 programme are exciting and focus on collaboration with other Societies within the ‘energy space’. We will be creating conferences and education opportunities for our members through these partnerships and sharing financial risk to ensure the continued sustainability of the Society. Important experience was gained from hosting a financially successful PETEX towards the end of 2021. This demonstrates that PESGB can successfully host in-person events, navigating the challenges as the world begins to emerge from COVID.

Our collaboration in 2022 includes the Asia-Pacific conference in conjunction with SEAPEX and the Business and Exploration Opportunities Conference (or BEOS) with AAPG. BEOS will combine the PESGB PROSPEX conference with the AAPG APPEX conference and will be a new conference for a new time. This conference that crosses technical with commercial will be a test as to whether the industry has appetite, as we expect, for a ‘one-stop-shop’ for global opportunities. In 2022 as we test the concept, we have reached an agreement with AAPG that reduces the financial risk to PESGB.

On the magazine, PESGB Council have listened to Members feedback and in 2022 we are moving to a paper copy to be issued quarterly. This will be an additional opt in in the yearly membership for a relatively small cost; recognizing some members do not want a paper version. All members will receive the digital version as part of the Membership. The magazine will more detailed, have upgraded content and be a higher-quality production.

The energy industries are going through a period of great change as other subsurface energy sources and technologies are explored. Increasingly the skills of the geoscientists in oil and gas are in demand across this energy space. The Society is seeing members move across to these other fields, and this is expected to gather pace. Dependent on the outcome of the indicative vote, the PESGB may ask members to consider the option of expanding our Charitable Objects to include the opportunities in wider subsurface energy and related technologies.

A further possible decision to be taken by Council in 2022 is around a further membership vote on potentially changing the Society’s name to reflect the new Charitable Objects. Our name remains an issue due to the perceptions of wider society, and this is impacting how the Society does business.

Such potential changes reflect the next stage in our evolution. These potential changes demonstrate a drive to the future, as well as representing a glowing pride in this community’s past.

STRATEGIC REPORT

Future plans

2021/2022 Outlook

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The Society is controlled by its governing document, its Memorandum and Articles of Association, and constitutes a limited Company, limited by guarantee, as defined by the Companies Act 2006. As such the Trustees have no Share Capital interests in the organisation. The Petroleum Exploration Society of Great Britain (PESGB) was founded in 1964, now a registered Charity with Limited Liability status and is a non-profit making organisation. It has a membership of approximately 3,800 individual members and 28 sustaining company members.

Organisational structure

OUR MISSION

The PESGB will be relevant, useful, and beneficial to members at every stage of their careers within the petroleum industry.

OUR VALUES

- Sense of the possible: Be entrepreneurial, create our own opportunities that are consistent with the values of the Society.
- Energetic: Be passionate and keep the membership at the centre of all we do. Challenge ourselves to review the relevance of all our procedures and initiatives, always seeking to improve.
- Excellence: Be the best among the PESGB's peer group of Societies. Use existing and emerging technologies to widen our reach whilst maintaining quality outcomes.
- Respectful: Be collaborative, be a trusted partner to other societies, provide the structure required for a professional and successful relationship.

INTEGRITY

The Council always acts with integrity, they are informed about issues affecting the charity sector and discuss their potential impact on the Charity. Evidence for this can be found in the Council minutes. The Trustees understand their roles and responsibilities, this is a result of a comprehensive induction pack produced annually. The Society is over 50 years old and the legacy left by each Council is important, each Trustee wants to make a positive impact on the Society. The Society has a Declaration of Interests Register and each Trustee is informed about reporting a conflict as part of their induction. The charity has a Code of Conduct for both the Trustees and the members.

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

BOARD EFFECTIVENESS

The Executive Council is elected from the membership and runs the Society on a voluntary basis as the Charity's Trustees. The term of office for a trustee is two years, apart from the positions of President, Treasurer and Aberdeen Director, which run for three years. Each year, half of the Council positions become vacant through retirement and nominations are sought from the PESGB membership for their replacement. A ballot takes place in October/ November and the successful candidates take up their positions in January. All active members can vote and are encouraged to vote online. In 2011, following a review of the procedures for election of Council members, it was agreed that those wishing to stand for Council should now be nominated and seconded by active PESGB members. In exceptional circumstances, the Council has authority to veto a candidate's nomination. The Society holds an AGM each year and the 2021 AGM was held on 9th December.

DIVERSITY

The PESGB Council understands its role in promoting diversity, at board level, within its membership, and in representing an industry that has been historically skewed in many respects. Regarding gender diversity the 2020 PESGB Council comprised more than 30% women. In 2020 the Society had the first meeting of the Diversity and Inclusion Special Interest Group, and this group supports the society and its members to promote diversity across all its activity channels into 2021 and beyond.

OPENNESS & ACCOUNTABILITY

The Society is appreciated by its members and receives feedback to this effect which is shared with the Council. Members are actively encouraged to give their suggestions for improving the Society and are always responded to promptly and courteously. All members are informed about the Charity's performance against its targets at the PESGB AGM and through the PESGB Magazine. Any questions arising from the AGM are discussed at the following Council Meeting. All the contact details for the Trustees are available on the website, along with their pictures and short biographical summaries.

RISK MANAGEMENT

The Trustees recognise that although the Society generally operates in a low-risk environment, it does face certain governance, operational and financial risks. The pandemic changed the way that the PESGB and the rest of the UK worked, challenged the PESGB risk model as it took away the usual sources of income. As a consequence, other sources were found, and the risks mitigated as much as possible.

Every effort is made to quantify the possible risks and put in place controls and procedures that are designed to mitigate each identified risk. Management tools include the Risk Register and the Risk Management Plan. The risks include Poor staff retention which could impair event delivery; protester attack at conference causing harm to delegates; investigation by Charity Commission ; loss of computer data and its impact on office efficiency; loss of funds through fraud or mismanagement leading to financial stress; fire or flood at the office impairing operations; H&S breach at an event that could result in serious injury.

The Risk Register is reviewed on a six-monthly basis with the Council and between these times on a six-monthly basis with the office team. Risk mitigation measures included three staff members trained to IOSH level in

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Health and Safety; new policies and dialogue with the conference venues on a co-ordinated response to protestor issues; Governance training for Council members on responsibilities and new legislation and Induction and

raining of new trustees. Trustees are elected to the Executive Council as described below. New Trustees receive a comprehensive welcome pack to familiarise themselves with the background and activities of the Society and its subsidiary company during induction. As existing members of the PESGB, Trustees may already be familiar with many aspects of the Society. Trustees are provided with relevant background information including a copy of the Society's statutory accounts and Charity Commission guidance regarding their responsibilities as Charity Trustees. Trustees can access Governance Training during their term through the PESGB admin function and are encouraged to do so.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04128009 (England and Wales)

Registered Charity number

1085619

Registered office

Business and Technology Centre
Bessemer Drive
Stevenage
Hertfordshire
SG1 2DX

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

Dr Raquel Arzola
Julian L Bessa
James M Churchill
Graham M Robertson
Andrea S De Silva
Aidan M Joy
Cliff E Lovelock
Dave P Moseley
Holly Marie Owen
Stephen Pickering

Executive Director

M Iredale

Investment Managers

Danamere, International House, Homewall, Havant, Hampshire. PO9 1EE

Bankers

Royal Bank of Scotland, 28 Cavendish Square, London, W1G 0DB

Senior Statutory Auditor

Andrew A Clark FCA

Auditors

Carter & Coley Limited
Chartered Accountants and Statutory Auditor
3 Durrant Road
Bournemouth
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BH2 6NE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of PESGB for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

PESGB

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 27th October 2022 and signed on the board's behalf by:

.....
J Bessa - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PESGB

Opinion

We have audited the financial statements of PESGB (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities (including the Group Summary Income and Expenditure account), the Statement of Financial Position for the Group and Parent Charitable Company, the 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PESGB

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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the 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 Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 group and parent 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 group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PESGB

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

In order to determine the size of tests we will enquire with the Trustees and key employees about their internal controls and review their management reports. If areas of weakness are identified we will extend the level of our testing in order to support our opinion.

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 Report of the Independent Auditors.

Use of our report

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

Andrew A Clark FCA (Senior Statutory Auditor)
for and on behalf of Carter & Coley Limited
Chartered Accountants and Statutory Auditor
3 Durrant Road
Bournemouth
Dorset
BH2 6NE

Date – 27th October 2022

PESGB

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	5,400	-	-	5,400	6,422
Income from trading subsidiary	3	555,977	-	-	555,977	74,843
Other trading activities		207,337	-		207,337	337,543
Investment income	4	4,425	-	-	4,425	7,379
Other income		310	-	-	310	14,272
Total		<u>773,449</u>	<u>-</u>	<u>-</u>	<u>773,449</u>	<u>440,459</u>
EXPENDITURE ON						
Raising funds	5	7,151	-	-	7,151	4,957
Expenditure from trading subsidiary	5	437,157	-	-	437,157	39,451
Charitable activities	6					
Charitable purposes		138,328	-	-	138,328	417,733
Other		-	-	-	-	24,945
Total		<u>582,636</u>	<u>-</u>	<u>-</u>	<u>582,636</u>	<u>487,086</u>
Net Expenditure before Gains and Losses		190,813	-	-	190,813	(46,627)
Net gains on investments		39,077	-	1,872	40,949	(3,898)
NET INCOME/(EXPENDITURE)		229,890	-	1,872	231,762	(50,525)
RECONCILIATION OF FUNDS						
Total funds brought forward		386,677	-	34,499	421,176	431,032
Prior year adjustment		-	-	-	-	40,669
TOTAL FUNDS CARRIED FORWARD		<u>616,567</u>	<u>-</u>	<u>36,371</u>	<u>652,938</u>	<u>421,176</u>

PESGB

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted	Endowment fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	12	2,899	-	-	2,899	7,251
Investments	13	<u>477,881</u>	-	<u>36,371</u>	<u>514,252</u>	<u>520,500</u>
		480,780	-	36,371	517,151	527,751
CURRENT ASSETS						
Debtors	14	60,139	-	-	60,139	87,365
Cash at bank and in hand		<u>193,576</u>	-	-	<u>193,576</u>	<u>106,060</u>
		253,715	-	-	253,715	193,425
CREDITORS						
Amounts falling due within one year	15	<u>(117,928)</u>	-	-	<u>(117,928)</u>	(300,000)
NET CURRENT ASSETS		<u>135,787</u>	-	-	<u>135,787</u>	<u>(106,575)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>616,567</u>	-	<u>36,371</u>	<u>652,938</u>	421,176
NET ASSETS		<u>616,567</u>	-	<u>36,371</u>	<u>652,938</u>	<u>421,176</u>

PESGB

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - continued 31 DECEMBER 2021

FUNDS	16		
Unrestricted funds		616,567	386,677
Endowment funds		<u>36,371</u>	<u>34,499</u>
TOTAL FUNDS		<u>652,938</u>	<u>421,176</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27th October 2022 and were signed on its behalf by:

.....
J Bessa - Trustee

.....
J M Churchill - Trustee

PESGB

CHARITY STATEMENT OF FINANCIAL POSITION 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted	Endowment fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS						
Tangible assets	12	2,899	-	-	2,899	7,251
Investments	13	<u>477,981</u>	<u>-</u>	<u>36,371</u>	<u>514,352</u>	<u>522,190</u>
		480,880	-	36,371	517,251	529,441
CURRENT ASSETS						
Debtors	14	91,772	-	-	91,722	31,900
Cash at bank and in hand		<u>60,114</u>	<u>-</u>	<u>-</u>	<u>60,614</u>	<u>38,690</u>
		152,386	-	-	152,386	70,590
CREDITORS						
Amounts falling due within one year	15	<u>(83,643)</u>	<u>-</u>	<u>-</u>	<u>(83,643)</u>	<u>(245,359)</u>
NET CURRENT ASSETS		<u>68,743</u>	<u>-</u>	<u>-</u>	<u>68,743</u>	<u>(174,769)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>549,623</u>	<u>-</u>	<u>36,371</u>	<u>585,994</u>	<u>354,672</u>
NET ASSETS		<u><u>549,623</u></u>	<u><u>-</u></u>	<u><u>36,371</u></u>	<u><u>585,994</u></u>	<u><u>354,672</u></u>

PESGB

CHARITY STATEMENT OF FINANCIAL POSITION - continued 31 DECEMBER 2021

FUNDS	16		
Unrestricted funds		549,623	320,173
Endowment funds		<u>36,371</u>	<u>34,499</u>
TOTAL FUNDS		<u>585,994</u>	<u>354,672</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 27th October 2022 and were signed on its behalf by:

.....
J Bessa - Trustee

.....
J M Churchill - Trustee

PESGB

STATEMENT OF GROUP CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>31,885</u>	<u>(159,741)</u>
Net cash provided by/(used in) operating activities		<u>31,885</u>	<u>(159,741)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(495)	(943)
Purchase of fixed asset investments		(49,999)	(28,742)
Sale of fixed asset investments		101,700	206,229
Interest received		7	87
Dividends received		<u>4,418</u>	<u>7,292</u>
Net cash provided by investing activities		<u>55,631</u>	<u>183,923</u>
Change in cash and cash equivalents in the reporting period		87,516	24,182
Cash and cash equivalents at the beginning of the reporting period		<u>106,060</u>	<u>81,878</u>
Cash and cash equivalents at the end of the reporting period		<u><u>193,576</u></u>	<u><u>106,060</u></u>

PESGB

NOTES TO THE STATEMENT OF GROUP CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	231,762	(50,525)
Adjustments for:		
Depreciation charges	4,847	39,050
Gain on investments	(45,453)	(2,708)
Interest received	(7)	(87)
Dividends received	(4,418)	(7,292)
Decrease in debtors	27,226	99,087
Decrease in creditors	(182,072)	(229,099)
Decrease in provisions	-	(8,167)
	31,885	(159,741)
Net cash provided by/(used in) operations	<u>31,885</u>	<u>(159,741)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21	Cash flow	At 31/12/21
	£	£	£
Net cash			
Cash at bank and in hand	106,060	87,516	193,576

PESGB

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees made this assessment for a period of one year from the date of approval of the financial statements. In particular the trustees have considered the forecasts and projections and have taken account of pressures on income, amendments to the delivery of resources to members and the move towards online and virtual events as a result of the COVID-19 pandemic. The trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, using reserves if necessary and they are satisfied that there are no material uncertainties.

Consolidation

In the parent entities financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of the business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent considerations after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for the final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at at cost less impairment.

The consolidated financial statements incorporate those of PESGB and all its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All the financial statements are made up to 31st December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring accounting policies used into line with those used by other members of the group.

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Basis of preparing the financial statements

All intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated on consolidation. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. In the group financial statements, joint ventures are accounted for using the equity method.

Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates. In the group financial statements, associates are accounted for using the equity method.

Income

All membership and sponsorship income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Intangible assets

Intangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of amortisation and any impairment losses.

Amortisation is at the following annual rates to write off the asset over its estimated useful life:

Software - 33% per annum

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 33% on cost

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment funds are funds received which the donor has expressly provided to be retained as permanent capital of the charity. the income generated by the fund can be applied for the general purpose of the charity, unless further restrictions on its usage are expressed.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Government grants

Grants will be included in the Statement of Financial Activities on a receivable basis. Where entitlement occurs before income is received, the income will be accrued.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	5,400	6,422

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Membership	149,861	238,571
Fundraising events	24,442	50,533
Sponsorships	22,300	19,787
Magazine	10,734	26,819
Room hire	-	1,833
	<u>207,337</u>	<u>337,543</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	4,418	7,292
Interest receivable	<u>2</u>	<u>87</u>
	<u>4,420</u>	<u>7,379</u>

5. RAISING FUNDS

	2021	2020
	£	£
Investment manager fees	7,151	4,957

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

6. CHARITABLE ACTIVITIES COSTS 2021

	Direct Costs £	Support costs (see note 7) £	Totals £
Educational, newsletter and directory	-	6,904	6,904
Educational, conferences and seminars	-	7,611	7,611
Educational publications	-	1,075	1,075
Membership services	-	26,620	26,620
Donations and grants	-	1,075	1,075
Charitable purposes	<u>-</u>	<u>43,285</u>	<u>43,285</u>

CHARITABLE ACTIVITIES COSTS 2020

	Direct Costs £	Support costs (see note 7) £	Totals £
Educational, newsletter and directory	15,643	54,969	70,612
Educational, conferences and seminars	11,872	65,962	77,734
Educational publications	-	10,994	10,994
Membership services	-	272,244	272,244
Donations and grants	-	10,994	10,994
Charitable purposes	<u>27,515</u>	<u>415,163</u>	<u>442,678</u>

7. SUPPORT COSTS

The allocation of support costs remained constant in percentage terms for 2021 and 2020. The rates applied to Staff Costs, General and Depreciation were Membership 35%, Newsletter 25%, Publications and Donations 5% and Conferences 30%.

	Staff	General	Depreciation
Membership	31,569	15,150	1,696
Newsletter	22,549	10,821	1,212
Publications	4,510	2,164	242
Conferences	27,059	12,986	1,454
Donations and grants	4,510	2,164	242
Total	<u>90,197</u>	<u>43,285</u>	<u>4,487</u>

	Staff	General	Depreciation
Membership	63,288	68,352	13,667
Newsletter	45,206	48,823	9,762
Publications	9,041	9,764	1,952
Conferences	54,259	58,586	11,716
Donations and grants	9,041	9,764	1,952
Total	<u>180,825</u>	<u>195,289</u>	<u>39,049</u>

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors Remuneration – previous agent	6,896	32,890
Audit fee	12,500	7,000
Depreciation	4,847	39,050
Hire of plant and machinery	<u> -</u>	<u> 3,287</u>

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Remuneration was paid to the Chief Executive who is employed by the Charity.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021. In 2020 expenses of £71 were paid to one Trustee.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	209,242	231,874
Social security costs	24,436	22,893
Other pension costs	<u>7,817</u>	<u>6,058</u>
	<u>241,495</u>	<u>260,825</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Staff	<u>5</u>	<u>8</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

The remuneration of key management personnel (including pension, bonus and employers national insurance) in the year was £73,457. (2020 - £77,789).

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	6,422	-	-	6,422
Income from trading subsidiary	74,843	-	-	74,843
Other trading activities	327,543	-	10,000	337,543
Investment income	6,989	-	390	7,379
Other income	<u>14,272</u>	<u>-</u>	<u>-</u>	<u>14,272</u>
Total	<u>430,069</u>	<u>-</u>	10,390	<u>440,459</u>
EXPENDITURE ON				
Raising funds	4,957	-	-	4,957
Expenditure from trading subsidiary	39,451	-	-	39,451
Charitable activities				
Charitable purposes	417,733	-	-	417,733
Other	<u>24,945</u>	<u>-</u>	<u>-</u>	<u>24,945</u>
Total	<u>487,086</u>	<u>-</u>	<u>-</u>	<u>487,086</u>
Net gains on investments	<u>(11,383)</u>	<u>-</u>	<u>-</u>	<u>(11,383)</u>
NET INCOME/(EXPENDITURE)	(68,400)	-	17,875	(50,525)
RECONCILIATION OF FUNDS				
Total funds brought forward	414,408	-	16,624	431,032
Prior year adjustment	<u> </u>	<u> </u>	<u> </u>	<u>40,669</u>
TOTAL FUNDS CARRIED FORWARD	<u>386,677</u>	<u>-</u>	<u>34,499</u>	<u>421,176</u>

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

12. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 January 2021	13,824
Additions	<u>495</u>
At 31 December 2021	<u>14,319</u>
DEPRECIATION	
At 1 January 2021	6,573
Charge for year	<u>4,847</u>
At 31 December 2021	<u>11,420</u>
NET BOOK VALUE	
At 31 December 2021	<u>2,899</u>
At 31 December 2020	<u>7,251</u>

13. FIXED ASSET INVESTMENTS - CHARITY

	Shares in group undertakings £	Listed investments £	Totals £	
MARKET VALUE				
At 1 January 2021	1,690	520,500	522,190	
Additions	-	49,999	49,999	
Disposals	-	(101,700)	(101,700)	
Gains Disposals	<u>-</u>	<u>43,863</u>	<u>(57,837)</u>	(57,837)
At 31 December 2021	<u>1,690</u>	<u>512,662</u>	<u>514,352</u>	
NET BOOK VALUE				
At 31 December 2021	<u>1,690</u>	<u>512,662</u>	<u>514,351</u>	
At 31 December 2020	<u>1,690</u>	<u>520,500</u>	<u>522,190</u>	

There were no investment assets outside the UK.

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

13. FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following:

Subsidiary

PESGB Conferences Limited

Registered office: Business and Technology Centre, Bessemer Drive, Stevenage, SG1 2DX

Nature of business: Organising conferences

Class of share:	Ordinary		
Holding	100%		
		2021	2020
		£	£
Aggregate capital and reserves		67,044	68,220
Profit for the year		118,824	35,442

Associated companies

Petroleum Geology Conferences Limited

Registered office:

Nature of business: Half periodic petroleum geology conferences

Class of share:	Ordinary		
Holding	33%		
		2021	2020
		£	£
Aggregate capital and reserves		-	1,542
Profit for the year		-	-

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

13. FIXED ASSET INVESTMENTS - continued

Devex

Registered office:

Nature of business: Organising conferences and exhibitions

Class of share: Unincorporated
Holding **33%**

	2021	2020
	£	£
Aggregate capital and reserves	1	1
Profit for the year	<u>1</u>	<u>1</u>

Investments exceeding 5% of portfolio

	2021		2020	
	Units	Market Value	Units	Market Value
Liontrust	24,527.83	36,816	25,864.87	37,168
Artemis	16,524.49	18,790	14,422.29	14,376
Black Rock Charishare	12,138.07	62,289	15,067.76	71,596
Jupiter Merlin Growth	7,931.72	43,086	8,583.07	39,855
Aegon	30,450.86	49,519	33,457.25	49,804
Legal & General	65,920.06	50,106	72,697.98	58,086
Margetts	8,839.19	47,778	9,703.96	46,128
Premier Multi-Asset	5,638.35	12,211	12,318.35	24,452
Royal London Sustainable	23,177.10	73,250	23,177.09	71,409
Jupiter Merlin Balanced	24,470.16	37,025	25,886.49	35,154
Charibond Charities Fixed Interest	19,625.25	23,780	24,374.25	30,585

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR GROUP

	2021	2020
	£	£
Trade debtors	51,621	82,699
Other debtors	2,255	1,608
Prepayments and accrued income	<u>6,263</u>	<u>3,058</u>

	60,139	87,365
	2021	2020

CHARITY

	£	£
Trade debtors	7,630	29,170
Amounts owed by group	80,508	-
Other debtors	2,255	1,608
Prepayments and accrued income	<u>1,379</u>	<u>1,122</u>

	91,772	31,900
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PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR GROUP

	2021	2020
	£	£
Trade creditors	541	64,270
Social security and other taxes	17,052	17,335
VAT	52,060	56,371
Other creditors	12,056	75,639
Accruals and deferred income	<u>36,219</u>	<u>86,385</u>
	<u>117,928</u>	<u>300,000</u>

	2021	2020
	£	£
CHARITY		
Trade creditors	145	47,645
Amounts owed to group undertakings	-	130,807
Social security and other taxes	17,052	7,795
VAT	36,230	13,877
Other creditors	1,020	9,524
Wages control	196	-
Accruals and deferred income	<u>29,000</u>	<u>35,711</u>
	<u>83,643</u>	<u>245,359</u>

16. MOVEMENT IN FUNDS - CHARITY

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
Unrestricted funds			
General fund	320,173	229,450	549,623
Endowment funds			
Karen Reed memorial fund	34,499	1,872	36,371
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>354,672</u>	<u>231,322</u>	<u>585,994</u>

PESGB

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2021

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	337,467	(147,094)	39,077	229,450
Endowment funds				
Karen Reed memorial fund	-	-	1,872	1,872
TOTAL FUNDS	<u>337,467</u>	<u>(147,094)</u>	<u>40,949</u>	<u>231,322</u>

17. COMPARATIVE MOVEMENT IN FUNDS - GROUP

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	318,686	(8,792)	309,894
Fixed assets	47,713	(39,050)	8,663
Trading funds	<u>88,678</u>	<u>(20,558)</u>	<u>68,120</u>
	455,077	(68,400)	386,677
Restricted funds			
Restricted fund	-	-	-
Endowment funds			
Karen Reed memorial fund	16,624	17,875	34,499
TOTAL FUNDS	<u>471,701</u>	<u>(50,525)</u>	<u>421,176</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	355,176	(408,585)	44,617	(8,792)
Fixed assets	-	(39,050)	-	(39,050)
Trading funds	74,893	(39,451)	(56,000)	(20,558)
Endowment funds				
Karen Reed memorial fund	10,390	-	7,485	17,875
TOTAL FUNDS	<u>440,459</u>	<u>(487,086)</u>	<u>(3,898)</u>	<u>(50,525)</u>

PESGB
NOTES TO THE FINANCIAL STATEMENTS -
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	320,302	(8,792)	311,510
Fixed assets	<u>47,713</u>	<u>(39,050)</u>	<u>8,663</u>
	368,015	(47,842)	320,173
Endowment funds			
Karen Reed memorial fund	<u>16,624</u>	<u>17,875</u>	<u>34,499</u>
TOTAL FUNDS	<u><u>384,639</u></u>	<u><u>(29,967)</u></u>	<u><u>354,672</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains/losses and transfers £	Movement in funds £
Unrestricted funds				
General fund	411,176	(408,585)	(11,383)	(8,792)
Fixed assets	-	(39,050)	-	(39,050)
Endowment funds				
Karen Reed memorial fund	<u>10,390</u>	-	7,485	<u>17,875</u>
TOTAL FUNDS	<u><u>421,566</u></u>	<u><u>(447,635)</u></u>	<u><u>(3,898)</u></u>	<u><u>(29,967)</u></u>

18. INCOME FROM SUBSIDIARY

	2021 £	2020 £
Turnover	555,977	74,843
Cost of sales	<u>(274,772)</u>	<u>(5,598)</u>
Gross profit	281,205	69,245
Administrative expenses	<u>(162,385)</u>	<u>(41,761)</u>
	118,820	27,484
Other operating income	<u>-</u>	<u>-</u>
Operating profit	118,820	27,484
Interest receivable and similar income	<u>5</u>	<u>50</u>
	118,825	27,534
Interest payable and similar expenses	<u>-</u>	<u>387</u>
Profit before taxation	118,825	27,147
Taxation	-	(8,295)
Gift Aid payable to parent charity	<u>(120,000)</u>	<u>(56,000)</u>
Reserves movement in subsidiary	<u><u>(1,180)</u></u>	<u><u>(20,558)</u></u>

PESGB

NOTES TO THE FINANCIAL STATEMENTS - FOR THE YEAR ENDED 31 DECEMBER 2021

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the years ended 31 December 2021 and 31 December 2020.