



The British Academy Annual Report of the Trustees and Financial Statements

For the year ended 31st March 2022



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TERRACE SW1
CITY OF WESTMINSTER

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Council

as at date of signing

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Chief Executive	Hetan Shah
Director of Communications	Liz Hutchinson
Director of Development	Jo Hopkins
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Foreword

Professor Julia Black CBE, President

On becoming President in July 2021, I paid tribute to my predecessor Professor Sir David Cannadine for handing over an organisation that, thanks to his steadfast leadership, continues to thrive despite the tumultuous past few years.

As this report shows, we are an organisation that is more active, more outward focused and more engaged with the big issues of our time as we enter our 120th year.

We have shaped policy, both domestically and globally, on a whole range of issues from the pandemic response to the learning of languages in schools. We are building awareness of the importance of a broad range of knowledge and insights, using the concept of SHAPE – Social Sciences, Humanities and the Arts for People and the Economy – to show that these subjects are essential alongside STEM if we are to tackle the challenges and seize the opportunities ahead of us.

We have continued to use our global standing as the UK's national academy to build new transnational partnerships, with research bodies around the world from Europe to the Global South.

We have funded more researchers than ever in the UK and internationally and developed our new Early Career Researcher Network which now involves over 1500 researchers in three regions across the UK, embodying our ambition to become even more supportive and inclusive and nurturing the next generation of academic leaders.

Like many organisations, we are endeavouring to keep hold of the positive aspects of changes to our ways of working and engaging prompted by the pandemic. Adopting hybrid formats has enabled more people to participate in our day-to-day work, including our Corresponding Fellows, and given our events a much larger reach. Our ability to engage more widely will be significantly boosted by our building transformation project which will soon begin.

No sooner had things started to feel like they were 'getting back to normal' when the conflict began in Ukraine. We were pleased to have been able to work in partnership with the Council for At Risk Academics, the UK government and other national academies to develop a programme of fellowships for academics from Ukraine. Our hope is that such a scheme may be expanded in future for academics from other areas of conflict.

As part of activities this year to mark 12 decades of the Academy, our look back at the 1940s showed the important roles that the academic community played in the shaping the challenges facing a post-war Britain. This included economist and FBA William Beveridge and his report that laid the foundations for the welfare state, and the role played by J.M.Keynes in developing the international monetary system. As the country grapples with a whole host of domestic and global policy challenges, this Academy will redouble our efforts to mobilise the insights and knowledge found within our community for the greater good.



Professor Julia Black CBE

Introduction

The pandemic and its impact have remained a major theme for the Academy this financial year, which began in the thick of a lockdown and ends as we start to return to a sense of normality.

While much of the year required the Academy to continue to operate remotely and under restrictions, our activity did not reduce as this report shows. Our research funding, policy-influencing and public engagement has grown in reach and in impact.

Awareness among policy-makers of the role the Academy can play in offering up insights and knowledge from a wide range of perspectives continues to grow. This year, we contributed to a wide range of policy areas from the climate crisis via COP26 to the government's forward plans for research and innovation. We have continued to make the case for association to Horizon Europe and the importance of the UK's international partnerships for research.

Our ability to support and nurture the very best researchers has been boosted this year with the creation of our Early Career Researcher Network and a range of new funding schemes such as our Innovation Fellowships and Talent Development Awards. The research we have funded over the past year speaks to all aspects of being human – from the current issues we face day-to-day, to historical perspectives that help us to understand our origins and contexts.

We remain grateful for the funding we receive from the government, trusts and foundations and individuals which ensures we can continue to invest in this breadth and depth of knowledge and a diverse range of researchers.

At the heart of all our activity is the Fellowship which guides our work and is instrumental in its delivery whether that's peer reviewing proposals, mentoring researchers and engaging the public through events and articles.

As we start to look ahead, with our new strategic plan due later this year, we do so with optimism and confidence. The transformation of the lower ground floors of our building begins shortly and will provide the Academy with digitally equipped and modern spaces that will further enable our global outreach and get the insights and knowledge held within our community to a wider audience than ever. We have seen already the impact research can make on improving the UK's health and prosperity and will continue to mobilise the humanities and social sciences to shape a brighter future.



Hetan Shah
Chief Executive



Aims and Objectives

The Academy's Strategic Plan, which runs to the end of 2022, centres around five key objectives:

1. *To speak up for the humanities and the social sciences*

2. *To invest in the very best researchers and research*

3. *To inform and enrich debate around society's greatest questions*

4. *To ensure sustained international engagement and collaboration*

5. *To make the most of the Academy's assets to secure the Academy for the future.*

Achievements

This section summarises the Academy's achievements over the past financial year.

Staff

Following extensive staff consultation, the Academy developed a new 'How we work' framework to guide our hybrid ways of working following the lifting of COVID-19 restrictions. The guidance aims to encourage flexibility, maximising the benefits of both working in person and homeworking. During the lockdown period, our offices were refurbished, and teams were relocated from the mezzanine and basement to the second and third floors. We are now able to offer staff an improved working environment, with more spaces for collaborative working and meetings.

Implementation of the Academy's People Strategy continued this year. We made significant improvements to our "family-friendly" policies, introduced a new pay progression structure and achieved Disability Confident Level 1 accreditation. Staff engagement and wellbeing remain a priority and we were delighted to have had our work recognised in the Great British Workplace Wellbeing Awards, winning the award for Best SME Wellbeing in the Workplace Strategy. We were also shortlisted for the Best SME People Management Initiative in the prestigious CIPD People Management Awards.

Our Learning and Development programme has focused on team development, using the Insights Discovery model to identify individual and team preferences and applying our understanding to develop how we work together.

Overall, staff numbers have increased due to new programmes of activity – from 86 to 96 people.

The Fellowship

We elected 84 new Fellows, including 29 Corresponding Fellows and 3 Honorary Fellows in recognition of their outstanding contributions to the SHAPE subjects. The expertise of this year's Fellows ranges from the cognitive processes underpinning multilingualism (Professor Li Wei, University College London) to the forms of social change associated with the introduction of IVF and other reproductive technologies (Professor Sarah Franklin, University of Cambridge). Our Corresponding Fellows can be found across the globe from France and Poland to India, Singapore and Turkey.

Our Fellowship now stands at over 1,500 and comprises the world's leading minds in the humanities and social sciences. Current Fellows include the classicist Professor Dame Mary Beard, the economist Professor Sir Partha Dasgupta, political scientist Professor Sir John Curtice, literary theorist and novelist Professor Dame Marina Warner and philosopher Professor Baroness Onora O'Neill, while current Honorary Fellows include Baroness Brenda Hale, Graca Machel, Professor Gary Younge and Mary Robinson.

Transitioning back after the pandemic, the Fellows held their twice-yearly meetings in person and with members also dialling in to join remotely. Engagement has increased with the opportunities presented by online participation. It is important for Fellows to still meet in person, so therefore we were delighted to finally hold an event for the new Fellows elected in 2020 and 2021. The Academy is keen to build on engagement with Fellows in the next year. As part of the Academy's strategic review process, the Fellows took part in a series of meetings to feed into the Academy's ambitions and priorities for the future.

Professor Li Wei, elected to the Fellowship in 2021:

“The British Academy has been a champion for research on languages and education for decades and made a fundamental impact on policy and practice through its work. It is a great honour to join the fellowship to advance the work in languages and education in particular and in humanities and social sciences more broadly.”

Fellows successes have included:

- Corresponding Fellow, Professor Sheila Jasanoff, won the 2022 Holberg Prize for her work across science, technology, law, democratic theory, and public policy. Professor Jasanoff is the Pforzheimer Professor of Science and Technology Studies at Harvard Kennedy School.
- Corresponding Fellow, Professor Brenda Yeoh, won the Vautrin Lud Prize 2021 presented by the International Geography Festival in Saint-Dié-des-Vosges, France. Professor Yeoh is the Raffles Professor of Social Sciences at the National University of Singapore.
- Professor Sir Paul Nurse Hon FBA was awarded a CH in the Queens New Year’s Honours list for services to Science and Medicine in the UK and Abroad. Sir Paul is Chief Executive of the Francis Crick Institute for research in biomedicine.
- Professor Roy Foster FBA received a 2021 Presidential Distinguished Service Award. The award recognises members of Ireland’s diaspora for their contribution to Ireland’s reputation across the globe. Professor Foster is Emeritus Professor of Irish History, University of Oxford; Emeritus Professor of Irish History and Literature, Queen Mary University of London.

The generous support from our Fellowship both in terms of their valuable time and gifts ensures that we can continue to function as an organisation - funding outstanding research, influencing policy that shapes our world and growing our engagement in terms of reach and impact.

Equality, Diversity and Inclusion

Our work on Equality, Diversity and Inclusion has developed further this year with working groups now in place to examine all aspects of the Academy’s work, including policy, research funding, events and the building. Activity undertaken in the past twelve months by these groups includes a full accessibility report of the building, improvements to our communications to ensure that they are accessible and an extensive review of our grants awarding process.

The Academy’s Fellows’ Diversity Working Group (Chaired by Professor Catriona Seth, FBA) has grown and developed significantly and now includes representation from across all Sections of the Fellowship. Over the past year a series of task and finish groups have reviewed the Academy’s Fellowship election guidelines and processes from an EDI perspective, and in the next year emphasis will move to an outward focus on how the Academy can play its part in the wider HE and research field. In addition the Staff EDI Group meets on a monthly basis and has been extremely active, holding Lunch and Learn sessions for all Academy staff throughout the year. Staff Affinity Groups have been established, and have worked directly with the HR team on the development of policies.

During the past year, the Flexi-Grant system was updated to extend the range of options on the equal opportunities form, including self-specification of gender and

ethnicity. Initial indications are that these options have been used by applicants who might previously have felt obliged to choose 'prefer not to say' or not answer.

Application forms were also re-ordered to place the research proposal first before the personal details of applicants. A review will follow to consider whether this has made a positive impact on improving diversity and inclusiveness. Scheme guidance notes were also updated to better reflect inclusive language. A new Evaluation page was developed for the website and relevant case studies were added. University visits continued (mostly online) including institutions that have not always engaged with the BA as fully as they might. Sessions to encourage applicants to develop strong proposals to submit for BA funding were held with Leading Routes/Black in Academia and with the Academy's Early Career Research Network. The pool of assessors used by the Academy continues to be widened to include more past award-holders as well as FBAs, especially in new schemes such as the Talent Development Awards and Innovation Fellowships.

For the ninth year in a row, more awards were given to women than men. 51% of applicants and recipients were female – from a HE academic workforce population of 47% female. Almost a quarter of applicants who chose to declare (24%) were from an ethnic minority, and 19% of award recipients. The HE academic workforce is 14% from an ethnic minority background. Overall, across all competitions, applicants from post-1992 universities won 17% of the awards offered by the Academy which was a one percentage point increase on last year. Pre-92 universities continue to get the most amount of funding at 52%, followed by the Golden Triangle (23%), independent applicants (5%), other institutions (2.3%) and BIRIs (0.4%). The figures are similar to the number of applications received, for example, 56% of applications came from pre-92 universities.

*To speak
up for the
humanities
and social
sciences*



To speak up for the humanities and social sciences

This year saw a range of announcements and initiatives from government in the research and Higher Education landscape, to which the Academy both fed into during the development and responded to on launch.

This included a new science and research plan, including the establishment of a National Science and Technology Council and an Office for Science and Technology, an Innovation Strategy, a People and Culture Strategy and a Levelling Up Strategy, as well as the Spending Review which outlined the government's ambitions for investment in research. We generally welcomed these developments, pressing for the interpretation of 'science and technology' to be inclusive of the SHAPE disciplines.

Despite the overall story for research in the UK being one of investment and growth, there continues to be a pervasive narrative in some political and media commentary which seeks to position some subjects in the humanities and social sciences as 'soft' and lacking in value. The Academy continues to push hard against this, using our own evidence and that of others and to generally speak up for the value of the disciplines using the concept of SHAPE – Social Sciences, Humanities and the Arts for People and the Economy. This includes combatting harmful proposals outlined in sector consultations, as well as regular commentary in WonkHE, Times Higher Education and other sector blogs, and the Financial Times also reported on our work to encourage the government to stick to its research and development spending target.

Developing the evidence base for the disciplines is the aim of the SHAPE Observatory which we launched this year. The Observatory will monitor the health and development of the humanities and social sciences at system-wide and discipline-specific levels. It will provide resources for policymakers, the UK's SHAPE communities and an interested public to generate a stronger understanding of the shifts, opportunities and challenges facing the subjects. Two new pieces of evidence published through the Observatory include a collection of statistical evidence demonstrating the economic value of SHAPE disciplines and a 'deep dive' examining the health of Business and Management Studies. This found that the discipline has huge potential to drive positive long-term social change outside of academia and noted the soaring popularity of courses representing the chosen subject for one in six undergraduates and one in five postgraduates in the UK. The student population is also very diverse, with 20% identifying as Asian, Black, Mixed and 'Other' minority ethnic.

In a bid to provide a counterweight to comments about the value of the disciplines, outgoing President Professor Sir David Cannadine wrote an open letter in the Summer to students graduating from humanities and social sciences subjects. In it, he highlighted the skills and experiences they have gained and the many ways in which these will benefit the world. This was picked up by the Times newspaper.

Professor Sir David Cannadine:

“Those with the ideas and insights to change society wield considerable power to change the world for the better, which is why you will find historians, philosophers, psychologists and social scientists in the corridors of power, in the boardrooms of business and even in such unlikely places as the laboratories of Silicon Valley.”

Our work to promote and speak up for the learning of languages continued. We launched the Strategic Committee for Languages in HE in partnership with the University Council of Modern Languages. The committee will track trends in the provision of languages in the UK and propose solutions to enable greater modern languages uptake at university.

We welcomed research published this year which showed the role played by language skills in SMEs in the UK and other research showing the economic value of investing in language learning. We inputted into the consultation on the reform of modern foreign languages GCSE qualifications highlighting the importance of learning the cultural context.

The British Academy's book prize for global cultural understanding entered its tenth year with a range of new initiatives to celebrate the landmark including a forthcoming anthology of new writing by past winners and shortlisted authors, and a special set of events at the Academy's Summer Showcase. The winner of the 2021 Prize was Sujit Sivasundaram for *Waves across the South: A new history of revolution of empire*, chosen from a shortlist of titles covering migration, James Baldwin's America and the post-human landscape.

We continued to showcase the very best scholarship in our disciplines via our suite of prizes and medals. This included:

- The prestigious Leverhulme Medal and Prize, awarded to Professor Catherine Hall FBA for the impact her scholarship has made across modern and contemporary British history, particularly in the fields of class, gender, empire and postcolonial history.
- The President's Medal was awarded to Professor David Olusoga in recognition of his outstanding contribution to the humanities and social sciences
- The Peter Townsend Prize, in partnership with Policy Press, to Professor John Stewart for his biography of influential 20th century scientist Richard Titmuss
- A range of historic medals in fields such as linguistics, cultural history and biblical studies.

Professor Catherine Hall FBA:

“My work on class, race and gender over the past decades has been driven by a conviction that historical understanding of the relation between past and present can contribute to the task of tackling contemporary social, cultural, political and economic inequalities.”

Professor David Olusoga:

“Throughout my career, whether writing history or bringing stories to the television, I have believed that history and the humanities must be made available to everyone and include everyone's stories. At a time when calls for inclusivity have never been louder, I'm thrilled to have my work so generously recognised by the British Academy.”

Owing to continued disruption from COVID-19, we once again held our Summer Showcase online reaching over 5,000 via the live events and on demand videos. Other online events included the British Academy Book Prize event with London Review of Books featuring the shortlisted authors, an event focusing on winner Professor Sujit Sivasundaram and a Global Perspectives event featuring Professor Seyla Benhabib.

Once restrictions lifted, we began to work through a backlog of conferences and other events, adapting to the delivery of events that are hybrid with both in-the-room and online attendees. We held a number of British Academy Conferences in the building, covering topics such as Menstruation, Public Attitudes to Benefits and Technology and the Future of Labour. We also held the first of many Wellcome supported conferences this year focusing on health and wellbeing themes.

We re-launched our flagship lecture programme British Academy Lectures and for the first time, held them outside of London at universities around the UK such as Queens University Belfast, Glasgow, Leeds and Portsmouth.

University of Portsmouth:

“Thank you for all your help with last night’s lecture, which was a huge success. We have had universally positive feedback.”

Event attendee, Professor David Olusoga in conversation with Professor Julia Black PBA:

“This was such an amazing event, I valued every word – thank you.”

We continued to publish a range of content aimed at a general, interested public including:

- Blog posts from our Fellows and funded researchers
- Our fortnightly Read, Watch, Listen newsletter featuring Q&As with our Fellows and the best of our public events programme
- 10-Minute Talks by Fellows on YouTube and as a podcast
- Videos on YouTube of our public events.

Our website received over 1.5 million sessions last year – the highest ever. We have over 100,000 followers across our social media channels, over 20,000 subscribers to our email newsletters and our new series of YouTube videos have been watched by over 100,000 people.

*To invest
in the very best
researchers
and research*



To invest in the very best researchers and research

We supported thousands of researchers this year, via our existing schemes and new initiatives. During the course of the year there were 2,050 live awards across all research and international funding schemes.

- 10 Senior Research Fellowships, in partnership with the Leverhulme Trust, and utilising generous legacy funding from the Donald Winch Fund and Michael and Saki Ruth Dockrill, on topics such as the UK'S European diplomacy, morality, international trade law and the history of sex trafficking
- 351 Small Research Grants, representing around £3m of funding from BEIS, the Leverhulme Trust and a wide range of other sources, supporting academics at 96 universities and research institutions and ten independent scholars. Topics include the impact of language barriers on access to public health information, the regulation of cryptocurrencies in the FinTech industry and diversity and inclusiveness in performing Shakespeare.
- 6 Wolfson Fellows for early career researchers who show excellence in research and public engagement, exploring topics such as poverty, decarbonisation, racial equality and social enterprise.
- 45 Postdoctoral Fellowship awards to outstanding early career researchers in the Humanities and Social Sciences covering topics such as, human rights, expressivism and wellbeing, social security policy, mediated forensics and urban food production.
- 28 Mid-Career Fellowships for researchers who, in addition to delivering excellent research, will promote public understanding and engagement in topics such as remote working and wellbeing, language learning in the Victorian era and politics at times of crises.
- 8 APEX awards, promoting collaboration across science, engineering, social sciences and humanities
- 22 Talent Development Awards enabling the acquisition and advancement of skills and promoting innovative research methods, through skills development, collaboration or dissemination. Topics include: innovation and collaboration in videographic scholarship; understanding the psychological risk factors for believing political misinformation, and the development of language skills.
- 23 Innovation Fellowships supporting early and mid-career researchers to partner with organisations and business in the creative and cultural, public, private and policy sectors, to address challenges that require innovative approaches and solutions. These place-based partnerships address contemporary challenges through knowledge exchange. Topics include: exploring the lived experience of refugee families after reunion; embedding arts in healthcare and producing strategies to encourage domestic energy transition. 3 awards were made through a partnership with the FCDO placing academic researchers directly in contact with policymakers on issues relevant to FCDO policy priorities.
- 50 Academy Research Projects supporting major long-term infrastructural projects or research facilities producing fundamental works of scholarship. Projects include the Complete Works of Voltaire, with publication in hard copy in over 200 volumes completed in 2022.

Cristina Moreno Almeida, BA Postdoctoral Fellow 2017-22. Dr Moreno Almeida has been appointed Lecturer at Queen Mary University of London from September 2022:

“I wanted to let you know how life-changing this fellowship has been for me in helping me get established as an academic. The Academy has been nothing but supportive throughout the years, from my maternity leave to the COVID-19 pandemic. As an early career researcher this has meant that I’ve been able to continue my work knowing that I had the full support of this fantastic institution. This has led to publishing articles in high-impact journals, writing my first book, now having a contract for the second one, and submitting an ERC Starting Grant among much other work. All of this has been invaluable to be now a permanent member of staff at a world-leading institution. Thank you very much for making this possible.”



Shared understanding of a sustainable future

We awarded funding to nine research groups looking at how to ensure a people centred transition to Net Zero and sustainability. Up to £20,000 has been awarded to projects including a study of attitudes towards climate change, the involvement of children in sustainable actions and the role of arts in place-based climate action.

Professor Geoffrey Beattie, Edge Hill University:

“What influences people to make changes in their everyday lives and their sustainable choices? Can local children be role models for adults from their community? ‘The Great Community Climate Change Experiment’ is a unique psychological research project funded by the British Academy. The funding allows us to assess underlying implicit attitudes, intentions and preferences around high carbon lifestyles and products, making an important contribution to insight on behavioural choices around net zero.”

Alette Willis, PhD, University of Edinburgh:

“The Shared Understanding Grant has provided us with the opportunity to engage with an under-researched sector of the arts community in the UK and abroad, to explore the intersecting territories of performance, community-work and story in relation to achieving net zero.”



Case Study

Talent Development Awards

This year the Academy launched a new pilot scheme aimed to support the acquisition and development of skills in core areas such as quantitative skills, interdisciplinarity, data science, digital humanities and languages. 22 UK based researchers received funding and come from disciplines such as languages, law, art history and psychology. The extraordinary range of projects reflect the variety of new opportunities for knowledge and skills to exchange across disciplines and sectors, thereby nurturing current and future generations of talent.

Dr Kaitlyn Zavaleta, De Montfort University:

“As an early-career researcher, it can be daunting to find opportunities for professional growth. This particular award scheme was a golden opportunity for me - I have been able to develop a new skill in podcasting to broadcast my language learning research whilst networking with other researchers and encouraging a conversation with the general public on the value of multilingualism.”

Early Career Researcher Network

A major development was the launch of our Early Career Researcher Network, a pilot made possible thanks to funding from the Wolfson Foundation. The network, accessible to postdoctoral researchers regardless of their funding source or background, will be delivered through regional hubs – the Midlands, hosted at the University of Birmingham, South West hosted at the GW4 alliance of universities (Bath, Bristol, Cardiff, Exeter) and Scotland. The network will be responsive to the needs and interests of researchers and include skills development, networking opportunities, workshops and events.

As part of their People and Culture strategy, the Government praised the Academy's ECR Network initiative and the development of the Young Academy through the four National Academies. The Young Academy aspires to connect emerging leaders across the traditional professional divides of the arts, humanities and sciences and include their voices in global policy discussions. The founding members of the Academy will shape the strategy and focus of the organisation.

Paul Ramsbottom, Chief Executive of the Wolfson Foundation:

“There are many pressures on early career researchers at the moment. We are delighted and excited to be able to support these outstanding researchers to pursue imaginative research projects, with a range and quality that will have a significant impact on their fields of study.”

Professor Heather Widdows, Pro Vice Chancellor (Research and Knowledge Transfer) at the University of Birmingham:

“This is a fantastic opportunity to advance equal access to training, career development and networks for all ECRs in the region, regardless of their background or departmental affiliation.”

Publishing Academic Research

We continued to offer high-quality publishing opportunities for our funded researchers. In addition to articles in the main volume, there were 12 supplementary issues of our Open Access Journal (see sections below). There were 4 volumes by Postdoctoral Fellows in the British Academy Monographs series; and we secured funding to enable this series to become fully Open Access, to begin next Financial Year. Also published via the British Academy in partnership with Oxford University Press were 12 volumes in the Proceedings of the British Academy series on subjects ranging from Plato to Buddhism, and from the Renaissance to homelessness, and 10 volumes arising from Academy Research Projects including lavishly illustrated catalogues of the stained glass of Herkenrode Abbey and of 15th-century English church music.

As part of our work to support our funded researchers to use their knowledge to influence policy, we published a range of content in the Journal of the British Academy. This included articles and essays on:

- Citizenship, marginalist and urban (in)security in contemporary Africa, particularly the impact of rapid urbanisation on migration, gangs, and access to basic services.
- Informal memory practices and the legacy of violent conflict in Bosnia and Herzegovina, Colombia, India, Lebanon, and more.
- Post-conflict resolution in Africa, opening up the debate on the extent to which transitional justice processes contribute to peace and sustainability.
- How Africa can be repositioned in knowledge production.

Dr Sarah Njeri, Research Fellow at Humanitarian Policy Group, ODI and a Research Associate of the African Leadership Centre, King's College London:

“Generally, the emerging research in this field has also marginalised African ECRs’ voices, especially in global research publications, therefore limiting the extent to which they can influence policy and practise. African researchers – including the early-career researchers whose studies are showcased in this special edition of the Journal of the British Academy – are helping to remedy this.”

Dr Kieran Mitton, Reader in Conflict, Security and Development in the Department of War Studies at King's College London:

“These new, interdisciplinary studies will be invaluable to scholars and peacebuilding practitioners concerned with how urbanisation affects the everyday security of citizens across Africa. They explore many aspects of urban and economic development that research and literature have so far overlooked and bring into question what citizenship means for those on the margins of the modern developing city.”

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To inform and enrich debate around society's greatest questions

This year the Academy endeavoured to share the collective knowledge and insight of its Fellowship and funded researchers with policymakers and practitioners on a range of issues from climate and COVID-19 to purposeful business and health inequalities.

In partnership with stakeholders, the Academy held an event on “Urban informality and Inequality – A call for Global Justice” at COP26 and developed a series of briefings for policymakers and special editions of the *Journal of the British Academy* authored by award holders. Areas of focus included:

- The impact of climate disruption on children and young people, with a case study focused on Uganda, which offered practical and positive steps to involve young people in climate action.
- The historical dimensions of the Anthropocene, ecological resilience, environmental protection and climate politics
- The interconnection between public health and environmental factors and another the urban impacts of climate change and just climate adaptation in cities and a reflection on how climate change shapes cities, through its impacts but also through human responses.
- Cities and energy transitions, providing an opportunity to rethink the city and how to include informal settlement dwellers, in decision-making.
- The increasing roles of human rights bodies in climate litigation, illustrating the different features of climate complains brought before national and international human rights bodies.

We also marked the Nature Day at COP26 with the publication of a series of briefings and digital maps examining how nature-based solutions can help address the climate and biodiversity crises, contribute to human wellbeing and help build and inclusive and sustainable economy.



Case Study

Dr Anna Barford, Senior Research Association, Cambridge Institute for Sustainability Leadership and a British Academy Youth Futures award holder (research project: Peak Youth, Climate Change and the Role of Young People in Seizing their Future) was invited to speak to Amanda Solloway MP, then Parliamentary Under-Secretary of State for Science, Research and Innovation, following the publication of the British Academy briefing on Young People and Climate Change and ahead of COP26.

As part of our policy work on the theme of Sustainability for People and Planet, our collaboration with Students Organising for Sustainability UK continued with six more universities selected to undertake SHAPE Impact Projects using a ‘Living Laboratory’ format to identify multidisciplinary solutions for tackling sustainability issues. A total of 13 projects at these universities will receive seed funding from the Academy to pilot their ideas, which include using art and literature to improve young people’s experiences of parks, tackling overconsumption of fast fashion, addressing coastal decline through ‘biodiversity storytelling’, improving access to digital technology for low-income households, and reducing the environmental impact of the creative arts sector.

Along with the other national academies, we hosted a series of virtual ‘Ask the experts’ briefing events for parliamentarians and policy makers to help inform them about COVID-19 and answer questions their constituents may have. The topics included vaccine confidence, how to re-open society safely and the Omicron variant. Sessions featured an interdisciplinary panel. They were well attended, with around 400 parliamentarians engaged in total, and political figures such as Greg Clark, Baroness Blackwood and Layla Moran chairing the sessions throughout the year.

We published a joint report with the Academy of Medical Sciences outlining that health inequalities both contribute to and derive from inequalities in life more broadly. The two organisations were asked by the Scientific Advisory Group for Emergencies (SAGE) to examine the extent to which the impact of COVID-19 is distinguishable from place-based health outcomes over the past 200 years. The report was produced following a roundtable.

We continued to work in partnership with other organisations on other areas of national public policy. This included a new collaboration with the Nuffield Foundation on the ‘Understanding Communities’ scheme which is designed to identify practical solutions to support local communities in the UK. Over £1million in funding was awarded to teams of researchers including academics, national and local policymakers and those working on the frontline of local service delivery. The funded projects cover a range of issues including nature-based integration, social welfare law advice, rural assets, transformative justice, using behavioural data to understand community well-being, and the role of children in community integration.

Our Future of the Corporation programme culminated with the publication of a report ‘Policy and practice for purposeful business’, which recommended that company directors should be held accountable for determining and implementing the purposes of their companies. The report was launched at a virtual event involving the President of the CBI, Director General of the Institute of Directors, the Chief Executive of the London Stock Exchange and other leading figures from business and academia. The programme has had extensive impacts across business policy, practice and teaching, examples include influence on Scottish Government policy through a new commission and the German Corporate Governance Code, changes to practice in specific companies and among groups such as the Institute of Directors and the International Integrated Reporting Council, and strong prospects for change to business teaching. Over half of stakeholders surveyed said they were very likely or quite likely to make changes as a result of the programme.

Jonathan Geldart, Director General of the Institute of Directors:

“Our own research of our members shows that almost half of directors feel that companies should have a stated social purpose to help solve problems in society. This report sets out the practical steps and policies that need to be implemented in order to deliver this.”

The Academy continues to build its relationships in Westminster, Whitehall and the devolved assemblies, submitting evidence and raising awareness of issues with parliamentarians from its research and policy base on topics as diverse as British Sign Language, vaccine hesitancy and skills. For example, the Academy put on a virtual, closed event for parliamentarians, taking a timely look at military strategy in Ukraine with two Fellows and two funded researchers speaking to 30 parliamentarians at an event in April, chaired by the Chair of the Defence Select Committee.

Lord Mackay of Clashfern:

“Thank you very much for the opportunity to listen to this excellent webinar. I really felt assisted in understanding the situation in Ukraine”.



*To ensure
sustained
international
engagement
and
collaboration*

To ensure sustained international engagement and collaboration

The Academy's international engagement delivers a wide range of collaborative research, including curiosity-driven research, interdisciplinary expertise, and policy-led work on major global challenges.

The Academy has continued to develop activities as part of its Just Transitions programme, drawing on funding. These activities have aimed to raise awareness of the importance of SHAPE in understanding the complex human and social dimensions to environmental challenges and their solutions.

In March 2022, we announced a programme to provide Fellowships for Researchers at Risk in partnership with the Council for At Risk Academics (CARA) and the other UK National Academies and funded by the Department for Business, Energy and Industrial Strategy and the Nuffield Foundation. The programme will support researchers at risk to continue their research in the UK for up to two years. The first priority for the scheme will be researchers based in Ukraine.

Stephen Wordsworth, Executive Director of CARA:

“Academics around the world caught in conflict carry in their heads the accumulated intellectual capital of their societies; so it is vital to save them now, so that one day they can return to help build better, safer societies.”

The Academy worked on a series of statements with social science and humanities academics and similar bodies from across the G7 to call on governments to lead a globally equitable recovery from the long-term societal impacts of COVID-19, with concrete recommendations for action covering areas from education, skills and employment to trust, transparency and data gathering to fiscal policy.

This work was complemented by a research programme for UK and G7 based researchers in the humanities and social sciences to examine issues of vaccine engagement, which was done in partnership with the Social Science Research Council and Science and Innovation Network in the US (SIN USA). After an initial pilot study looking at vaccine take-up in Oldham and Tower Hamlets in the UK and Boston and Hartford in the US highlighted the importance of local knowledge and leadership in promoting the vaccine, a further ten policy-focussed research projects were funded.

Dame Karen Pierce DCMG, Her Majesty's Ambassador to the USA:

“The US and the UK are home to world-leading researchers in these fields and I am proud that the British Academy, Social Science Research Council, and SIN USA have brought these communities together under this new and powerful funding instrument. The ten research projects funded under this prestigious grant programme represent an exceptional cohort of scholars from the United Kingdom and the USA.

I am delighted that they will bring their expertise to bear on this most pressing of challenges, for the betterment of both our societies.”

Professor Anna Harvey, President at the Social Science Research Council:

“This welcome report highlights the need for researchers and policymakers to better understand the ways in which community organisations can support important public health outreach campaigns... This report is a call-to-action for further investment in research on the role of community-based organisations in supporting a more resilient public health ecosystem.”

Ronit Praver, Director at the Science and Innovation Network, Eastern USA:

“This transatlantic and interdisciplinary study delves into the critical relationship between communities of place and vaccine engagement. Research of this nature is crucial in helping us to better understand the myriad of complex factors at play in vaccine distribution and education and in supporting evidence-based policymaking. We’re delighted that UK and US researchers can jointly bring their considerable expertise to bear on pressing problems like that of improving COVID-19 vaccine take-up across different communities.”

In partnership with the Irish Embassy in London, the National Archives of Ireland and the Royal Irish Academy, we held an exhibition, *The Treaty, 1921: Records from the Archives*, marking the 100-year anniversary of the 1921 Anglo-Irish Treaty negotiations. Over 800 people, including high-level policymakers and professionals from the arts and cultural sectors, visited the exhibition which brought together key records from the collections of the National Library of Ireland, the Military Archives and University College Dublin.

In addition, the Academy has supported:

- 71 research and innovation projects to support pump priming collaboration between UK and EU partners to facilitate applications to upcoming Horizon Europe funding calls.
- Six collaborative research projects based in the UK and Canada investigating ‘What is a good city?’
- Seven research projects examining issues relating to ‘Inequalities’, following a Knowledge Frontiers Symposium with the Accademia dei Lincei.

- Nine new interdisciplinary projects under the Knowledge Frontiers programme. This programme brings together international, interdisciplinary teams of researchers from the humanities and social sciences on the one hand and researchers from the medical, natural, and engineering sciences on the other to address international challenges past and present. The theme for this round of the programme was ‘What is a good city?’ and the funded projects address challenges including water management, food systems, and sustainable livelihoods. In addition to awarding these nine projects, the programme has also opened its eighth round for applications, with the theme ‘Global (Dis)Order’.
- 13 promising overseas academics, with total funding of over £1m, to enable them to pursue postdoctoral research in the UK, with funding coming from the Government’s Newton International Fellowships scheme. The winning projects range from the politics of archiving in China, charting the vanished landscape of early Islamic Medina to rethinking urban citizenship in Latin America.

The Academy supports a wide range of international projects. The ongoing awards support research throughout the world and deliver key academic and policy-relevant impact. Recent highlights from the Academy’s portfolio of programmes include:

- The *Urban Infrastructures of Well-being* project ‘Engineering food: infrastructure exclusion and ‘last mile’ delivery in Brazilian favelas’ has developed a ‘Campo-Favela’ intervention which has won a PRME Recognition Award from the United Nations.
- The *Sustainable Development Programme* project ‘Protecting Survivors of Torture and Ill-Treatment: Dignity, Violence and Human Rights in Poor Communities’ has contributed to two separate submissions to the UN Special Rapporteur on Torture, highlighting the need to provide protection for survivors and witnesses and stressing the right to health within the relationship between health, violence and protection.
- The project team on the *Youth Futures* project ‘Peak Youth, Climate Change and the Role of Young People in Seizing their Future’ have discussed their findings with UK Science Minister Amanda Solloway MP as part of the ‘Good Development’ series of conversations about climate change research and innovation. Following the conversation, Dr Barford was asked to contribute to BEIS’s ‘Data Insights’ series about the data generated by her research.
- ‘Towards an Alternative Model of Heritage as Sustainable Development: Uyghur Meshrep in Kazakhstan’, a project funded under the *Sustainable Development Programme*, has played a leading role in a campaign to raise awareness of China’s violations of UNESCO’s heritage treaty in relation to Uyghur and Kazakh heritage. PI Rachel Harris and her team have engaged with UK MPs and peers, heritage organisations, media outlets, and UN Special Rapporteurs.
- *Heritage, Dignity and Violence* award-holder Mhairi Gibson, PI on the project ‘The Social Dynamics of Female Genital Mutilation/Cutting’, met with the UK Director of the UNFPA and was subsequently invited to present the results of the study to FGMC specialists working on the UNICEF/UNFPA Joint Programme.
- *Sustainable Development Programme* project on ‘Rohingya journeys of violence and resilience in Bangladesh and its neighbours: historical and contemporary perspectives’, led by Professor Peter Sammond, have produced evidence which has been cited by the Special Rapporteur on the situation of human rights in Myanmar’s final report to the 75th United Nations General Assembly.

The Academy continues to engage with the government on the UK's international research collaborations. This has included:

- Working to support the case for the UK's association to Horizon Europe and the implementation of association with a series of webinars for prospective applicants to the European Research Council.
- A briefing on "EU higher education staff and students" examining the contribution of EU staff and students to higher education throughout the UK and across disciplines and highlights the challenges associated with replacing the Erasmus+ programme.
- Roundtables with the Foreign, Commonwealth & Development Office on prioritising education in the context of COVID-19 and the role of SHAPE in contributing to evidence-informed policy-making and policy-shaping in Latin America.

British International Research Institutes (BIRI)

All the British International Research Institutes continued to adapt their operations to address the challenges caused by the pandemic over the last 12 months. This included engaging with new audiences via online events and social media. They collaborated to create a new collective brand and published the first BIRI Manifesto which highlights their individual and group contribution to the UK's research endeavour. Despite the challenging circumstances of the past year, the BIRI have formed over 25 new partnerships with UK institutions and over 45 new partnerships with non-UK institutions.

- **The British Institute at Ankara (BIAA):** Partnered with BILADI, a Lebanese NGO focussing on safeguarding and promoting cultural heritage, to deliver a project, the *Safeguarding and Rescuing Archaeological Assets (SARAA)*. The SARAA will translate and adapt training course materials on heritage risk management and rescue to the Lebanese context, capacity-building Lebanese professionals, and facilitating knowledge exchange between practitioners in Turkey and Lebanon.
- **The British Institute in Eastern Africa (BIEA):** Partnered with the University of Oxford, Refugee Studies Centre (RSC) to deliver, *The Refugee Led Research Hub (RLRH)* which included a year-long study, training and research course undertaken by 12 RLRH-BIEA Fellows. The collaboration will support the research of the RSC and provide training and capacity building opportunities for scholars with lived experience of displacement.
- **The British Institute of Persian Studies (BIPS):** Partnered with the Abu Rayhan Beruni Institute of Oriental Studies, Academy of Sciences, Uzbekistan which resulted in the first joint venture of an online conference on Central Asian Islamic manuscripts and written culture in November 2021.
- **The British School at Athens (BSA):** Hosted a virtual international conference in with St Andrews University and funded through a BA Mid-Career Fellowship awarded to Dr Alexia Petsalis-Diomidis entitled 'Travel and Archaeology in Ottoman Greece in the Age of Revolution c.1800-1833.
- **The British School at Rome (BSR):** Collaborated with the universities of Melbourne, Groningen and Vienna to deliver a four-year Australian Research Council Discovery Project which will create a new holistic, multi-disciplinary methodological template to study Roman vine-growing, wine production, distribution and trade using Lazio and northern Campania as a case study.
- **The Council for British Research in the Levant (CBRL):** Partnered with King's College London and the Hashemite University to deliver a Newton-Khalidi Fund Project *Mapping Digital Heritage in Jordan* (MaDiH) which resulted in significant publications (policy and academic-related).

- **The Society for Libyan Studies (SLS):** A new UCL ERC-funded project *EVERYDAYISLAM: Becoming Muslim: Cultural Change, Everyday Life and State Formation in early Islamic North Africa (600-1000)* which began this year and will run to 2025 involves the Institut National du Patrimoine, Tunisie, Institut National des Sciences de l'Archéologie et du Patrimoine, Maroc, the University of Leicester and the Deutsches Archäologisches Institut, as well as researchers from the University of York, Historic England, and Universidad d'Alicante.

*To make the
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for the future*



To make the most of our assets to secure the Academy for the future

The Academy has embarked on an exciting capital project to transform the lower ground floors of its building on Carlton House Terrace. The project will create three new double height events spaces, equipped with the latest in audio visual technology. Approved by Council in November 2021, the project has progressed through feasibility to RIBA design Stage 4 with the main works due to commence later in 2022. Enabling works have been undertaken to de-risk the structural aspects of the project and allow for the re-location of some catering areas to previously unusable sub-street spaces. The project has been made possible by the generous support of key donors including the Wolfson Foundation and Garfield Weston Foundation.

Following the periods of enforced working from home during the pandemic, the building re-opened its doors to staff and visitors. With the adoption of a hybrid approach to on-site and home working, the upper floors office floors of the building have been able to absorb an increased number of staff, accommodate those staff displaced from the lower floors and allowed most staff to enjoy the benefits of a more flexible approach to working. Continued investment in technology has allowed for the successful embedding of this working style and met the demand for virtual and hybrid meetings and events.

Our commercial arm, Clio, generated over £1.8 million in income this year, delivering an unrestricted surplus of approx. £136,000 for the benefit of the Academy despite having forecast a deficit. The team worked hard to reopen and to navigate safe event delivery in line with changing government guidelines. In the face of the continued impact of the pandemic in the spring and then later over Christmas and the New Year, we still hosted over 430 meetings and events in our London headquarters. We welcomed external commercial clients, higher education bodies and many charitable organisations, in addition to our own internal meetings and gatherings of Fellows. External clients included HEPI, Google, Adobe, Heidrick & Struggles and Houghton International as well as regular government bookings from the FCO, DFID and the Cabinet Office. The demand to get back to live events and celebrations was keenly observed by the Clio team who enjoyed their most successful wedding season delivering over 45 special celebrations. There is a continued interest in the building on the part of film makers - indeed, it featured in Disney's blockbuster *Cruella*.

The British Academy continues to work in together with its largest private funders (the Wolfson Foundation, the Leverhulme Trust and Wellcome) supporting a range of programmes including the transformation of the building, funding talented scholars and expanding the reach and impact of the humanities and social sciences. In the last year, we have also formed new relationships with the Garfield Weston Foundation and EY as well as renewed links with the Nuffield Foundation, the Social Science Research Council and Cambridge University Press.

Looking ahead

We will continue to:

- Support excellent research nationally and internationally.
- Make the case for the importance of the SHAPE (social science, humanities and the arts for people and the economy) disciplines.
- Consider how equality, diversity and inclusion can be promoted across all of the work that we do.
- Bring together insights from our disciplines to cast light on policy matters and international policy challenges.
- Convene and engage with a wide range of partners here in the UK and abroad, including universities, policymakers, business, civil society and the media, as well as engage the wider public in our work.

The Academy's Fellowship is central to this plan, and as well as helping to support and inform all our activities, it will continue to oversee our work through our governance mechanisms including our Council and committees.

2022 marks the Academy's 120th anniversary. We are in a period of change – most obviously with the impact of the pandemic, but also with wider shifts in politics, economics, technology and society. It is therefore timely that the Academy is undertaking a review of strategy and considering what the role of a National Academy today is. The strategic review will conclude by the end of 2022.

This year we will begin the next phase of refurbishment of our building, transforming the basement space into a suite of digitally enabled rooms which will open up the Academy as a more global platform.

12 Decades

The British Academy was established by Royal Charter in 1902. To mark our 120th anniversary in 2022, we have been looking back at each of the 12 decades in our history to explore how the British Academy has developed as the UK authority for the humanities and social sciences.

In a special section of our website and in a commemorative booklet, we provide a brief narrative overview, and then focus on one particular aspect of the British Academy that can be associated with that decade. We look at our origins and our early years of patient evolution. We identify the key characters whose vision and energies have helped shape the Academy's identity and roles. And, while the last couple of years have been a period of extreme upheaval, we will see that there have been major disruptions in the past that have affected the Academy's development even more acutely. We also demonstrate the important contributions that continue to be made by the 'SHAPE' disciplines we support – Social Sciences, Humanities and the Arts for People and the Economy

Financial Review

Financial Overview

The consolidated financial statements for 2021/22, report a positive net movement in funds of £1.20m (2021: £3.78m), helped by a healthy £0.71m net gain on investments (2021: £4.09m). Excluding this net gain, the Academy, as a group, delivered net income of £0.21m on unrestricted funds (2021: £0.39m) and net income of £0.28m on restricted/endowment funds (2021: £0.01m).

Income

Charitable Activities

Income from charitable activities comprises grants received from various sources. Total grants of £51.7m were received in the year to 31 March 2022 (2021: £61.3m) representing 94% of total income (2021: 97%). The principal grant funder remains the Department for Business, Energy and Industrial Strategy (BEIS), providing grants of £49.3m (2021: £59.5m). While the BEIS main grant increased by £4.3m to £31.8m (2021: £27.5m), the £15.7m reduction in monies made available to the Global Research Challenges Fund, led to an overall funding reduction of £10.2m. This sharp fall in GCRF funding was a direct consequence of the Government's decision to cap the Official Development Assistance (ODA) budget to 0.5% of gross national income. Outside of the Main Grant, BEIS also provided grants of £10.3m for investment in Global Research Talent, £2.7m through the new Global Research and Innovation Platform and £3.5m to support award holders impacted by the COVID-19 pandemic.

Trading Funds Generated

Total income from the Academy's trading activities increased by £1.4m to £2.0m (2021: £0.6m). Much of this increase is attributable to an improvement in income generated from venue hire and catering activities, operated through the Academy's trading subsidiary Clio Enterprises, as business begins to return following the easing of pandemic related restrictions.

Other Income

Other income largely comprises income generated through the administration of the Global Talent Visa scheme. Increasing levels of applications under this scheme generated an increase in income of £0.28m to £0.56m.

Expenditure

Expenditure on Raising Funds

Expenditure on raising funds rose by £0.97m to £2.44m, with much of this increase attributable to the expansion of venue hire trading activity.

Expenditure on Charitable Activities

Expenditure on charitable activities covers the Academy's utilisation of grants received to invest in UK and overseas research and scholarship across the humanities and social sciences fields. Investment supports the most talented people at key stages in their careers through fellowship and small scale innovation funding as well as challenge led research and policy projects addressing key UK and global issues.

In the year to 31 March 2022, total expenditure of £52.1m was incurred (2021: £61.9m). This included £43.5m (2021: £54.6m) in direct awards to institutions and individual researchers. Total expenditure on fellowships remained largely unchanged at £30.4m (2021: £30.7m), with expenditure on small grant awards rising by £0.45m to £3.52m. Investment in the British International Research Institutes remained largely unchanged at £4.45m (2021: £4.40m). The fall in investment of £9.84m in challenge led research and policy to £10.49m reflected the reduction in funding from BEIS ODA sources.

Clio Enterprises Limited

Clio Enterprises Limited (Clio) is a wholly owned subsidiary of the Academy, through which all trading activity relating to the hiring of event spaces within the Academy's building, 10-11 Carlton House Terrace, operates. Such trading activity provides an essential income source underpinning the Academy's financial and corporate strategy, with Clio gifting all profits to the Academy.

In the year to 31 March 2022, Clio generated a net profit of £0.14m (2021: loss of £0.34m) on turnover of £1.81m (2021: £0.37m). This improvement is attributable to the gradual return to normality within the hospitality industry as pandemic restrictions eased.

Funds and Reserves

Total Funds

The total group funds of the Academy increased by £1.20m to £39.99m in the financial year to 31 March 2022. This increase is attributable to positive net movements (before investment gains) of £0.21m on unrestricted funds and £0.28m on restricted/endowment funds together with a £0.71m gain in the market value of the Academy's investment portfolio.

Restricted Funds

Permanent Endowment Funds

There are three permanent endowment capital funds (the Webster Fund, the Ullendorf Fund and the Rose Mary Crawshay Prize for English Literature), with capital funds of £0.74, as at 31 March 2022 (2021: £0.70m). The capital of permanent endowment funds may not be spent.

Expendable Endowment & Income Funds

These capital funds generate income for various prizes, lectures, grants and conferences. The capital value as at 31 March 2022 was £10.30m (2021: £9.93m) with associated (unspent) income funds of £1.17m (2021: £1.02m).

(Non-Investment) Restricted Income Funds

These funds comprise (unspent) restricted income funds arising from donations given for specific purposes (including prizes, lectures, grants and conferences) together with the unspent income fund relating to a capital donation towards improvements of the Academy's building at 10-11 Carlton House Terrace. As at 31 March 2022 these non-investment restricted income funds totalled £2.43m (2021: £2.32m)

Unrestricted Funds

Unrestricted funds comprise the Academy and its trading subsidiary's general funds together with funds designated for a specific purpose.

General Funds

These funds are set aside ensure financial resilience and sustainability in the event of a significant shortfall in income. The balance has been accumulated through (unrestricted philanthropic donations, trading profits and gains on investment assets. As at 31 March 2022, the Academy's group general funds stood at £9.28m (2021: £8.48m)

Designated Funds

The Academy Development Fund (ADF)

This fund will be used to invest in the delivery of new impactful charitable activities and funding of major projects, strengthening the Academy in the long term. As at 31 March 2022, the fund stood at £2.84m (2021: £3.0m)

The BEIS Carlton House Terrace Fund

This fund was created following a receipt of a £14.0m grant from BEIS in 2017/18 which secured the Academy's long-term future at 10-11 Carlton House Terrace. As at 31 March 2022 the fund stood at £13.55m (2021: £13.66m) and is being written down over the life of the 125-year lease, which has 121 years remaining.

Other Designated Funds

Other designated funds include the Research Fund which contributes to the Academy's Small Research Grants programme and funds set aside for operational expenses such as building repairs, decorations and IT systems. As at 31 March 2022 these funds stood at £0.38m (2021: £0.42m).

Reserves Policy

The Academy's intention is to retain sufficient reserves to ensure financial resilience and sustainability, including those risks identified in the risk register. Total Unrestricted Funds less Fixed Assets and Designated Funds are considered to be the reserves the Academy is free to spend – its free reserves. These amount to £6.47m as of 31 March 2022 (2021: £5.99m). The Academy Trustees consider that a minimum level of free reserves should be maintained in order to provide resilience against economics shocks. This minimum level has been set at £5.5m, which is broadly equivalent to operational expenditure for ten months.

Investment Policy

The Academy's assets are invested in line with its aims. The Trustees do not adopt an inclusionary or exclusionary policy, being a passive investor.

The Academy seeks to produce a consistent financial return within an acceptable level of risk. The investment objective is to generate a return of inflation plus three per cent per annum over the long term after expenses. This should allow the Academy to maintain the real value of the assets, while funding annual expenditure in the region of three per cent per annum. To achieve this, the Academy applies a proportion of its funds to equity and/or equity related investments balanced by an element of fixed income generating investments.

As asset valuations are constantly affected by factors such as changing discount rates, liquidity and confidence levels, the achievement of the Academy's investment objectives is assessed over the longer term. Council is advised on investment matters by the Resources Strategy Committee, chaired by the Treasurer. At 31st March 2022, £19.9m is held in tracker funds managed by BlackRock Advisors (UK) Ltd. Investment funds managed by BlackRock provided a gross return of 6.13% for the year 2021/22. Although this gross return is below the investment objective, given current market conditions and the recovery from the pandemic, this level is deemed acceptable.

Future Outlook and Going Concern

The Academy's Trustees have welcomed the increased level of certainty the Comprehensive Spending Review has given to BEIS grants streams over the next three years. While guaranteed funding has remained at 2021-22 levels, the multi-year nature of the settlement together with the baselining of funding streams into the Academy's Main grant has allowed for more robust planning of award programmes and delivery activities.

The Academy's room hire trading activity, operated through its trading subsidiary Clio, has now largely recovered from the impact of the pandemic, returning to surplus in 2021/22. This surplus was however insufficient to offset the deficit generated during the difficult prior year. As Clio has previously transferred all historical surpluses to the Academy, it holds no reserves of its own. Clio's trading performance in the 2022/23 financial year will also be adversely impacted by the Building Transformation project which will restrict availability of event rooms. As such, Clio is reliant on support from the Academy to continue operating, creating material uncertainty within the financial statements of Clio surrounding its ability to continue as a going concern. This support is regarded as justifiable on the basis that the Trustees are confident that Clio will return to surplus following the completion of the building project. Hence, the Trustees expect to provide all necessary financial support to Clio for the foreseeable future.

On the basis that BEIS funding has been secured until at least 31 March 2025, and given the strength of the Academy's balance sheet, the Trustees do not consider there to be a material uncertainty in relation to the going concern basis applied to the preparation of these financial Statements.

After making appropriate enquiries, which include the review of financial forecasts for the financial years to 31 March 2025, a sensitivity analysis and the consideration of the nature and extent of the matters identified above, the Academy's Council, as Trustees, considers that the Academy has adequate resources to justify preparing the financial statements on a going concern basis.

Governance and Management

The British Academy is a charity, registered with the Charity Commission for England and Wales (number 233176). Its principal place of business is its registered office at 10-11 Carlton House Terrace, London SW1Y 5AH, and its professional advisers are listed on page 2.

The Academy was established by Royal Charter in 1902. It is a private, independent, self-governing corporation, composed of approximately 1,100 UK Fellows and 300 overseas Fellows elected in recognition of their distinction as scholars and researchers. Its objectives, powers and framework of governance are set out in the Charter and its supporting Bye-Laws, as approved by the Privy Council.

The Academy receives public funding from the Science and Research budget allocated by a grant from the Department for Business, Energy and Industrial Strategy (BEIS). It also receives support from private sources and draws on its own funds. It endeavors to conduct its business in accordance with the seven principles identified by the Committee on Standards in Public Life and with the Guidance on Codes of Practice for Board Members of Public Bodies, issued by the Cabinet Office.

Public Benefit Reporting

The Council, as formal Trustees of the Academy, operates in accordance with the Charities Act 2011 and this Annual Report meets the requirement in the Act to set out the public benefits of the Academy's work. The Council is also satisfied that it has complied with the duties set out in Section 17 of the Act to have due regard to the public benefit guidance published by the Charity Commission.

The objects of the Academy as set out in its Charter are “the promotion of the study of the humanities and social sciences”.

The purpose of the Academy is to deepen understanding of people, societies and cultures, enabling everyone to learn, progress and prosper by inspiring, supporting and promoting outstanding achievement and global advances in the humanities and social sciences.

As a registered charity, the Academy undertakes a range of activities that provide public benefit:

- providing financial support to academics at various stages of their careers in the UK and internationally;
- funding programmes that advance understanding of the humanities and social sciences;
- providing expert advice to policy makers regarding our subjects;
- promoting the importance of the humanities and social sciences internationally; and
- staging programmes to engage the public with the humanities and social sciences.

The public benefit of the work of the Academy is delivered both directly through its own activities and indirectly through the research and capacity building it funds. This research covers a very broad field, including all 17 of the UN Sustainable Development goals.

Trustees

The Academy's Trustees are the members of its Council. Nominations for vacancies are sought and received by the Nominations Committee and new members are elected by the Fellowship. Following election, new members of Council are provided with an information pack comprising the Charter, Statutes, Bye-laws and Regulations of the Academy, a Charity Commission publication on the responsibilities of charity Trustees and the Strategic Plan. A thorough induction is provided and members are also encouraged to attend recommended external training courses for charity Trustees.

Council and Committees

Council is responsible for the governance of the Academy, making decisions on strategy, policy and finance. To aid this it is supported by a number of committees who discuss and advise on matters including finance, audit and risk, membership and nominations. Memberships of the committees include Fellows, other researchers and others with relevant expertise. Committees that report directly to Council include:

- Standing Committee of Council: Council's principal executive advisory committee comprising the Officers of the Academy.
- Audit Committee: A committee examining the Academy's arrangements for governance, risk management, internal control, and value for money, and which advises Council on their adequacy and effectiveness.
- Nominations Committee: A committee advising Council on the strongest candidates for election as members of Council.

The day to day managements of the affairs of the Academy is delegated to the Chief Executive and the Senior Management Team.

Remuneration of Trustees and Senior Management Personnel

None of the Officers or Council members receives any payment apart from the reimbursement of expenses for their work for the Academy. The Academy has a Remuneration Committee, which meets annually and whose terms of reference include the setting of pay for its senior management personnel. The committee takes into account performance reviews, relevant sectoral pay awards and pay benchmarking exercises conducted by independent professional consultants.

Fundraising Statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake widespread fundraising from the general public, the legislation defines fundraising as "soliciting or otherwise procuring money or other property for charitable purposes". Such amounts receivable are presented in our accounts as "voluntary income" and include legacies and donations. The Academy regularly reviews its fundraising objectives and targets and investing in its fundraising activities accordingly.

In relation to the above we confirm that all solicitations are managed internally without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the Senior Management Team, who are accountable to the Trustees.

The charity is registered with the Fundraising Regulator and follows its guidance and standards in order that our fundraising activity adheres to their code of conduct whilst following best practice. No complaints were received during the year in relation to our fundraising. The appropriateness of our fundraising activity continues to form a natural part of our risk management framework and our scheme of delegation.

Grant Making Policy

The Academy's grant making policy and procedures are set out in its Code of Practice for Consideration of Research Proposals, published on its website. Guidelines are issued on the information to be supplied by applicants, details of the criteria against which applications are assessed, and the process and timescale for assessing them.

Applications are judged on their academic merit through a stringent process of peer review by appropriately qualified experts, normally drawn from the Academy's Fellowship, then passed to the relevant awarding committee for the final decision. Appeals may not be made against the academic judgement of the Academy's assessors, panels, or committees, but may be made on the sole ground of improper procedure.

Assessors are required to declare actual or potential conflicts of interest. Fellows of the Academy who wish to apply for a grant during the period in which they are serving in any capacity as an assessor must abstain from any involvement in the competition to which they are applying. The Code of Practice is reviewed annually.

Risk Management

Council has overall responsibility for the Academy's risk management and internal control systems. The Audit Committee's remit includes reviewing the development and effectiveness of the risk management arrangements and keeping them under review. The Audit Committee reviewed the risk register at its meetings and advises on policy and process.

A Strategic Risk Register is maintained by the Senior Management Team on behalf of the Trustees. The risks are linked to the Academy's Strategic objectives and the register also detailed evaluations and mitigating actions for each risk.

The principal risks identified in the corporate risk register include the following.

- Public funding
- Non-public funding income from Clio
- Shifting Higher Education and Research landscape
- Business continuity
- Public profile and reputation of the Academy
- Fellowship engagement
- Reporting and regulatory requirements
- Resources and people
- Data
- Building transformation project

A range of controls and mitigations are in place with further actions planned to reduce the likelihood of risks occurring and the impact in the event that they do occur. In addition to operational controls, these actions include preparation of a range of scenarios for the forthcoming government spending review, appropriate committee oversight of programmes and communications and the review of delegated authorities.

Volunteers

The Academy is critically dependent on the voluntary services of its Fellows who, whether as Officers, Chairs or members of the Sections, Committees and Sub-committees, or as referees and assessors, perform a wide and crucial range of tasks for which they are wholly unremunerated outside the recovery of their direct expenses. The Academy also consults external academic experts and relies extensively on the services and goodwill of numerous referees and assessors outside its Fellowship and external members of the Investment Management and Audit Committees. All this constitutes an unquantifiable voluntary contribution without which the Academy would be unable to fulfil its objectives.

Auditors

A resolution for the appointment of BDO LLP for the ensuing year will be proposed at the Annual General Meeting.



Approved by Council on 14 June 2022

Professor Sally Shuttleworth CBE, FBA
Treasurer

14 June 2022

Statement of Council's Responsibilities

The Council (as Trustee body of the Charity) is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity Law requires the Council to prepare for each financial year financial statements that give a true and fair view of the state of affairs of the group and parent charity and of the incoming resources and application of resources of the group for the year. 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 Charities SORP
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, including FRS 102, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent charity and enable them to ensure that the financial statements comply with Charities Act 2011 and regulations made there under. They are responsible for safeguarding the assets of the group and parent charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Council has taken steps to:

- Ensure that funds from BEIS are used only for the purposes for which they have been given and in accordance with the BEIS grant terms and conditions and any other conditions which BEIS may from time to time prescribe
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources
- Safeguard the assets of the Academy and prevent and detect fraud
- Secure the economical, efficient and effective management of the Academy's resources and expenditure

Independent Auditor's Report to Trustees of the British Academy

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The British Academy ("the Parent Charity") and its subsidiary ("the Group") for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the parent charity's statement of financial activities, the consolidated and parent charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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.

Conclusions related to going concern

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

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

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

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

We have nothing to report in this regard.

Opinion on other matters as required by BEIS

In our opinion, in all material aspects, the grant payments received from the Department of Business, Energy and Industrial Strategy Skills (BEIS) have been applied for the purposes set out in the Core Grant Letter and in accordance with the terms and conditions of the grants.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic 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 Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or 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 by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 Council's 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's and the 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 or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Based on our understanding of the group and parent charitable company and the industry in which it operates, we identified the principal laws and regulations that directly affect the financial statements. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. We considered the group and charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered financial performance, key drivers for bonus or other performance targets. We also considered the risks of non-compliance with other requirements imposed by regulators, and we considered the extent to which non-compliance might have a material effect on the group and parent charitable company's financial statements.

In addition, the group and parent charitable company are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection and health and safety legislation. Auditing standards limit the required audit procedures to enquiry of the Directors and other management and inspection of regulatory and legal correspondence if any.

We understood how the group and parent charitable company are complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and correspondences with HMRC and the Charities Commission. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries of the Audit committee and management, and a review of minutes of meetings of those charged with governance. We also performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

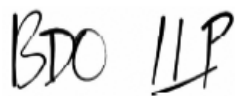
We did not identify any matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals including those which potentially impact remuneration and other performance targets and evaluating whether there was evidence of bias by management or the Board that represented a risk of material misstatement due to fraud and challenging assumptions made by management in their significant accounting estimates. From the work performed no exceptions were noted.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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.



BDO LLP
Statutory Auditor
London,
United Kingdom

Date: 21 July 2022

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

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

Financial Statements

for the Year ended 31 March 2022

2022



Consolidated Statement of Financial Activities

Year ended 31 March 2022

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Funds	2021 Funds
		£	£	£	£	£
Income and endowments from						
Donations and legacies	3	253,568	150	-	253,718	359,226
Charitable activities						
Grants receivable	4	26,000	51,637,764	-	51,663,764	61,323,546
Other trading activities						
Trading funds generated	5	1,999,402	374	-	1,999,776	586,195
Investment income	6	261,335	232,389	17,419	511,143	462,490
Other income	7	558,995	7,204	-	566,199	300,264
Total income		3,099,300	51,877,881	17,419	54,994,600	63,031,721
Expenditure on						
Cost of raising funds	8	2,426,866	11,918	893	2,439,677	1,467,457
Charitable activities						
Grants and awards	9	458,052	51,602,094	1,457	52,061,603	61,880,569
Total expenditure		2,884,918	51,614,012	2,350	54,501,280	63,348,026
Net income/(expenditure) before gain on investments		214,382	263,869	15,069	493,320	(316,305)
Net gain on investments	14	342,240	-	362,826	705,066	4,091,832
Net income		556,622	263,869	377,895	1,198,386	3,775,527
Transfers between funds	19	(124)	124	-	-	-
Net increase in funds		556,498	263,993	377,895	1,198,386	3,775,527
Fund balances brought forward at 1 April 2021		25,531,885	3,334,585	9,926,365	38,792,835	35,017,308
Total funds carried forward at 31 March 2022		26,088,383	3,598,578	10,304,260	39,991,221	38,792,835

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

The consolidated and Academy statement of financial activities includes the results of the charity's wholly owned subsidiary, Clio Enterprises Ltd.

The notes, on pages 54 to 89 form part of these accounts.

Statement of Financial Activities of the Academy

Year ended 31 March 2022

	Unrestricted Funds	Restricted Funds	Endowment Funds	2022 Funds	2021 Funds
Income and endowments from	£	£	£	£	£
Donations and legacies	253,568	150	-	253,718	359,226
Charitable activities					
Grants receivable	26,000	51,637,764	-	51,663,764	61,323,546
Other trading activities					
Trading funds generated	420,040	374		420,414	334,416
Investment income	261,335	232,389	17,419	511,143	462,325
Other income	558,995	7,204	-	566,199	300,264
Total income	1,519,938	51,877,881	17,419	53,415,238	62,779,777
Expenditure on					
Cost of raising funds	970,488	-	-	970,488	848,842
Investment management fees	13,378	11,918	893	26,189	26,664
Charitable activities					
Grants and awards	458,052	51,602,094	1,457	52,061,603	61,880,569
Total expenditure	1,441,918	51,614,012	2,350	53,058,280	62,756,075
Net income before gain on investments	78,020	263,869	15,069	356,958	23,702
Net gain on investments	342,240	-	362,826	705,066	4,091,832
Net income	420,260	263,869	377,895	1,062,024	4,115,534
Transfers between funds	(124)	124	-	-	-
Net increase in funds	420,136	263,993	377,895	1,062,024	4,115,534
Fund balances brought forward at 1 April 2021	25,871,892	3,334,585	9,926,365	39,132,842	35,017,308
Total funds carried forward at 31 March 2022	26,292,028	3,598,578	10,304,260	40,194,866	39,132,842

Consolidated and Academy Balance Sheets

as at 31 March 2022

	Notes	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Fixed Assets					
Tangible assets	13	17,329,283	17,193,220	17,329,283	17,193,220
Investments	14,15	19,940,554	20,234,656	19,940,564	20,234,666
		37,269,837	37,427,876	37,269,847	37,427,886
Current Assets					
Debtors	16	2,103,253	5,826,951	2,477,256	6,465,174
Cash at bank and in hand		5,100,294	1,601,260	4,648,476	1,216,185
		7,203,547	7,428,211	7,125,732	7,681,359
Creditors					
Amount falling due within one year	17	(4,455,454)	(6,025,720)	(4,174,004)	(5,938,871)
Net Current Assets		2,748,093	1,402,491	2,951,728	1,742,488
Creditors					
Amounts falling due after more than one year	18	(26,709)	(37,532)	(26,709)	(37,532)
Net Assets		39,991,221	38,792,835	40,194,866	39,132,842
Represented by:					
Endowment funds	19	10,304,260	9,926,365	10,304,260	9,926,365
Restricted funds	19	3,598,578	3,334,585	3,598,578	3,334,585
Unrestricted funds	19	26,088,383	25,531,885	26,292,028	25,871,892
Total Funds		39,991,221	38,792,835	40,194,866	39,132,842

The notes, on pages 54 to 89 form part of these accounts.

The Financial Statements on pages 54 to 89 were approved and authorised for issue on 14 June 2022 and signed by:



Professor Sally Shuttleworth
Treasurer



Hetan Shah
Chief Executive and Secretary

Consolidated Statement of Cash Flows

as at 31 March 2022

	2022	2021	
	£	£	
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period	1,198,386	3,775,527	
Depreciation charges	310,578	250,976	
Gain on investments	(705,066)	(4,091,832)	
Purchase of property, plant and equipment	(446,641)	(1,281,408)	
Loss on disposal of property, plant and equipment	-	10,088	
Investment Income	(511,143)	(462,490)	
Decrease/(increase) in debtors	3,723,697	(3,227,684)	
(Decrease)/increase in creditors	(1,568,420)	3,897,082	
Net cash inflow/(outflow) from operating activities	2,001,391	(1,129,741)	
Statement of cash flows			
Net cash inflow/(outflow) from operating activities	2,001,391	(1,129,741)	
Cash flows from financing activities			
Investment income	511,143	462,490	
Financial investment	Note (i) 998,965	-	
Finance lease payments	(12,676)	(14,607)	
Increase/(decrease) in cash and cash equivalents	3,498,823	(681,858)	
Reconciliation of net cash flow			
Increase/(decrease) in cash and cash equivalents	Note (ii) 3,498,823	(681,858)	
Cash and cash equivalents at 1 April 2021	1,661,541	2,343,399	
Cash and cash equivalents at 31 March 2022	5,160,364	1,661,541	
Notes to Cash flow statement			
Note (i) Gross cash flows			
Financial investment			
Payments to acquire investments	(459,169)	(378,398)	
Receipts from sales of investments	1,458,134	378,398	
	998,965	-	
Note (ii) Analysis of change in net funds			
	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,601,260	3,499,034	5,100,294
Cash held with investment managers	60,281	(211)	60,070
	1,661,541	3,498,823	5,160,364

The notes, on pages 54 to 89, form part of these accounts.

1

Accounting Policies

as at 31 March 2022

A. Basis of preparation of the accounts

The Annual Report, incorporating the financial statements for the year ended 31 March 2022, has been prepared in accordance with the Academy's Royal Charter, and in compliance with the Charities Act 2011, the Statement of Recommended Practice applicable to the charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP).

The financial statements have been prepared under the historical cost convention, as modified for the inclusion of investment assets.

The Academy's Trustees have welcomed the increased level of certainty the Comprehensive Spending Review has given to BEIS grants streams over the next three years. While guaranteed funding has remained at 2021-22 levels, the multi-year nature of the settlement together with the baselining of funding streams into the Academy's Main grant has allowed for more robust planning of award programmes and delivery activities.

The Academy's room hire trading activity, operated through its trading subsidiary Clio, has now largely recovered from the impact of the pandemic, returning to surplus in 2021-22. This surplus was however insufficient to offset the deficit generated during the difficult prior year. As Clio has previously transferred all historical surpluses to the Academy, it holds no reserves of its own. Clio's trading performance in the 2022/23 financial year will also be adversely impacted by the Building Transformation project which will restrict availability of event rooms. As such, Clio is reliant on support from the Academy to continue operating, creating material uncertainty within the financial statements of Clio surrounding its ability to continue as a going concern. This support is regarded as justifiable on the basis that the Trustees are confident that Clio will return to surplus following the completion of the building project. Hence, the Trustees expect to provide all necessary financial support to Clio for the foreseeable future.

On the basis that BEIS funding has been secured until at least 31 March 2025, and given the strength of the Academy's balance sheet, the Trustees do not consider there to be a material uncertainty in relation to the going concern basis applied to the preparation of these financial Statements.

After making appropriate enquiries, which include the review of financial forecasts for the financial years to 31 March 2025, a sensitivity analysis and the consideration of the nature and extent of the matters identified above, the Academy's Council, as Trustees, considers that the Academy has adequate resources to justify preparing the financial statements on a going concern basis.

B. Group and charity financial statements

Group financial statements consolidate the results of the charity and its wholly owned subsidiary Clio Enterprises Ltd on a line-by-line basis. A separate statement of financial activities for the charity itself is also presented. Notes to the accounts for the parent alone are not prepared, as the notes to consolidated financial statements identify the charity results.

C. Income

The specific bases for accounting for income are described below. In general

terms, income is accounted for on a receivable basis, gross of related expenditure. Income is only recognised where there is evidence of entitlement, its receipt is probable and there is reasonable certainty of the amount.

- Donations and legacies include donations which are accounted for in the year in which they are received, subscriptions and gift aid.
- Grants receivable are recognised when entitlement to the grant is confirmed. Grant income received for expenditure in future accounting periods is deferred.
- Venue hire income includes income receivable from the rent and hire of rooms. Income received in advance is deferred until entitlement to the income has arisen at which time it is credited to income in the statement of financial activities.
- Publishing income includes royalties which are recognised on an accruals basis in relation to the date of sale.
- Investment income is included in the Statement of Financial Activities in the year in which it is receivable.
- Other income consists of conference, service provision and recharges income.
- Capital grants are recognised in the year in which they are received and are accounted for in a separate fund.

D. Expenditure

Expenditure is recognised on an accruals basis, gross of any related income. Where costs cannot be directly attributed to particular categories they have been allocated to activities on a basis consistent with the use of resources.

- Costs of raising funds include expenditure incurred in generating unrestricted and restricted income through fundraising.
- Charitable activities include grants, awards, prizes and other activities supporting the Academy's aims and objectives. Grants are charged to the statement of financial activities when a constructive obligation exists notwithstanding that they may be paid in future periods. Returned grants are accounted for on receipt and deducted from expenditure.
- Other expenditure includes expenditure directly incurred in generating income from the subsidiary activity, publications programme and investments.
- Direct Staff and support costs are directly allocated to individual activities where possible using full time staff equivalents, floor space and activity specific weightings. Indirect staff and support costs are allocated using area the full time staff equivalents and proportional spend. Governance costs include those associated with the management of the Academy's assets and with constitutional and statutory requirements. They are allocated to activities on a full-time staff equivalent basis where appropriate.

E. Operating Leases

Rental costs under operating leases are charged to the Statement of Financial Activities, as the charges are incurred, over the lease period.

F. Tangible Fixed Assets

Furniture and equipment at a cost of up to £25,000 is treated as revenue expenditure.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight line basis over its expected useful life, as follows:

- Furniture and equipment - over five years
- Leasehold Improvements depreciation is calculated on their major components and is charged on a straight-line basis over their expected useful economic lives as shown below:
 - Structure – 50 years
 - Bathrooms – 30 years
 - Kitchens – 20 years
 - Windows and Doors – 30 years
 - Mechanical Systems – 30 years
- Long leasehold – over the lease term
- Assets under construction – no charge until asset is complete and in use
- Items which are fully depreciated are treated as disposals
- Items under finance leases are capitalised and written off over the term of the lease.

G. Investments

Listed investments are included in the financial statements at market value which is measured at bid price.

Gains/losses on disposal of investments and revaluation of investments are recognised in the year of gain or loss and are allocated to the funds to which the investments relate in accordance with their percentage share of the investments.

H. Stocks of Publications

Costs of publications are written off in the Statement of Financial Activities when incurred. Stocks of books donated to the Academy for its library are not valued within the accounts.

At 31 March 2022, the estimated value of stocks of publications not included in the balance sheet, due to being deemed immaterial, was £68,173 (2021: £83,954), being the lower of cost and net realisable value.

I. Pensions

The Academy is a Participating Employer in Superannuation Arrangements of the University of London (SAUL). The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets was £3,612 million representing 94% of the liabilities for benefits accrued up to 31 March 2020.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. The Academy accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

The scheme's actuary has approved that the employers contribution to SAUL increases to 19% from 1 April 2022 and then to 21% from 1 January 2023.

J. Funds

Endowment funds represent capital funds which must be held permanently or which may be expended by the Academy. Income arising from Endowment funds is allocated to the correspondingly named individual restricted income funds in accordance with their percentage share of the investments and applied for the purposes for which they were originally given.

Restricted Funds are funds that are subject to restrictions imposed by donors and are applied in accordance with these restrictions. Details of the nature and purpose of certain restricted funds are set out in note 19.

Unrestricted Funds are those which are available for use at the Council's discretion, primarily to provide liquidity and a contingency in the event of a funding shortfall but can also be used in the furtherance of the Academy's objects.

Designated Funds are unrestricted funds set aside for unrestricted purposes and which would otherwise form part of the General Fund. Details of the nature and purpose of each designated fund are set out in note 19.

K. Tax

The Academy is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary, Clio Enterprises Ltd had trading losses brought forward to offset its 2021/22 profits, resulting in no corporation tax liability on the subsidiary. Historically, qualifying donations of all taxable profit are made to the Academy so no corporation tax liability on the subsidiary arises in the accounts.

L. Heritage Assets

In accordance with section 34 of FRS102 heritage assets acquired have not been capitalised, since reliable estimates of cost or value are not available on a basis that would justify the costs of establishing them. Heritage assets are not depreciated since their long economic life and high residual value mean that any depreciation would not be material. Additions to heritage assets are made by purchase or donation. Purchases are initially recorded at cost and donations are recorded at a fair value where practicable.

2

Accounting Estimates and Judgements

as at 31 March 2022

In preparing these financial statements, the Trustees have made the following judgements:

- Determine whether there are indicators of impairment of the charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Whether leases entered into by the charity as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Whether the trading subsidiary, Clio Enterprises Limited, will make sufficient profits to be able to repay the short term loan provided as support while its recover recover following the impact of the pandemic. The decision has been based upon it's return to profit in 2022, its budget for the year ahead and historical performance.

Other key sources of estimation uncertainty:

- **Tangible fixed assets**
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

An accounting policy for component accounting within leasehold improvements has been established (see note 1 (f)).

- **Investments**
Listed investments are valued at the quoted bid price at the reporting date.

3

Donations & Legacies

as at 31 March 2022

	Unrestricted £	Restricted £	Endowment £	2022 Total £	Unrestricted £	Restricted £	Endowment £	2021 Total £
Donations	92,014	150	-	92,164	202,376	45,150	-	247,526
Legacies	-	-	-	-	-	-	-	-
Subscriptions *	161,554	-	-	161,554	111,700	-	-	111,700
Total	253,568	150	-	253,718	314,076	45,150	-	359,226

* Subscriptions are gift aided

4

Grants Receivable

as at 31 March 2022

	2022 £	2021 £
Department for Business, Energy & Industrial Strategy: Main Grant	31,775,969	27,526,500
Department for Business, Energy & Industrial Strategy: Costed Extensions	3,510,000	4,100,000
Department for Business, Energy & Industrial Strategy: Global Challenges Res. Fund	886,464	16,618,893
Department for Business, Energy & Industrial Strategy: Global Research Talent	10,330,851	10,662,568
Department for Business, Energy & Industrial Strategy: Global Research & Innovation Platform	2,738,500	-
Department for Business, Energy & Industrial Strategy: Newton Fund	51,085	529,156
Department for Business, Energy & Industrial Strategy: Knowledge Symposium	48,017	35,729
Foreign, Commonwealth & Development Office: Education Research in Conflict & Crisis	355,000	20,000
Leverhulme Trust	1,000,815	1,042,174
Wolfson Foundation	646,872	328,522
Wellcome Trust	157,714	221,640
Other grants	162,477	238,364
	51,663,764	61,323,546

Grants receivable is split between unrestricted and restricted funds. £26,000 (2021: £2,000) pertain to unrestricted funds and £51,637,764 (2021: £61,321,546) pertain to restricted funds.

5

Trading Funds Generated

as at 31 March 2022

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income generated						
Venue hire	1,579,362	-	1,579,362	251,779	-	251,779
Publishing	420,040	374	420,414	333,514	902	334,416
Total income generated	1,999,402	374	1,999,776	585,293	902	586,195
Cost of raising funds						
Venue hire	1,443,000	-	1,443,000	591,951	-	591,951
Publishing	420,289	-	420,289	312,418	-	312,418
Total cost of raising funds	1,863,289	-	1,863,289	904,369	-	904,369

6

Investment Income

as at 31 March 2022

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Investment income	260,870	249,808	510,678	235,036	225,066	460,102
Bank deposit interest	465	-	465	2,388	-	2,388
	261,335	249,808	511,143	237,424	225,066	462,490
UK						
Bonds	60,707	57,837	118,544	54,374	52,068	106,442
Equities	99,621	95,121	194,742	80,380	76,968	157,348
Bank deposit interest	465	-	465	2,388	-	2,388
	160,793	152,958	313,751	137,142	129,036	266,178
Overseas equities	100,542	96,850	197,392	100,282	96,030	196,312
	261,335	249,808	511,143	237,424	225,066	462,490

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Other
Income

as at 31 March 2022

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Global Talent Visa	558,650	-	558,650	275,700	-	275,700
Conferences	-	-	-	-	-	-
Sundry income	345	7,204	7,549	6,618	3,947	10,565
Recharged costs	-	-	-	-	13,999	13,999
	558,995	7,204	566,199	282,318	17,946	300,264

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Expenditure on
Raising Funds

as at 31 March 2022

	Direct Costs - Grants & Awards £	Direct Costs - Other £	Staff Costs £	Support Costs £	2022 Total £
Fundraising	-	20,495	304,100	225,604	550,199
Venue hire	-	631,893	175,352	635,755	1,443,000
Publishing	-	169,213	145,026	106,050	420,289
Investment manager fees	-	26,189	-	-	26,189
Total	-	847,790	624,478	967,409	2,439,677

	Direct Costs - Grants & Awards £	Direct Costs - Other £	Staff Costs £	Support Costs £	2021 Total £
Fundraising	-	37,863	324,744	173,817	536,424
Venue hire	-	91,027	188,746	312,178	591,951
Publishing	-	175,655	81,433	55,330	312,418
Investment manager fees	-	26,664	-	-	26,664
Total	-	331,209	594,923	541,325	1,467,457

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Expenditure on Charitable Activities

Expenditure on charitable activities was £52,061,603 (2021: £61,880,569) of which £458,052 pertained to unrestricted funds (2021: £260,943), £51,602,094 to restricted funds (2021: £61,617,267) and £1,457 to endowment funds (2021: £2,359).

Year ended 31 March 2022

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Expenditure on
Charitable Activities

Year ended 31 March 2022

	Direct Costs Grants & Awards £	Direct Costs Other £	Staff Costs £	Depre- ciation £	Support costs £	2022 Total £
Charitable activities						
Fellowships						
Early career fellowships	15,995,215	2,905	206,729	-	242,985	16,447,834
Global professorships	6,248,645	1,355	201,565	-	235,935	6,687,500
Mid career fellowships	2,926,576	-	76,785	-	24,131	3,027,492
Innovation fellowships	2,105,312	-	76,785	-	24,131	2,206,228
Senior research fellowships	543,591	1,018	-	-	23,372	567,981
Newton fellowships	979,438	3,322	59,066	-	18,562	1,060,388
Education Research in Conflict & Crisis (FCDO)	255,000	-	58,457	-	41,543	355,000
	29,053,777	8,600	679,387	-	610,659	30,352,423
Small Grants						
Small research grants	2,881,454		131,808	-	43,343	3,056,605
Talent development grants	201,482	22	11,813	-	3,712	217,029
Excellence kitemark	225,938	3,053	11,813	-	3,712	244,516
	3,308,874	3,075	155,434	-	50,767	3,518,150
British International Research Institutes	4,181,151	153,596	88,599	-	27,843	4,451,189
Challenge Led Research & Policy Engagement						
Policy engagement	901,893	684,456	1,173,416	-	364,280	3,124,045
International challenges	2,233,140	-	29,327	-	32,484	2,294,951
Just Transitions	1,556,444	216,032	25,027	-	43,650	1,841,153
Covid 19 & Vaccine Engagement	1,666,309	8,919	19,772	-	50,862	1,745,862
Horizon Europe Pump Priming Collaboration	563,064	14	9,982	-	40,018	613,078
Global Challenges Research Fund	69,082	-	522,210	-	279,790	871,082
	6,989,932	909,421	1,779,734	-	811,084	10,490,171
Other						
Communications & Public engagement	-	695,357	1,305,922	-	407,206	2,408,485
Newton fund	-	-	31,638	-	19,447	51,085
Knowledge Symposium	-	48,017	-	-	-	48,017

9

Expenditure on Charitable Activities (continued)

Year ended 31 March 2022

	Direct Costs Grants & Awards £	Direct Costs Other £	Staff Costs £	Depre- ciation £	Support costs £	2022 Total £
Other grants, prizes & lectures	-	99,823	62,538	-	500	162,861
Depreciation	-	-	-	310,578	-	310,578
Property, Equipment & Conservation etc.	-	27,941	126,565	-	114,138	268,644
	-	871,138	1,526,663	310,578	541,291	3,249,670
Total	43,533,734	1,945,830	4,229,817	310,578	2,041,644	52,061,603

9

Expenditure on Charitable Activities – Prior Year Comparative

as at 31 March 2021

	Direct Costs Grants & Awards £	Direct Costs Other £	Staff Costs £	Depre- ciation £	Support costs £	2021 Total £
Charitable activities						
Fellowships						
Early career fellowships	17,919,225	270	284,017	-	89,362	18,292,874
Mid career fellowships	3,938,071	-	79,551	-	20,194	4,037,816
Senior research fellowships	490,880	-	-	-	22,970	513,850
Newton fellowships	1,358,026	-	30,231	-	7,674	1,395,931
Education Research in Conflict & Crisis (FCDO)	-	1,000	13,716	-	5,284	20,000
Global professorships	6,250,000	-	136,856	-	93,144	6,480,000
	29,956,202	1,270	544,371	-	238,628	30,740,471
Small Grants						
Small research grants	2,750,236	-	77,952	-	31,902	2,860,090
Excellence kitemark	202,997	-	4,874	-	1,237	209,108
	2,953,233	-	82,826	-	33,139	3,069,198
British International Research Institutes	4,114,618	156,070	102,534	-	26,029	4,399,251
Challenge Led Research & Policy Engagement						
Global Challenges Research Fund	15,641,706	175,187	414,757	-	387,243	16,618,893
Policy engagement	268,440	521,402	1,384,406	-	268,459	2,442,707
International challenges	1,200,626	-	40,109	-	21,979	1,262,714
	17,110,772	696,589	1,839,272	-	677,681	20,324,314
Other						
Communications & Public engagement	-	707,005	1,345,340	-	275,524	2,327,869
Newton fund	478,884	13	44,010	-	6,249	529,156
Knowledge Symposium	-	35,729	-	-	-	35,729
Other grants, prizes & lectures	-	48,424	-	-	14,427	62,851
Depreciation	-	-	-	250,976	-	250,976
Property, Equipment & Conservation etc.	-	55,713	31,481	-	53,560	140,754
	478,884	846,884	1,420,831	250,976	349,760	3,347,335
Total	54,613,709	1,700,813	3,989,834	250,976	1,325,237	61,880,569

9.1

Expenditure on Charitable Activities (continued)

Analysis of Total Grants Payable

as at 31 March 2022

	Grants to institutions £	Grants to individuals £	2022 Total £	Grants to institutions £	Grants to individuals £	2021 Total £
Fellowships	28,798,777	-	28,798,777	29,956,202	-	29,956,202
Small grants	2,794,867	86,587	2,881,454	2,589,506	160,730	2,750,236
Overseas research facilitation	4,181,151	-	4,181,151	4,114,618	-	4,114,618
Challenge Led Research & Policy Engagement	7,540,600	131,752	7,672,352	17,792,653	-	17,792,653
	42,315,395	218,339	43,533,734	54,452,979	160,730	54,613,709

Total amount of grants payable included in total charitable activities for the year is £43,533,734 (2021: £54,613,709).

9.2

Support
Costs

as at 31 March 2022

	Premises £	Support services £	Governance £	2022 Total £
Raising funds	606,669	311,548	49,192	967,409
Total	606,669	311,548	49,192	967,409
Charitable activities				
Fellowships	264,468	298,983	47,208	610,659
Small grants	21,986	24,856	3,925	50,767
British International Research Institutes	12,058	13,633	2,152	27,843
Challenge Led Policy Research & Engagement	351,269	397,113	62,702	811,084
Other	234,426	265,020	41,845	541,291
Total	884,207	999,605	157,832	2,041,644
Total support costs	1,490,876	1,311,153	207,024	3,009,053

	Premises £	Support services £	Governance £	2021 Total £
Raising funds	340,137	151,886	49,302	541,325
Total	340,137	151,886	49,302	541,325
Charitable activities				
Fellowships	107,535	106,611	24,483	238,629
Small grants	14,934	14,805	3,400	33,139
British International Research Institutes	11,730	11,629	2,670	26,029
Challenge Led Policy Research & Engagement	305,388	306,258	66,037	677,683
Other	157,615	156,259	35,883	349,757
Total	597,202	595,562	132,473	1,325,237
Total support costs	937,339	747,448	181,775	1,866,562

Premises costs comprises the rent and running costs (maintenance and utilities) of Carlton House Terrace. They are allocated across the directorates by floor space and the total area used.

Support services comprises finance, IT, HR, and other general administration overheads. They are allocated using area, full time equivalent staffing and direct cost proportionality.

9.3

Grants Paid to Institutions

as at 31 March 2022

The 50 largest total payments to single institutions were as follows:

Institution	2022 £	2021 £
University of Oxford	5,084,374	6,283,345
University of Cambridge	2,147,518	2,882,332
University College London	1,993,700	2,683,808
King's College London	1,889,330	2,230,853
Queen Mary, University of London	1,374,517	1,945,071
University of Warwick	1,250,988	1,571,551
University of Edinburgh	1,241,535	1,759,793
University of Bristol	1,200,642	1,551,279
British School at Rome	1,190,878	1,165,378
London School of Economics	1,175,945	1,255,306
University of Sheffield	1,145,943	1,082,958
University of Glasgow	1,054,360	1,020,350
Newcastle University	1,051,130	770,971
School of Oriental and African Studies	997,661	819,007
Royal Holloway, University of London	894,074	878,268
University of Nottingham	816,505	797,945
British School at Athens	802,587	790,907
Council for British Research in the Levant	774,749	788,186
British Institute of Archaeology at Ankara	761,820	748,974
University of East Anglia	759,695	1,100,556
University of York	697,467	988,036
University of Manchester	612,948	698,260
University of St Andrews	608,131	868,456
Institute of Development Studies	603,600	570,147
University of Essex	588,702	497,680
University of Surrey	584,455	274,186
University of Reading	575,507	613,589
University of Liverpool	549,850	584,534
University of Birmingham	533,684	797,564
The British Institute of Eastern Africa	528,748	624,063
Northumbria University	528,734	416,181
Durham University	444,453	713,118
University of Exeter	407,788	1,075,985
University of Aberdeen	391,189	340,266
Loughborough University	330,980	717,371

Institution	2022 £	2021 £
De Montfort University	325,915	227,101
Greenwich University	319,821	-
University of Leeds	310,216	774,727
Cardiff University	302,822	-
Open University	279,819	-
London South Bank University	268,658	-
University of Hull	262,675	402,595
Queen's University of Belfast	252,363	-
Bangor University	246,207	-
Courtald Institute of Art	236,603	-
Birkbeck University of London	224,805	434,648
Lancaster University	220,918	-
University of Kent	213,939	420,977
International Institute for Environment & Development	209,282	299,204
University of the West of England	209,143	-

10

Staff
Costs

as at 31 March 2022

	2022 £	2021 £
Salaries	3,757,355	3,535,413
Social security costs	407,459	382,356
Pension costs – SAUL	576,506	522,308
Other staff costs*	112,974	144,680
Total	4,854,294	4,584,757

*Other staff costs include severance payments of £nil (2021: £nil).

The average number of permanent employees (all administrative staff) during the year was 93 (2021: 85)

Remuneration of higher paid staff greater than £60,000 is:

Salary	2022	2021
£60,000 – £70,000	3	1
£80,001 – £90,000	4	4
£90,001 – £100,000	1	1
£140,001 – £150,000	1	1

Total employer pension contributions for the higher paid staff above were £111,946 compared to £92,146 in 2020-21.

Total remuneration received by key management personnel for services during the year is £753,000 (2021: £745,587).

No Officer or Ordinary Member of the Council received any remuneration from the Academy for the year ended 31 March 2022 (2021: £nil). Such members are reimbursed in respect of travel and other expenses necessarily incurred by them in the furtherance of the Academy's activities. During the year ended 31 March 2022 such reimbursement to 5 Council members (2021: nil) amounted to £1,700 (2021: £nil).

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Net Expenditure is After Charging

as at 31 March 2022

	2022	2021
	£	£
Auditors		
Remuneration	29,750	28,000
Other services	2,476	2,434
Investment management fees	26,189	26,664
Operating leases		
Land and buildings	645,000	645,000

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Statement of Financial Activity

Prior Year Comparative

	Unrestricted Funds	Restricted Funds	Endowment Funds	2021 Funds
	£	£	£	£
Income and endowments from				
Donations and legacies	314,076	45,150	-	359,226
Charitable activities				
Grants receivable	2,000	61,321,546	-	61,323,546
Other trading activities				
Publications	333,514	902	-	334,416
Investment income	237,259	209,373	15,693	462,325
Other incoming resources	282,318	17,946	-	300,264
Total income	1,169,167	61,594,917	15,693	62,779,777
Expenditure on				
Fundraising	536,424	-	-	536,424
Publications	312,418	-	-	312,418
Investment management fees	13,621	12,134	909	26,664
Charitable activities				
Grants and awards	260,943	61,618,176	1,450	61,880,569
Total expenditure	1,123,406	61,630,310	2,359	62,756,075
Net income/(expenditure) before investment gain	45,761	(35,393)	13,334	23,702
Net gains on investments	2,090,236	-	2,001,596	4,091,832
Net income/(expenditure)	2,135,997	(35,393)	2,014,930	4,115,534
Transfers between funds	(100,253)	100,253	-	-
Net movement in funds	2,035,744	64,860	2,014,930	4,115,534
Fund balances brought forward at 1 April 2020	23,836,148	3,269,725	7,911,435	35,017,308
Total funds carried forward at 31 March 2021	25,871,892	3,334,585	9,926,365	39,132,842

13

Tangible Fixed Assets –
Group and Academy

as at 31 March 2022

	Long Leasehold	Leasehold Improvements	Assets Under Course of Construction	Furniture and Equipment	Leased Assets	Total
Cost	£	£	£	£	£	£
At 1 April 2021	14,000,000	5,498,644	1,032,086	208,892	39,773	20,779,395
Additions	-	-	446,641	-	-	446,641
Disposals	-	-	-	-	-	-
At 31 March 2022	14,000,000	5,498,644	1,478,727	208,892	39,773	21,226,036
Depreciation						
At 1 April 2021	336,000	3,226,312	-	17,896	5,967	3,586,175
Charge for the year	112,000	148,845	-	41,778	7,955	310,578
Disposals	-	-	-	-	-	-
At 31 March 2022	448,000	3,375,157	-	59,674	13,922	3,896,753
Net book value						
At 31 March 2022	13,552,000	2,123,487	1,478,727	149,218	25,851	17,329,283
At 31 March 2021	13,664,000	2,272,332	1,032,086	190,996	33,806	17,193,220

Assets Under Construction relates to the transformation project at 10-11 Carlton House Terrace and is split into two phases. Phase one is the refurbishment of staff offices on floors two and three and with phase two the transformation of the existing basement space into an intellectual hub, complete with auditorium, exhibition and networking space and media suite.

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Investments – Group and Academy

as at 31 March 2022

	2022	2021		
	£	£		
At 1 April 2021	20,174,376	16,082,544		
Additions	459,169	378,398		
Disposals	(1,458,134)	(378,398)		
Net gains in investments	705,066	4,091,832		
Total investments	19,880,477	20,174,376		
Cash held within investments	60,070	60,281		
At 31 March 2022	19,940,546	20,234,656		
Fixed interest and equities at cost	15,248,942	15,785,069		
Comprising	UK	Overseas	Total 2022	Total 2021
	£	£	£	£
Bonds	3,742,081	-	3,742,081	3,591,657
Equities	5,314,607	10,823,788	16,138,395	16,582,718
Cash	60,070	-	60,070	60,281
Total	9,116,758	10,823,788	19,940,546	20,234,656

The Academy has invested £10 in the share capital of its wholly owned subsidiary.

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Clio Enterprises Ltd – Venue Hire

as at 31 March 2022

The wholly owned trading subsidiary Clio Enterprises Ltd was incorporated in the United Kingdom on 7 April 2011 (company registration number: 07595846) and handles the hospitality activity of the Academy. Historically, it donates all profits to the charity by gift aid and as a result, no corporation tax is payable. The results for 2021/22 have been impacted severely because of the COVID-19 pandemic, with financial assistance provided to the subsidiary to assist as a consequence. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2022	2021
	£	£
Turnover	1,808,400	370,497
Cost of sales and administration costs	(1,672,107)	(710,670)
Interest receivable	69	166
Net profit	136,362	(340,007)
Amount gift aided to the charity	-	-
Retained in subsidiary	136,362	(340,007)
The assets and liabilities of the subsidiary were:		
Current assets	611,583	399,988
Current liabilities	(815,218)	(739,985)
Shareholder's funds/total net assets	(203,635)	(339,997)

The above results are shown in the consolidated statement of financial activities net of intra-group trading.

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Debtors

as at 31 March 2022

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Trade debtors	309,833	24,071	156,467	10,000
Staff loans	1,920	1,616	1,920	1,616
Amounts due from subsidiary	-	-	193,760	313,129
Short term loan due from subsidiary	-	-	340,007	340,007
Prepayments and accrued income	1,747,459	5,785,841	1,741,061	5,784,999
Recoverable VAT	44,041	15,423	44,041	15,423
Total	2,103,253	5,826,951	2,477,256	6,465,174

The loan from parent undertaking is in regard to a short-term loan provided as a result of the COVID-19 impact upon the trading results of the company. The loan is repayable as and when profits return to a more pre-pandemic level and cashflow allows. Interest is to be charged at a rate of the Bank of England Base rate plus one percent.

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Creditors: Amounts falling due within one year

as at 31 March 2022

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Other creditors	1,107,469	357,925	978,043	357,385
Lease obligation	10,823	10,179	10,823	10,179
Grants and awards (see below)	777,510	4,273,919	777,510	4,273,919
Accruals	1,704,569	1,002,425	1,697,893	997,191
Deferred income	855,083	381,272	709,735	300,197
Total	4,455,454	6,025,720	4,174,004	5,938,871
Grant and awards included within creditors				
Grants and awards allocated, not yet paid comprise:				
Early career fellowships			-	3,194,264
Mid career fellowships			13,273	655,222
Newton fellowships			-	212,517
Senior research fellowships			11,642	-
Small research grants			298,703	211,916
International engagement			453,892	-
Total			777,510	4,273,919
Deferred income				
At 1 April 2021	381,272	320,834	974	974
Taken to income in the year	(381,272)	(320,834)	-	-
Taken to deferred income in the year	855,083	381,272	708,761	299,223
At 31 March 2022	855,083	381,272	709,735	300,197
Deferred income is split as below:				
Amount falling due within one year (see above)	855,083	381,272	300,197	300,197
Amount falling due after one year	-	-	-	-
	855,083	381,272	300,197	300,197

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Creditors: Amounts falling due after more than one year

as at 31 March 2022

	Group 2022 £	Group 2021 £	Academy 2022 £	Academy 2021 £
Lease obligation	26,709	37,532	26,709	37,532
Total	26,709	37,532	26,709	37,532

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Net Movement in Funds (Group and Academy)

as at 31 March 2022

	Balance 1st April 21	Income	Expenditure	Transfers	Net realised/ unrealised gains	Balance 31 March 22
	£	£	£	£	£	£
Permanent endowment funds – Academy & Group						
Rose Mary Crawshay	40,136	1,008	(598)	-	1,464	42,010
Edward Ullendorff	136,749	3,378	(466)	-	4,906	144,567
Webster	527,659	13,033	(1,286)	-	18,930	558,336
Total permanent endowment funds	704,544	17,419	(2,350)	-	25,300	744,913
Expendable endowment funds – Academy & Group						
Elizabeth Barker	551,581	-	-	-	20,189	571,770
Neil Ker	503,121	-	-	-	18,415	521,536
Leopold Schweich	284,037	-	-	-	10,396	294,433
Stenton	611,682	-	-	-	22,388	634,070
Albert Reckitt	2,547,554	-	-	-	93,244	2,640,798
Stein Arnold	282,551	-	-	-	10,342	292,893
Thank Offering to Britain	1,357,686	-	-	-	49,693	1,407,379
S T Lee	332,867	-	-	-	12,183	345,050
Marc Fitch	648,199	-	-	-	23,725	671,924
Other	2,102,543	-	-	-	76,951	2,179,494
Total expendable endowment funds	9,221,821	-	-	-	337,526	9,559,347
Total endowment funds	9,926,365	17,419	(2,350)	-	362,826	10,304,260
Restricted income funds – Academy & Group						
Investment funds						
Elizabeth Barker	15,205	13,900	(1,371)	-	-	27,734
Neil Ker	73,090	12,829	(8,041)	-	-	77,878
Leopold Schweich	123,621	7,346	(706)	-	-	130,261
Stenton	88,782	15,599	(16,770)	-	-	87,611
Albert Reckitt	121,318	64,199	(6,332)	-	-	179,185
Stein Arnold	21,124	7,120	(6,729)	-	-	21,515
Thank Offering to Britain	163,576	34,214	(3,375)	-	-	194,415
S T Lee	51,420	8,388	(1,037)	-	-	58,771
Marc Fitch	421	16,335	(1,611)	-	-	15,145
Other	358,957	52,983	(37,174)	-	-	374,766
	1,017,514	232,913	(83,146)	-	-	1,167,281

	Balance 1st April 21	Income	Expenditure	Transfers	Net realised/ unrealised gains	Balance 31 March 22
	£	£	£	£	£	£
Non-investment funds						
BEIS main grant	-	31,775,969	(32,622,270)	846,301	-	-
Academy other support costs	-	-	(124)	124	-	-
BEIS grant – Costed Extensions	-	3,510,000	(3,889,655)	379,655	-	-
BEIS Global Challenges Research Fund	48,418	886,464	(871,081)	-	-	63,801
BEIS Global Research Talent	20	10,330,851	(9,104,895)	(1,225,956)	-	20
BEIS Newton Fund	-	51,085	(51,085)	-	-	-
BEIS Global Research & Innovation Fund	-	2,738,500	(2,738,500)	-	-	-
BEIS Knowledge Symposia	-	48,017	(48,017)	-	-	-
FCDO Education Research in Conflict & Crisis	-	355,000	(355,000)	-	-	-
Leverhulme Trust	436,239	1,000,815	(1,048,222)	-	-	388,832
Wolfson Foundation	341,124	646,872	(299,109)	-	-	688,887
Wellcome Trust	-	157,714	(147,205)	-	-	10,509
Future of the Corporation	136,434	60,000	(112,098)	-	-	84,336
Other	289,331	83,681	(136,159)	-	-	236,853
CHT property	1,065,505	-	(107,446)	-	-	958,059
	2,317,071	51,644,968	(51,530,866)	124	-	2,431,297
Total restricted income funds	3,334,585	51,877,881	(51,614,012)	124	-	3,598,578
Unrestricted funds						
General Funds – Academy	8,787,819	1,508,147	(1,307,655)	157,514	342,240	9,488,065
General Funds – Trading Subsidiary	(340,007)	1,579,362	(1,443,000)	-	-	(203,645)
Designated funds – Academy & Group						
Academy Development Fund (ADF)	3,000,000	-	-	(157,638)	-	2,842,362
Property-ADF	148,247	-	(14,094)	-	-	134,153
BEIS Carlton House Terrace	13,664,000	-	(112,000)	-	-	13,552,000
Research Fund	21,825	11,791	(8,169)	-	-	25,447
External Redecoration, Repairs & Maintenance	250,000	-	-	-	-	250,000
Total designated funds	17,084,073	431,831	(554,552)	(157,638)	-	16,803,714
Total unrestricted funds – Academy	25,871,892	1,519,938	(1,441,918)	(124)	342,240	26,292,028
Total unrestricted funds – Group	25,531,885	3,099,300	(2,884,918)	(124)	342,240	26,088,383
Total funds – Academy	39,132,842	53,415,239	(53,058,280)	-	705,066	40,194,866
Total funds – Group	38,792,835	54,994,600	(54,501,280)	-	705,066	39,991,221

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Net Movement in Funds (continued)

– Prior Year Comparative

	Balance 1st April 20	Income	Expenditure	Transfers	Net realised/ unrealised gains	Balance 31 March 21
	£	£	£	£	£	£
Permanent endowment funds – Academy & Group						
Rose Mary Crawshay	31,919	908	(767)	-	8,076	40,136
Edward Ullendorff	106,970	3,043	(328)	-	27,064	136,749
Webster	412,753	11,742	(1,264)	-	104,428	527,659
Total permanent endowment funds	551,642	15,693	(2,359)	-	139,568	704,544
Expendable endowment funds – Academy & Group						
Elizabeth Barker	440,207	-	-	-	111,374	551,581
Neil Ker	401,532	-	-	-	101,589	503,121
Leopold Schweich	226,685	-	-	-	57,352	284,037
Stenton	488,172	-	-	-	123,510	611,682
Albert Reckitt	2,033,157	-	-	-	514,397	2,547,554
Stein Arnold	225,499	-	-	-	57,052	282,551
Thank Offering to Britain	1,083,545	-	-	-	274,141	1,357,686
S T Lee	265,655	-	-	-	67,212	332,867
Marc Fitch	517,316	-	-	-	130,883	648,199
Other	1,678,025	-	-	-	424,518	2,102,543
Total expendable endowment funds	7,359,793	-	-	-	1,862,028	9,221,821
Total endowment funds	7,911,435	15,693	(2,359)	-	2,001,596	9,926,365
Restricted income funds – Academy & Group						
Investment funds						
Elizabeth Barker	15,156	12,523	(12,474)	-	-	15,205
Neil Ker	73,836	11,573	(12,319)	-	-	73,090
Leopold Schweich	117,154	7,161	(694)	-	-	123,621
Stenton	89,949	14,078	(15,245)	-	-	88,782
Albert Reckitt	129,615	57,841	(66,138)	-	-	121,318
Stein Arnold	19,174	6,415	(4,465)	-	-	21,124
Thank Offering to Britain	148,980	30,825	(16,229)	-	-	163,576
S T Lee	45,828	7,558	(1,966)	-	-	51,420
Marc Fitch	755	14,717	(15,051)	-	-	421
Other	329,711	47,734	(18,488)	-	-	358,957
	970,158	210,425	(163,069)	-	-	1,017,514

	Balance 1st April 20	Income	Expenditure	Transfers	Net realised/ unrealised gains	Balance 31 March 21
	£	£	£	£	£	£
Non-investment funds						
BEIS grant	-	27,526,500	(27,526,500)	-	-	-
Academy other support costs	-	-	(100,253)	100,253	-	-
BEIS grant – Costed Extensions	-	4,100,000	(4,100,000)	-	-	-
BEIS Early Career Research	48,418	16,618,893	(16,618,893)	-	-	48,418
BEIS Knowledge Symposia	-	35,729	(35,729)	-	-	-
BEIS Global Research Talent	20	10,662,568	(10,662,568)	-	-	20
BEIS Newton Fund	-	529,156	(529,156)	-	-	-
FCDO Education Research in Conflict & Crisis	-	20,000	(20,000)	-	-	-
Leverhulme Trust	312,541	1,042,174	(918,476)	-	-	436,239
Wolfson Foundation	384,207	328,522	(371,605)	-	-	341,124
Wellcome Trust	-	221,640	(221,640)	-	-	-
Future of the Corporation	137,595	124,862	(116,023)	(10,000)	-	136,434
Other	243,835	174,448	(138,952)	10,000	-	289,331
CHT property	1,172,951	-	(107,446)	-	-	1,065,505
	2,299,567	61,384,492	(61,467,241)	100,253	-	2,317,071
Total restricted income funds	3,269,725	61,594,917	(61,630,310)	100,253	-	3,334,585
Unrestricted funds						
General Funds – Academy	200,000	827,834	(678,528)	6,348,277	2,090,236	8,787,819
General Funds – Trading Subsidiary	-	251,945	(591,952)	-	-	(340,007)
Designated funds – Academy & Group						
Academy Development Fund (ADF)	9,368,947	-	-	(6,368,947)	-	3,000,000
Property-ADF	162,341	-	(14,094)	-	-	148,247
BEIS Carlton House Terrace	13,776,000	-	(112,000)	-	-	13,664,000
Research Fund	20,373	7,818	(6,366)	-	-	21,825
Publications	58,487	333,514	(312,418)	(79,583)	-	-
External Redecoration, Repairs & Maintenance	250,000	-	-	-	-	250,000
Total designated funds	23,636,148	341,332	(444,878)	(6,448,530)	-	17,084,073
Total unrestricted funds – Academy	23,836,148	1,169,166	(1,123,406)	(100,253)	2,090,236	25,871,892
Total unrestricted funds – Group	23,836,148	1,421,111	(1,715,358)	(100,253)	2,090,236	25,531,885
Total funds – Academy	35,017,308	62,779,777	(62,756,075)	-	4,091,832	39,132,842
Total funds – Group	35,017,308	63,031,721	(63,348,027)	-	4,091,832	38,792,835

19

Net Movement in Funds (continued)

as at 31 March 2022

Endowment Funds

Permanent endowment funds represent capital funds which must be held permanently by the Academy. The purposes for which the income generated by these assets is to be applied are shown below:

Rose Mary Crawshay Fund: For historical or critical work of sufficient value on any subject connected with English Literature.

Edward Ullendorff Fund: For awarding achievement in the field of Semitic and Ethiopian languages and culture.

Webster Fund: For entertaining and representation overseas, and the better administration of the Academy

Expendable endowment funds represent capital funds which Trustees have the power to convert into income funds if there is a requirement to spend or apply the capital. The purposes for which the income generated by these assets is to be applied are shown for the funds below:

Elizabeth Barker Fund: Supports studies in recent European history, particularly the history of central and eastern Europe.

Neil Ker Fund: Supports the promotion of the study of Western medieval manuscripts, in particular those of British interest.

Leopold Schweich Fund: Funds lectures, and their publication, on subjects relating to the archaeology, art, history, languages and literature of Ancient Civilisation with reference to Biblical Study.

Stenton Fund: Supports three undertakings: Syllogue of Coins of the British Isles, the Seldon Society, and the Pipe Roll Society.

Albert Reckitt Fund: Funds annual awards for the exploration and excavation of ancient sites and the preservation and exhibition of objects discovered, and the publication of results.

Stein Arnold Fund: Funds research on the antiquities, historical geography, early history or arts in parts of Asia.

Thank Offering to Britain Fund: Funds the equivalent of a Senior Research Fellowship.

S T Lee Fund: Funds a visiting fellowship on a topic related to the humanities or social sciences.

Marc Fitch Fund: To further research in any area of humanities or social sciences and also fund fellowship allowing postdoctoral scholars to have three years to work on a major programme of research and gain teaching experience.

Other restricted funds comprise monies received to fund separate restricted projects and activities such as research grants, lectures and prizes in line with our charitable activities and are held as separate individual funds in our accounts.

Restricted Income Funds

Investment funds are those funds arising from income generated through investment of endowment funds. These funds are applied for the intended restricted purposes.

Non-investment funds are those arising from grants made by government, research foundations, philanthropic societies and funds supporting other activities:

BEIS Grant: This includes grant income and expenditure. The balance represents the net book value of assets bought over the years.

Academy Other Support Costs: represent BEIS activity support costs not covered by BEIS operational grant which have to be funded by the Academy's unrestricted funds.

BEIS Grant Costed Extensions: represent costed extensions to awards for researchers whose projects have had to be paused as a direct consequence of COVID-19, allowing them to complete their work as initially intended.

BEIS Urban Infrastructure of Well Being Programme: funds interdisciplinary research projects that address the challenge of creating and maintaining sustainable and resilient cities in developing countries.

BEIS Early Childhood Development Programme: funds interdisciplinary research projects that will inform the policies and interventions that will transform the life chances and destinies of children in their early years in lower and middle income developing countries.

BEIS Sustainable Development Programme: supports researchers in the humanities and social sciences working on the UN's Sustainable Development Goals and generating evidence on the challenges and opportunities faced in developing countries.

BEIS Education and Learning in Crises: supports research exploring the challenges of education and learning in contexts of conflict and protracted crises.

BEIS Early Career Research Network: supports the development and delivery of research led by early career researchers, furthering collaborative links between researchers in the UK and the Global South. It provides early career researchers opportunities to develop research partnerships on concrete global challenges and develop collaborative and equitable global south research agendas, as well as providing opportunities for mentoring and skills development in the global south.

BEIS Heritage, Dignity & Violence: funds research on sustainable peace and the prevention of violence broadly understood.

BEIS Youth Futures: aims to examine the contributions of young people to the UN's 2030 Agenda, bringing a youth lens to the global sustainable development challenges.

BEIS Knowledge Symposia: aim to enhance the skills and capabilities of early career researchers in the UK and overseas, and to encourage them to develop new international links and research partnerships.

BEIS Global Research Talent Programme: provides awards to overseas researchers active at any career stage and in any discipline within the humanities and social sciences. These awards demonstrate the British Academy's profound commitment to international engagement and aim to strengthen the UK's research base in the humanities and social sciences.

BEIS Global Research & Innovation Platform: is a one-year UK Government fund to enable collaborative T&D activities with international partners. The fund is a non-Overseas Development Assistance (ODA) fund. The fund supported research and innovation activities working in partnership with UK Science & Innovation Network teams internationally.

Newton Fund: represents activity funded by BEIS aimed at promoting research and innovation capacity in developing countries.

FCDO Education Research into Conflict & Crisis: programme is a knowledge systems strengthening initiative in target regions that will support bilateral research chairs amongst other activities.

Leverhulme Trust: Funds seven awards which allow established scholars to undertake or complete programmes of sustained research for the duration of one year and supports small research grants in the humanities and social sciences.

Wolfson Foundation: Funds four Research Professorship awards over a three-year period and also up to six awards over a three year period to support early career researchers who show exceptional talent in both research and public engagements.

Wellcome Trust: represents activity to support the Academy's small research grant scheme in the humanities and social sciences, conference grants and workshops.

Future of the Corporation Programme: represents activity funded by individuals and trusts to address the purpose of business and what its role in society should be.

Other non-investment funds: Funds to support a few small awards for research, publication and education related to the promotion of the humanities and social sciences.

OHT property: The Academy received capital grants from BEIS and the Wolfson Foundation to fund the expansion and refurbishment of the Academy at 10-11 Carlton House Terrace.

Unrestricted Funds

General Fund: A general purpose fund providing liquidity and contingency funds in the event of a significant shortfall in core funding.

Designated funds have been set aside for the following purposes:

Academy Development Fund: A fund to provide the delivery of new impactful charitable activities and funding of major projects, to strengthen the Academy for the longer terms.

Academy Development Fund-Property: This fund reflects the contribution that the Academy Development Fund made towards the expansion and refurbishment of the Academy during the 10-11 Carlton House Terrace project in 2011.

BEIS Carlton House Terrace: The balance represents the net book value of the lease premium paid in respect of the 125 year lease on the Academy's premises at 10-11 Carlton House Terrace. The grant for this fund was initially treated as restricted due to its sole purpose being to secure the new lease. It was then transferred to designated funds once the condition was fulfilled by committing to the new lease.

Research Fund: To assist the Academy's Small Research Grants scheme by providing one new award each year.

External redecoration, repairs and maintenance fund: To cover certain repairs and maintenance relating to the building, plus also sufficient funds to enable the Academy to comply with its obligation, under its lease with the Crown Estate, to redecorate the exterior of its building. Under the new lease this is to be carried out every five years beginning in 2019. The cost of this is now being treated as a provision within the accounts as opposed to a transfer of reserves.

Transfers of Funds: Transfers totaling £124 were made during the year to restricted funds from the unrestricted General fund to subsidise BEIS activity support costs not covered by the BEIS operational grant.

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Net Asset Funds

as at 31 March 2022

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	2022 Total assets £
Endowment	-	10,304,260	-	-	10,304,260
Restricted	958,060	-	2,667,227	(26,709)	3,598,578
Unrestricted	16,371,223	9,636,294	80,866	-	26,088,383
Total	17,329,283	19,940,554	2,748,093	(26,709)	39,991,221

The net liabilities within unrestricted funds are funded by investments, which could be realised to meet the net liabilities, should they fall due.

Net Asset Funds Prior Year Comparative

as at 31 March 2021

	Fixed assets £	Investments £	Net current assets £	Long term liabilities £	2021 Total assets £
Endowment	-	9,926,365	-	-	9,926,365
Restricted	1,065,501	-	2,306,616	(37,532)	3,334,585
Unrestricted	16,127,719	10,308,291	(904,125)	-	25,531,885
Total	17,193,220	20,234,656	1,402,491	(37,532)	38,792,835

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Pension Scheme

as at 31 March 2022

General Description of the Pension Scheme

The Academy participates in SAUL, which is a centralised defined benefit scheme within the United Kingdom and contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on either a Final Salary basis or a Career Average Revalued Earnings (“CARE”) basis. Following a consultation with Members, the SAUL Final Salary Section closed from 31 March 2016 and all Members build up benefits on a CARE basis from 1 April 2016.

The Academy is not expected to be liable to SAUL for any other current participating employer’s obligations under the Rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL’s statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL’s benefits as they fall due (the “Technical Provisions”). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members’ accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020 with the next valuation expected to be 31 March 2023.

The Technical Provisions deficit at the 31 March 2014 valuation was addressed by employer contributions of 3% of Salaries between 1 April 2016 and 31 March 2018 (inclusive). However, at the 31 March 2020 valuation, the Technical Provisions deficit had increased to £217m.

The increase in SAUL’s Active membership and aggregate Salaries since the 2017 valuation has compounded the impact of an increase in future service costs. At 31 March 2020, the estimated benefit cost of new benefit accrual was c£67m per annum higher than the aggregate level of Employer and Member contributions.

The Contribution Strain was estimated to have reduced to £62m per annum at 30 April 2021 (based on 31 March 2020 salaries). A significant portion of the Contribution Strains relates to short service Active Members i.e. those that have less than 3 years of Service in SAUL.

To address the Contribution Strain and ensure that the statutory finding objective continues to be met, the Trustee and Employers have agreed the following package of measures:

- Employer contributions will increase from 16% of CARE Salary to 19% of CARE Salary from 1 April 2022 and then to 21% of CARE Salary from 1 January 2023.
- A change in SAUL's eligibility requirements that changes the eligibility requirements of SAUL, to limit CARE membership to those employees who have completed 3 years of Service.
- A 3-year DC Feeder Scheme will be introduced for new hires.

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Leases and Other Commitments

as at 31 March 2022

The Academy had the following operating lease commitments as at the balance sheet date:

	Land & Buildings	Equipment	2022 Total £	Land & Buildings	Equipment	2021 Total £
Not later than 1 year	645,000	16,039	661,039	645,000	8,949	653,949
Later than 1 year but not later than 5 years	2,580,000	15,168	2,595,168	2,580,000	66,201	2,646,201
Later than 5 years	74,820,000	-	74,820,000	75,465,000	-	75,465,000

The Academy is committed to a 125 year long leasehold, for its premises 10-11 Carlton House Terrace with an annual rent of £645,000. The lease premium paid at the completion date of the lease is being written down over the useful economic life of the lease.

The Academy has commitments totalling £135,285 (2021: £149,515) in respect of work in progress on publications.

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Contingent Liabilities

as at 31 March 2022

The Academy commits to multi-year grants funded from outside sources. Should those sources be withdrawn a contingent liability of £28.6m (2021: £37.5m) may arise. However, it is stated within the terms and conditions of individual awards that should Academy funding be withdrawn, we are not legally obliged to fulfil the commitment.

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Related Party Transactions

as at 31 March 2022

Professor Felix Driver is the spouse of a holder of a Knowledge Frontiers award which was awarded prior to his appointment to Council. The grant was active until September 2021 and totalled £50,000 (2021: £nil).

Professor Marianne Elliott is the holder of a Small Research Grant which was awarded prior to her appointment to Council. The grant was active throughout the year and totals £8,682 (2021: £nil).

Donors

Our friends and supporters

In 2021/22 the Academy received its core funding grant from the Department for Business, Energy and Industrial Strategy (BEIS), with additional funding from the Department for International Development (DFID). The Academy would like to express its deepest gratitude to the organisations, individuals and Fellows who have donated over the past year. We are grateful for their continued support and that of the many anonymous donations that help fund important research and programmes across the humanities and social sciences.

With particular thanks to:

The Aurelius Charitable Trust

BrightHouse, a BCG company

British Accounting & Finance Association

Cambridge University Press

Coutts

Garfield Weston Foundation

Honor Frost Foundation

Journal of Moral Education Trust

Philosophy of Education Society of Great Britain

The Leverhulme Trust

Lund Trust, a charitable fund of Peter Baldwin and Lisbet Rausing

Sino-British Fellowship Trust

Society for the Advancement of Management Studies

Wellcome

The Wolfson Foundation

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The British Academy Annual Report of the Trustees and Financial Statements

For the year ended 31st March 2022