

**Charity Registration No. 1154867**

**Company Registration No. 08789102 (England and Wales)**

**THE NEW PHYTOLOGIST FOUNDATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

# THE NEW PHYTOLOGIST FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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| <b>Trustees</b>          | Prof K Lindsey (Chairman)<br>Prof L Dolan<br>Mr ARM Campbell<br>Prof M Harrison<br>Prof AM Hetherington<br>Prof RJ Norby<br>Prof A Osbourn<br>Mr L Ross<br>Prof H Thomas (Treasurer)<br>Prof S Hiscock<br>Prof P Atkinson<br>Dr C Dolder (resigned 12 June 2020) |
| <b>Charity number</b>    | 1154867                                                                                                                                                                                                                                                          |
| <b>Company number</b>    | 08789102                                                                                                                                                                                                                                                         |
| <b>Registered office</b> | Bailrigg House<br>Lancaster University<br>Lancaster<br>Lancashire<br>LA1 4YE                                                                                                                                                                                     |
| <b>Auditor</b>           | Riverside Accountancy Lancaster Limited t/a Paul Clegg & Company<br>Riverside Offices<br>Second Floor<br>26 St Georges Quay<br>Lancaster<br>LA1 1RD                                                                                                              |
| <b>Bankers</b>           | Barclays Bank PLC<br>38 Market Street<br>Lancaster<br>LA1 4HR                                                                                                                                                                                                    |

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# THE NEW PHYTOLOGIST FOUNDATION

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# THE NEW PHYTOLOGIST FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Reference and administrative details

The New Phytologist Trust changed its title to the New Phytologist Foundation in 2020. It remains an incorporated charitable company (company number 08789102, charity registration number 1154867). All necessary bodies have been informed, and have approved of the change (Charity Commission, Companies House, HMRC). Charitable objectives, organisational structure and procedures continue as described in the Report for 2017.

The Foundation has made changes to its operational procedures in response to the covid crisis, as noted below where relevant to financial management and preparation of accounts.

#### Recruitment, Appointment, Induction and Training of new Trustees

New Trustees are appointed as required by the existing Board of Trustees. Prior to appointment, new Trustees must have been editors of New Phytologist Foundation journals, or have direct experience of science publishing, academic research or charity finance/law. They will therefore, upon appointment, have a good working understanding of the operational structure of the Foundation. Any further induction and training is provided by the existing Board of Trustees as required.

#### Organisational Structure

The Trustees are responsible for reviewing and approving budgets and delegate responsibility for achieving budgets to the relevant managerial staff in the journal office. The Board makes strategic decisions about new charitable and business initiatives and ensures they are financially and legally sound.

#### General

The Trustees met twice by Zoom in 2020, on 15 May and 19 November. The meetings were chaired by Professor Keith Lindsey.

The pandemic severely curtailed the Foundation's planned expenditure in accordance with its charitable aims of awarding grants for the promotion of plant science research and scholarship, the sponsorship of scientific and educational meetings and support for widening access to its publications. In connection with the latter activity, the Foundation's journal *New Phytologist* was made available to over 9500 institutions through the Wiley-Blackwell licensed sales programme and a further 6696 libraries in the developing world have access through philanthropic initiatives. Additionally, 74 specialist libraries accessed embargoed content of the journal through the EBSCO databases. A proportion of journal content was made accessible free of charge on publication and all journal content is free to access 12 months after publication. *Plants, People, Planet* is freely accessible to all readers without the need for a subscription.

#### Journals

*New Phytologist's* Impact Factor for 2019 was 8.512, maintaining the journal's position among leading scholarly publications in the Plant Sciences category of InCites™ Journal Citation Report®. *New Phytologist's* high reputation helped to attract a record number of research papers to the journal.

A total of 735 articles, covering over 8356 pages, were published.

2019 was the second publication year of *Plants, People, Planet*, the Foundation's new Open Access online journal. To date, *Plants, People, Planet* has published 10 issues, containing 116 articles which attracted healthy readership. Building upon this success, 6 issues are planned for 2021

#### Income

Wiley report total revenue to *New Phytologist* in 2020 amounted to £1,720,931, compared with £1,673,625 in 2019. Income, based on the profit share and expenses agreement with the publisher, amounts to £1,381,915. The figure for 2019 was £1,298,881.

# THE NEW PHYTOLOGIST FOUNDATION

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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After a review of investment strategy and performance, the Trustees authorised transfer of Foundation reserves from Investec to Brewin Dolphin. Net income generated by investments was £30,077 (2019 - £36,914). Reinvested interest and dividends totalled £30,077 and bank interest was £1,827. (2019 - £2,245). Total investment income amounted to £31,904, compared with £39,159 in 2019.

#### Expenditure

The annual meeting of *New Phytologist* Editors was scheduled to be held on 27-28 March 2020 at Lancaster University, United Kingdom. Following the Covid-19 pandemic, this meeting was cancelled. A series of virtual meetings took place in July 2020.

New Phytologist Symposia (NPS) and New Phytologist Workshops (NPW) scheduled for 2020 and 2021 have been postponed, with rescheduled dates yet to be announced.

Costs of the Central Office at Lancaster University in 2020 amounted to £563,445 compared with £575,413 in 2019. Combined staff and running costs in support of the *New Phytologist* Editor-in-Chief, Professor Alistair Hetherington, at Bristol University, came to £26,734 compared with £14,734 for 2019.

The value of Tansley grants and prizes awarded in 2020 was £62,189, compared with £63,493 in the previous year. The major item of charitable expenditure, £364,916, was in grants to support botanical research in the laboratories of those currently serving as Editors and Co-Editors of *New Phytologist* and *P3*. The corresponding figure for 2019 was £380,283.

#### Investments

The total value of the Foundation's investments was £2,114,815 (Brewin Dolphin portfolio) compared with £1,901,939 in 2019.

#### Objectives & Public Benefit

The Trustees have given consideration to the Charity Commission's guidance on public benefit. They confirmed the following objectives and obligations that were agreed in 2013, further updated in 2018 to include reference to the publication of the new journal *P3*:

To promote plant science by:

- Publishing learned journals, including *New Phytologist* and *Plants, People, Planet*.
- Funding education and training in the broad area of plant sciences.
- Supporting defined groups and making grants to organisations that fall within the general remit of the Foundation.
- Sponsoring symposia and other scientific meetings with relevant themes.

To produce a policy on the expenditure of Foundation funds, and to distribute funds in a manner consistent with the charitable aim of supporting plant science and the rules of the Charities Commission.

To appoint an Executive Editor, and Managing Editors to work with the Editorial Boards and Editorial Offices of its journals to establish an ethical and sustainable publishing strategy, to ensure adequate systems of financial control and risk management, and to provide appropriate human and financial resources.

To appoint the Treasurer, the Chair and the Board of Trustees, and to maintain membership of the Board representing eminent plant scientists and other with appropriate charitable, publishing and academic experience to reflect the origins and activity of the Foundation's journals.

The Trustees have reviewed the results of 2020 and are satisfied that these objectives have been fully met.

# THE NEW PHYTOLOGIST FOUNDATION

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Risk Management

The Trustees actively review on a regular basis the major risks which the charity faces. The main risks identified are:

- The uncertain future of academic publishing, particularly the effect on prices and revenues of a transition from print to on-line only, and the implications of the Open Access movement.
- The effects of the worldwide recession on funding for university libraries.
- Pressure on accommodation space. The presence on the Board of Trustees of the Dean of the Faculty of Science and Technology at Lancaster has been extremely helpful in negotiations aimed at reducing resourcing risks for the foreseeable future.
- The unpredictability of the consequences for academic science of the UK leaving the European Union.
- The consequences of the 2020-21 pandemic.

The Trustees believe that maintaining reserves at appropriate levels, combined with an annual review of all the controls over key financial systems, will ensure that sufficient resources are available in the event of adverse conditions. The Trustees have also established systems to mitigate the significant risks.

### Reserves

The Trustees' reserves policy is to hold total reserves to meet one years expenditure, which based on the last 3 years' accounts is between £1,091,803 and £1,422,869. At the end of 2020, reserves (cash at bank plus investments) stood at approximately £3,040,002. All funds are unrestricted.

# THE NEW PHYTOLOGIST FOUNDATION

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### Statement of Trustees' responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

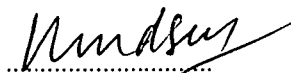
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Prof K Lindsey

Dated: 25/8/21

# THE NEW PHYTOLOGIST FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE NEW PHYTOLOGIST FOUNDATION

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#### Opinion

We have audited the financial statements of The New Phytologist Foundation (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# THE NEW PHYTOLOGIST FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE NEW PHYTOLOGIST FOUNDATION

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#### **Responsibilities of trustees**

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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 section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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:

- We considered fraud risk to be low with the entity not handling cash; we enquired with management of any instances of fraud, which it was confirmed there were none
- The financial statements have been reviewed in accordance with an FRS 102 checklist to ensure all disclosures are included and that the entity is complying with legal and regulatory framework, including the Charities Act 2011
- All legal fees and correspondence were reviewed to ensure that the entity abided with all laws and regulations
- During the audit we speak to management, test the systems and speak to various members of the finance function to understand the entity, its processes and the nature of trade to assist in concluding that the financial statements are true and fair
- We assessed and tested the controls that the entity has; it has good segregation of duties and effective controls in place.

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

# THE NEW PHYTOLOGIST FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE NEW PHYTOLOGIST FOUNDATION

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Lyndsay Nicholson ACA**  
**Riverside Accountancy Lancaster Limited t/a Paul Clegg & Company**  
**Chartered Accountants**  
**Statutory Auditor**

27 AUGUST 2021

Riverside Offices  
Second Floor  
26 St Georges Quay  
Lancaster  
LA1 1RD

Riverside Accountancy Lancaster Limited t/a Paul Clegg & Company is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# THE NEW PHYTOLOGIST FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

|                                                           | Notes | Unrestricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2019<br>£ |
|-----------------------------------------------------------|-------|------------------------------------|------------------------------------|
| <b><u>Income from:</u></b>                                |       |                                    |                                    |
| Charitable activities                                     | 3     | 1,392,235                          | 1,357,101                          |
| Investments                                               | 4     | 31,904                             | 39,159                             |
| <b>Total income</b>                                       |       | <u>1,424,139</u>                   | <u>1,396,260</u>                   |
| <b><u>Expenditure on:</u></b>                             |       |                                    |                                    |
| Raising funds                                             | 5     | <u>19,905</u>                      | <u>23,774</u>                      |
| Charitable activities                                     | 6     | <u>1,071,898</u>                   | <u>1,399,095</u>                   |
| <b>Total resources expended</b>                           |       | <u>1,091,803</u>                   | <u>1,422,869</u>                   |
| Net gains/(losses) on investments                         | 10    | <u>260,665</u>                     | <u>277,401</u>                     |
| <b>Net income for the year/<br/>Net movement in funds</b> |       | 593,001                            | 250,792                            |
| Fund balances at 1 January 2020                           |       | <u>2,719,840</u>                   | <u>2,469,046</u>                   |
| <b>Fund balances at 31 December 2020</b>                  |       | <u><u>3,312,841</u></u>            | <u><u>2,719,838</u></u>            |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE NEW PHYTOLOGIST FOUNDATION

## BALANCE SHEET

AS AT 31 DECEMBER 2020

|                                                       | Notes | 2020<br>£        | £                | 2019<br>£        | £                |
|-------------------------------------------------------|-------|------------------|------------------|------------------|------------------|
| <b>Fixed assets</b>                                   |       |                  |                  |                  |                  |
| Investments                                           | 11    |                  | 2,181,504        |                  | 1,909,775        |
| <b>Current assets</b>                                 |       |                  |                  |                  |                  |
| Debtors                                               | 13    | 420,696          |                  | 340,887          |                  |
| Cash at bank and in hand                              |       | 858,498          |                  | 570,872          |                  |
|                                                       |       | <u>1,279,194</u> |                  | <u>911,759</u>   |                  |
| <b>Creditors: amounts falling due within one year</b> | 14    | <u>(147,857)</u> |                  | <u>(101,696)</u> |                  |
| Net current assets                                    |       |                  | 1,131,337        |                  | 810,063          |
| <b>Total assets less current liabilities</b>          |       |                  | <u>3,312,841</u> |                  | <u>2,719,838</u> |
| <b>Income funds</b>                                   |       |                  |                  |                  |                  |
| Unrestricted funds                                    |       |                  | 3,312,841        |                  | 2,719,838        |
|                                                       |       |                  | <u>3,312,841</u> |                  | <u>2,719,838</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

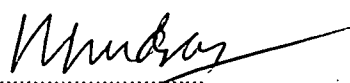
The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25/8/21



Prof K Lindsey  
Trustee

Company Registration No. 08789102

# THE NEW PHYTOLOGIST FOUNDATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

|                                                             | Notes | 2020<br>£   | £              | 2019<br>£ | £              |
|-------------------------------------------------------------|-------|-------------|----------------|-----------|----------------|
| <b>Cash flows from operating activities</b>                 |       |             |                |           |                |
| Cash generated from/(absorbed by) operations                | 15    |             | 296,861        |           | (7,387)        |
| <b>Investing activities</b>                                 |       |             |                |           |                |
| Purchase of investments                                     |       | (1,634,842) |                | (193,234) |                |
| Proceeds on disposal of investments                         |       | 1,682,630   |                | 145,780   |                |
| Cash movement in investment portfolio                       |       | (58,850)    |                | 34,314    |                |
| Interest received                                           |       | 1,827       |                | 2,245     |                |
| <b>Net cash used in investing activities</b>                |       |             | (9,235)        |           | (10,895)       |
| <b>Net cash used in financing activities</b>                |       |             | -              |           | -              |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |       |             | 287,626        |           | (18,282)       |
| Cash and cash equivalents at beginning of year              |       |             | 570,872        |           | 589,153        |
| <b>Cash and cash equivalents at end of year</b>             |       |             | <u>858,498</u> |           | <u>570,872</u> |

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Charity information

The New Phytologist Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Bailrigg House, Lancaster University, Lancaster, Lancashire, LA1 4YE.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

##### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 1.5 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### 3 Charitable activities

|                 | Journal<br>Income<br>2020<br>£ | Symposia<br>Income<br>2020<br>£ | Total<br>2020<br>£ | Journal<br>Income<br>2019<br>£ | Symposia<br>Income<br>2019<br>£ | Total<br>2019<br>£ |
|-----------------|--------------------------------|---------------------------------|--------------------|--------------------------------|---------------------------------|--------------------|
| Wiley-Blackwell | 1,381,915                      | -                               | 1,381,915          | 1,298,881                      | -                               | 1,298,881          |
| JSTOR           | 10,526                         | -                               | 10,526             | 11,423                         | -                               | 11,423             |
| Symposia        | -                              | (206)                           | (206)              | -                              | 46,797                          | 46,797             |
|                 | <u>1,392,441</u>               | <u>(206)</u>                    | <u>1,392,235</u>   | <u>1,310,304</u>               | <u>46,797</u>                   | <u>1,357,101</u>   |

#### 4 Investments

|                     | 2020<br>£     | 2019<br>£     |
|---------------------|---------------|---------------|
| Dividends received  | 30,077        | 36,914        |
| Interest receivable | 1,827         | 2,245         |
|                     | <u>31,904</u> | <u>39,159</u> |

#### 5 Raising funds

|                       | Unrestricted<br>funds<br>2020<br>£ | Unrestricted<br>funds<br>2019<br>£ |
|-----------------------|------------------------------------|------------------------------------|
| Investment management | 19,905                             | 23,774                             |
|                       | <u>19,905</u>                      | <u>23,774</u>                      |

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 6 Charitable activities

|                                                      | Journal<br>Expenditure<br>£ | Symposia<br>Expenditure<br>£ | Total<br>2020<br>£ | Journal<br>Expenditure<br>£ | Symposia<br>Expenditure<br>£ | Total<br>2019<br>£ |
|------------------------------------------------------|-----------------------------|------------------------------|--------------------|-----------------------------|------------------------------|--------------------|
| Staff costs                                          | 492,656                     | -                            | 492,656            | 480,141                     | -                            | 480,141            |
| Lancaster rent                                       | 6,709                       | -                            | 6,709              | 9,505                       | -                            | 9,505              |
| Stationery and printing                              | 45                          | -                            | 45                 | 767                         | -                            | 767                |
| Telephone and communications                         | 1,701                       | -                            | 1,701              | 2,103                       | -                            | 2,103              |
| Office space                                         | 3,059                       | -                            | 3,059              | 2,589                       | -                            | 2,589              |
| Furniture, equipment and hardware                    | 4,182                       | -                            | 4,182              | 4,453                       | -                            | 4,453              |
| Miscellaneous expenses                               | 1,692                       | -                            | 1,692              | 837                         | -                            | 837                |
| Petty cash expenditure                               | 100                         | -                            | 100                | 219                         | -                            | 219                |
| Advertising                                          | -                           | -                            | -                  | 199                         | -                            | 199                |
| Promotion and marketing                              | 24,504                      | -                            | 24,504             | 27,940                      | -                            | 27,940             |
| Development                                          | 14,162                      | -                            | 14,162             | 15,991                      | -                            | 15,991             |
| Training expenses                                    | 3,840                       | -                            | 3,840              | 1,470                       | -                            | 1,470              |
| Staff travel                                         | -                           | -                            | -                  | 2,003                       | -                            | 2,003              |
| Staff hospitality                                    | -                           | -                            | -                  | 1,563                       | -                            | 1,563              |
| Website design and maintenance                       | 10,109                      | -                            | 10,109             | 9,613                       | -                            | 9,613              |
| DHL courier                                          | 72                          | -                            | 72                 | 2,292                       | -                            | 2,292              |
| Bristol salaries                                     | 26,734                      | -                            | 26,734             | 14,734                      | -                            | 14,734             |
| Editors and advisors business meetings               | 20,956                      | -                            | 20,956             | 99,163                      | -                            | 99,163             |
| Trustees meetings                                    | 221                         | -                            | 221                | 13,836                      | -                            | 13,836             |
| Tansley reviews                                      | 24,497                      | -                            | 24,497             | 3,200                       | -                            | 3,200              |
| Workshops                                            | 1,168                       | -                            | 1,168              | 10,000                      | -                            | 10,000             |
| Tansley grants                                       | 36,524                      | -                            | 36,524             | 50,293                      | -                            | 50,293             |
| Contributions to trustees' and editors' institutions | 364,916                     | -                            | 364,916            | 387,640                     | -                            | 387,640            |
| Current Year Symposia                                | -                           | 12,842                       | 12,842             | -                           | 153,906                      | 153,906            |
| Next Generation Symposia                             | -                           | -                            | -                  | -                           | 74,407                       | 74,407             |
|                                                      | <u>1,037,846</u>            | <u>12,842</u>                | <u>1,050,688</u>   | <u>1,140,551</u>            | <u>228,313</u>               | <u>1,368,864</u>   |
| Share of support costs (see note 7)                  | 15,848                      | -                            | 15,848             | 24,006                      | -                            | 24,006             |
| Share of governance costs (see note 7)               | 5,362                       | -                            | 5,362              | 6,225                       | -                            | 6,225              |
|                                                      | <u>1,059,056</u>            | <u>12,842</u>                | <u>1,071,898</u>   | <u>1,170,782</u>            | <u>228,313</u>               | <u>1,399,095</u>   |
| <b>Analysis by fund</b>                              |                             |                              |                    |                             |                              |                    |
| Unrestricted funds                                   | <u>1,059,056</u>            | <u>12,842</u>                | <u>1,071,898</u>   | <u>1,170,782</u>            | <u>228,313</u>               | <u>1,399,095</u>   |

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 7 Support costs

|                                      | Support costs<br>£ | Governance costs<br>£ | 2020<br>£     | 2019<br>£     | Basis of allocation |
|--------------------------------------|--------------------|-----------------------|---------------|---------------|---------------------|
| Treasurer - travel and accommodation | 393                | -                     | 393           | 528           | Usage               |
| Treasurer - honorarium               | 5,000              | -                     | 5,000         | 5,000         | Usage               |
| Subscriptions                        | 2,995              | -                     | 2,995         | 1,519         | Usage               |
| Bank charges                         | 2,013              | -                     | 2,013         | 6,265         | Usage               |
| Currency conversion gains/(losses)   | 5,447              | -                     | 5,447         | 10,694        | Usage               |
| Audit fees                           | -                  | 3,500                 | 3,500         | 3,500         | Governance          |
| Accountancy                          | -                  | 1,472                 | 1,472         | 2,300         | Governance          |
| Legal and professional               | -                  | 390                   | 390           | 425           | Governance          |
|                                      | <u>15,848</u>      | <u>5,362</u>          | <u>21,210</u> | <u>30,231</u> |                     |
| Analysed between                     |                    |                       |               |               |                     |
| Charitable activities                | <u>15,848</u>      | <u>5,362</u>          | <u>21,210</u> | <u>30,231</u> |                     |

Governance costs includes payments to the auditors of £3,500 (2019- £3,500) for audit fees.

### 8 Trustees

In respect of his duties as honorary treasurer, Professor H Thomas received an honorarium of £5,000 (2019 - £5,000) and reimbursement of costs incurred of £393 (2019 - £528).

In respect of their duties as trustees, 7 trustees received no emoluments in the period other than reimbursement of the costs incurred, amounting to £221 (2019 - £5,505).

### 9 Employees

The Foundation provides funds to employ, through the Universities of Lancaster and Bristol, a staff of 12 persons on average (2019 - 11) , who provide assistance to the editors in the performance of their duties. Salary costs reimbursed to the relevant universities totalled £519,390 (2019 - £494,875). No employee earned more than £60,000.

| Employment costs   | 2020<br>£      | 2019<br>£      |
|--------------------|----------------|----------------|
| Lancaster salaries | 492,656        | 480,141        |
| Bristol salaries   | 26,734         | 14,734         |
|                    | <u>519,390</u> | <u>494,875</u> |

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Net gains/(losses) on investments

|                                    | Unrestricted<br>funds | Unrestricted<br>funds |
|------------------------------------|-----------------------|-----------------------|
|                                    | 2020<br>£             | 2019<br>£             |
| Gain/(loss) on sale of investments | 260,665               | 277,401               |

### 11 Fixed asset investments

|                          | Listed<br>investments<br>£ | Cash in<br>portfolio | Total<br>£  |
|--------------------------|----------------------------|----------------------|-------------|
| <b>Cost or valuation</b> |                            |                      |             |
| At 1 January 2020        | 1,901,939                  | 7,836                | 1,909,775   |
| Additions                | 1,634,842                  | -                    | 1,634,842   |
| Valuation changes        | 244,440                    | -                    | 244,440     |
| Gain/(Loss) on sale      | 16,224                     | -                    | 16,224      |
| Cash movement            | -                          | 58,852               | 58,852      |
| Disposals                | (1,682,630)                | -                    | (1,682,630) |
| At 31 December 2020      | 2,114,815                  | 66,688               | 2,181,503   |
| <b>Carrying amount</b>   |                            |                      |             |
| At 31 December 2020      | 2,114,815                  | 66,688               | 2,181,503   |
| At 31 December 2019      | 1,901,939                  | 7,836                | 1,909,775   |

### 12 Financial instruments

|                                                     | 2020<br>£ | 2019<br>£ |
|-----------------------------------------------------|-----------|-----------|
| <b>Carrying amount of financial assets</b>          |           |           |
| Debt instruments measured at amortised cost         | 415,954   | 330,779   |
| Equity instruments measured at cost less impairment | 2,181,504 | 1,909,775 |
| <b>Carrying amount of financial liabilities</b>     |           |           |
| Measured at amortised cost                          | 147,857   | 101,696   |

# THE NEW PHYTOLOGIST FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Debtors

|                                      | 2020<br>£      | 2019<br>£      |
|--------------------------------------|----------------|----------------|
| Amounts falling due within one year: |                |                |
| Wiley-Blackwell                      | 405,428        | 319,356        |
| Jstor                                | 10,526         | 11,423         |
| Prepayments                          | 4,742          | 10,108         |
|                                      | <u>420,696</u> | <u>340,887</u> |

### 14 Creditors: amounts falling due within one year

|                  | 2020<br>£      | 2019<br>£      |
|------------------|----------------|----------------|
| Trade creditors  | 3,305          | 29,631         |
| Sundry creditors | 1,196          | 1,201          |
| V.A.T creditor   | 59,521         | 19,721         |
| Accruals         | 83,835         | 51,143         |
|                  | <u>147,857</u> | <u>101,696</u> |

### 15 Cash generated from operations

|                                                                   | 2020<br>£      | 2019<br>£      |
|-------------------------------------------------------------------|----------------|----------------|
| Surplus for the year                                              | 593,001        | 250,792        |
| Adjustments for:                                                  |                |                |
| Investment income recognised in statement of financial activities | (1,827)        | (2,245)        |
| (Gain)/loss on disposal of investments                            | (16,224)       | 23,427         |
| Fair value gains on investments                                   | (244,441)      | (300,828)      |
| Movements in working capital:                                     |                |                |
| (Increase)/decrease in debtors                                    | (79,809)       | 14,258         |
| Increase in creditors                                             | 46,161         | 7,209          |
| Cash generated from/(absorbed by) operations                      | <u>296,861</u> | <u>(7,387)</u> |