

CAMBRIDGE PHILOSOPHICAL SOCIETY

Report of the Council of Management and Financial Statements

For the year ended 31 December 2020

Registered Charity Number 213811

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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CAMBRIDGE PHILOSOPHICAL SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020

REGISTERED CHARITY NUMBER: 213811

COUNCIL MEMBERS

Professor R R Horgan, President
Dr C Y Barlow, President-Elect
Professor S Conway Morris, Vice-President
Dr T K Carne, Treasurer
Dr F J Leeper, Physical Secretary
Dr D K Summers, Biological Secretary
Professor G P Paternain, Mathematical Secretary
Dr A Agarwal
Dr R Asher
Dr J Berni
Professor A F Blackwell
Professor S Bohndiek
Dr R Colleparado-Guevara
Dr J Fraser
Dr L Fruk
Professor H Griffiths
Professor W Harris
Professor A W Jones
Professor J Secord

REGISTERED OFFICE

17 Mill Lane
Cambridge
CB2 1RX

BANKERS

Barclays Bank PLC
9-11 St Andrews Street
Cambridge, CB2 3PZ

SOLICITORS

Hewitsons
Shakespeare House
42 Newmarket Road
Cambridge, CB5 8EP

INVESTMENT MANAGER

Rathbone Investment Management Limited
8 Finsbury Circus
London, EC2M 7AZ

AUDITORS

Chater Allan LLP
Chartered Accountants
Beech House
4A Newmarket Road
Cambridge, CB5 8DT

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Council of Management present their annual report together with the audited financial statements of Cambridge Philosophical Society (the charity) for the year ended 31 December 2020. The Council members confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document, Charities Act 2011 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 (FRS102) (effective 1 January 2019).

Structure, governance and management

GOVERNING DOCUMENT

The Society was established on 15 November 1819 with the aim, in the words of that time 'of promoting scientific inquiry, and of facilitating the communication of facts connected with the advancement of Philosophy and Natural History'. In modern terminology the aims of the Society are to promote research in all branches of science and to encourage the communication of the results of scientific research. The Society became a Body Corporate by virtue of a Charter granted by his late Majesty King William the Fourth and dated 6 August 1832.

METHOD OF APPOINTMENT OR ELECTION OF COUNCIL MEMBERS

The affairs of the Society are conducted by its Council, consisting of up to nine Officers and up to twelve Ordinary Members who are all senior scientists working within the University of Cambridge. The Council members who served during the year were:-

Professor R R Horgan, President
Professor S Conway Morris, Vice-President
Professor J Woodhouse, Vice-President
Dr T K Carne, Treasurer
Dr F J Leeper, Physical Secretary
Dr D K Summers, Biological Secretary
Professor A G Thomason, Mathematical Secretary
Dr C Y Barlow
Dr J Berni
Professor A F Blackwell
Professor S Bohndiek
Professor G I Evan
Dr J Fraser
Dr L Fruk
Professor H Griffiths
Professor W Harris
Professor A W Jones
Professor P Midgley
Professor J Secord

Council members are elected at the Society's annual general meeting.

The President, President-Elect, Vice-Presidents, Treasurer and Secretaries constitute the Officers of the Society. The Officers and at least four ordinary Members of the Council are elected at each annual general meeting and serve from the first day of January following their election. The President serves for no more than two years successively, the President-Elect for one year, the Vice-Presidents for no more than three years successively, the Treasurer for no more than twelve years successively and the Secretaries for no more than nine years successively. Ordinary Members of Council serve for no more than six years successively.

Council meetings are held six times a year at which scientific activities are decided, formal business is concluded and strategy matters are discussed.

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REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
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POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF COUNCIL MEMBERS

New members of Council following formal election after the Annual General Meeting are given a complete set of minutes for the previous Michaelmas Term, a list of the Council Officers and Ordinary Members, a copy of the Society's byelaws, the Society's most recent Financial Accounts and the Charity Commission Leaflet for Charity Trustees (CC3(a)). The Officers and Executive Secretary answer any questions they may have.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Council sets out the general policy of the Society and has sole management of the income and funds of the Society. The day to day affairs of the Society are delegated to the Executive Secretary, Mrs Beverley Larner and the Treasurer, Dr Keith Carne.

Employees' remuneration is bench-marked with the University of Cambridge to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

INVESTMENT POWERS

These are governed by the Charter and Bye Laws which permits the funds to be invested in any security listed on the London Stock Exchange and all the main Stock Markets of the World i.e. US, Europe, Japan and the Far East.

RISK MANAGEMENT

The Council of Management has examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Council of Management have identified the loss of sales of journals and the collapse in the Stock Market resulting in a reduction in investment income as areas of risk.

Objectives and Activities

PUBLIC BENEFIT

The Council of Management, as charity trustees, confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. Cambridge Philosophical Society is a registered charity whose charitable purpose defined within the Charities Act 2011 is the promotion of scientific enquiry and the publication of results of scientific research.

The Society provides public benefit primarily by the publication of its two journals, *Mathematical Proceedings* and *Biological Reviews*. In addition, the Society provides assistance to scientists by the award of travel grants and short-term research studentships and also arranges a series of lecture meetings which are open to the public. From 2010 the Society has been funding two three-year Research Fellowships each year.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Society aims to publish six issues of *Mathematical Proceedings* and from 2019 six issues of *Biological Reviews* will be published every year, to make every effort to achieve the highest academic standards, to increase the circulation, readership and subscription to the journals to maintain and increase revenue. Management of the Society's investment portfolio to ensure secure financial protection for the Society's activities and to generate funds for charitable distribution to support and advance science. In addition the Society aims to maintain its assistance to scientists by awarding Travel Grants and short-term Research Studentships to research student members.

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STRATEGIES FOR ACHIEVING OBJECTIVES (continued)

The Society also arranges nine lecture meetings, open to the public, including an Honorary Fellow's award and Lecture, and three named lectures. Two are in memory of *Sir Geoffrey Taylor* and *Sir Joseph Larmor* and in 2013 a new named Lecture was instituted called the *A V Hill* Lecture in the Lent Term. The Society also sponsors a one-day meeting open to all members of the University and members of the public (a Special Anniversary two-day meeting in 2019).

The Society aims to maintain and recruit new Fellows by promotion of the Society to graduate students within the University of Cambridge; to make additional donations as agreed by Council in support of natural sciences; and to create Research Fellowships for terms of three years.

GRANT MAKING POLICIES

For 2020 the Society allocated a budget of £40,000 for Travel Grants and a budget of £180,000 for short term Research Studentships. The grant budgets are increased annually in line with inflation. Only three Travel Grants meetings were held after the grant deadlines of 1 February, 1 May, 1 July and 1 November 2020, not the usual four and two Research Studentship grant meetings were held after the grant deadlines of 31 March and 30 September 2020. Three members of Council constitute the panel at each of these meetings. The recommendations of the panel are submitted to Council for final approval. The Society also intended awarding at least eight bursaries up to a total of £4,000 to the Isaac Newton Institute for Mathematical Sciences to assist young scientists to attend symposia at the Institute. These grant budget figures are subject to increase at the request and agreement of Council at its meetings and approval by the Treasurer. In addition four members of Council form a panel to award two three-year research fellowships, currently £180,000 for each. These recommendations from the panel are submitted to Council for final approval.

Achievements and performance

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

REVIEW OF ACTIVITIES

During the year the Society published six issues of *Mathematical Proceedings* and six issues of *Biological Reviews*. Two Editorial Boards (consisting up to 30 members for *Biological Reviews* and 12-13 members for *Mathematical Proceedings*, all of whom are selected from senior academics), an Editor, and a Secretary are appointed by and report to Council. *Mathematical Proceedings* produced a surplus lower than the forecast and the 2019 actuals. *Biological Reviews* produced a surplus higher than both the forecast and the 2019 actuals.

Wiley (formerly Blackwell Publishing Limited) is the publisher of *Biological Reviews* and Cambridge University Press remains the publisher of *Mathematical Proceedings*.

In addition the Society has maintained its assistance to scientists by awarding Travel Grants and short-term Research Studentships. Due to the restrictions on travel imposed by the Government on 24 March only nine Travel Grants were awarded to a total value of £2,905.00 and forty-eight short-term Research Studentships were awarded to a total value of £84,100.00. The Society intended to award at least eight bursaries up to a total value of £4,000 to the Isaac Newton Institute for Mathematical Sciences to assist young scientists to attend symposia at the Institute, however these were not taken up due to the ban on travel during the year. Two Research Fellowships for three-year terms were also awarded to commence in the Michaelmas Term 2020 in addition to those currently ongoing. The Society also agreed to provide awards to Post-Docs for Covid-19 related hardship. £100,000.00 was allocated and nine awards were made totalling £97,230.

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REVIEW OF ACTIVITIES (continued)

During the year the Society arranged four lecture meetings in the Lent Term 2020, open to the public, including the named lecture in memory of Sir Geoffrey Taylor. Due to the ongoing closure of the University Estate in the Michaelmas Term 2020 the four lectures including the Sir Joseph Larmor and the A V Hill named lectures were videoed and moved to online viewing. Details of these bequests appear in note 9 to these financial statements. The Society's Honorary Fellows Lecture took place in the Lent Term 2020. The Society's Annual Sponsored One Day open to all members of the University and members of the public, due to have taken place at the end of the Lent Term 2020, had to be cancelled at short notice due to the outbreak of Covid-19.

There have been no material changes to policy during the year.

Financial review

RESERVES POLICY

Council has stated the policy to establish a financial base from which its activities at the present level would be secure in the event of future financial problems, such as might arise from loss of subscriptions to its publications as a result of electronic publishing. The Council has agreed to aim to hold at the year-end, a sum equal to the budgeted expenditure of the Society for the forthcoming year as set out in the approved Estimates of the Society, plus a sum equal to the estimated financial commitments of the Society beyond that year. For 2020 this equates to the sum of £668,704. As at 31 December 2020 the Society's free reserves amounted to £415,488. Restricted reserves at the year end were £61,873.

FUNDING AND RESULTS

The results for the year are set out in the attached financial statements.

Sales of current volumes during the year to 31 December 2020 totalled £451,588 compared with £460,711 in the previous year. Total incoming resources amounted to £759,225 (2019: £886,977) which, after resources expended of £664,109 (2019: £688,938), resulted in net incoming resources of £95,116 (2019: £198,038) before investment gains and losses.

Council has established an Investment Committee which makes investment decisions in the light of advice from external bodies. The agreed investment policy is to maximise overall long term return without undue risk by sustained investment in equities with significant exposure to all the main stock markets of the World. This involves purchases of units, chiefly in index-tracking funds that track stock market indices of the US, UK, Europe and to a lesser extent Japan and the Far East.

The function of the Society's assets is to provide security for its continuing activities, to provide for the development of future charitable activities and to provide in perpetuity for the achievement of the Society's charitable aims – the advancement and promotion of science.

The value of the Society's investments has increased from £12,746,777 to £13,376,787, an increase of £630,010, due to a net investment of £(24,042), coupled with unrealised gains of £654,051 on revaluation. At the end of the year the Society had net assets of £14,695,841 compared with £13,994,016 at the end of the previous year.

Plans for the future

FUTURE DEVELOPMENTS

The Council plans to return back to all its pre-Covid activities outlined above in the forthcoming years i.e. the maintenance of its awards for Travel Grants four times a year and in addition the award of grants for Research Studentships twice a year; the fund allocated for these awards is reviewed annually and increased in line with current inflation. The current level of bursaries awarded to the Isaac Newton Institute is reviewed annually and in 2012 the amount for each individual award was increased from £250 to £500. Two additional Research Fellowship grants for three-year terms were approved by Council to commence in 2021 and two Research Fellows grants in 2022, and a further two are planned for both 2023 and 2024.

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FUTURE DEVELOPMENTS (continued)

Nine public lectures are also confirmed for 2021 and nine are currently being planned for 2022 including a One-day meeting planned for 2021. The 2020 One-day meeting was cancelled at short notice, due to the travel restrictions imposed by the Government due to Covid-19 virus in March 2020. The Council is also planning to continue the publication of its journal *Mathematical Proceedings* six times a year. A new Contract has been signed with Wiley for a term of seven years for its journal *Biological Reviews*. From 1 January 2019 *Biological Reviews* will move to online only publication and will increase from four to six issues a year. No changes to the Publishers of the journals are currently anticipated. New editorial procedures and software to bring the editorial processes of both journals up to date are ongoing. Digitisation of the back issues of both journals is now complete back to 1923 and further digitisation of the remaining back issues to 1819 is progressing. Again modernisation and improvements in the promotion, production and editorial procedures of both journals will take place in 2020. It is anticipated that taking advantage of efficiencies in technology and making other changes will further decrease the costs associated with publishing.

The Council plans to continue all the activities outlined above for the longer term.

A comprehensive insurance policy is in place to cover the possibilities of any future litigious circumstances arising through the activities of the Society, including the publication of its Journals, and in particular claims arising from plagiarism.

COUNCIL MEMBERS' RESPONSIBILITIES STATEMENT

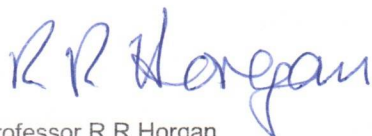
The Council members are responsible for preparing the Council members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Council members 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 of the charity for that period. In preparing these financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, 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 operation.

The Council members are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations 2008 and the provisions of the governing document. 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.

This report was approved by the Council members on 5 July 2021 and signed on their behalf by:



Professor R R Horgan

**CAMBRIDGE PHILOSOPHICAL SOCIETY
INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

We have audited the financial statements of Cambridge Philosophical Society for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of financial position, the Statement of Cash Flows and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

In our opinion the financial statements:

- give a true and fair view of the state of the Charity'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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

Respective responsibilities of Council Members and Auditors

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

In auditing the financial statements, we have concluded that the directors' 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 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 Council Members with respect to going concern are described in the relevant sections of this report.

The notes on pages 12 to 24 form part of these financial statements

Other information

The Council Members 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.

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.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Council of Management's report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Council Members responsibilities statement, the Council Members 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 Council Members 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 Council Members 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 Council Members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

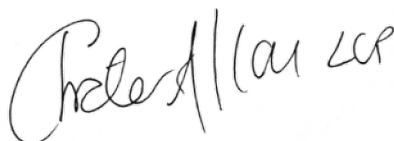
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of report

This report is made solely to the charity's Council of Management, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Council members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Council of Management as a body, for our audit work, for this report, or for the opinions we have formed.

Chater Allan LLP
Chartered Accountants and
Statutory Auditors
Beech House
4a Newmarket Road
Cambridge CB5 8DT
Date **11 October 2021**



Chater Allan LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES (incorporating income and expenditure)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM:					
Donations and legacies	2	50,779	-	50,779	101,373
Charitable activities	3	451,588	-	451,588	460,711
Investments	4	254,907	1,950	256,857	324,893
TOTAL		<u>757,275</u>	<u>1,950</u>	<u>759,225</u>	<u>886,977</u>
EXPENDITURE ON:					
Raising funds	6	42,180	-	42,180	34,573
Charitable activities	7	621,928	-	621,928	654,365
TOTAL	5	<u>664,109</u>	<u>-</u>	<u>664,109</u>	<u>688,938</u>
Net income/(expenditure) before gains and losses on investments		93,166	1,950	95,116	198,038
Net gains/(losses) on investments	14	606,631	77	606,709	1,854,463
NET INCOME/(EXPENDITURE)		<u>699,797</u>	<u>2,028</u>	<u>701,825</u>	<u>2,052,501</u>
Transfers between funds	17	(325)	325	-	-
NET MOVEMENT IN FUNDS		<u>699,472</u>	<u>2,353</u>	<u>701,825</u>	<u>2,052,501</u>
Reconciliation of funds					
Total funds brought forward		13,934,495	59,521	13,994,016	11,941,515
Total funds carried forward 31 December 2020		<u>14,633,968</u>	<u>61,874</u>	<u>14,695,841</u>	<u>13,994,016</u>

All of the above results are derived from continuing activities. The statement of financial activities includes all gains and losses recognised in the year.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	13	3,825	3,905
Heritage assets	13	894,640	894,640
Investments	14	13,376,787	12,746,777
		<u>14,275,252</u>	<u>13,645,322</u>
CURRENT ASSETS			
Debtors	15	137,963	117,861
Cash at bank and in hand		513,596	603,488
		<u>651,559</u>	<u>721,350</u>
LIABILITIES			
Creditors: amounts falling due within one year	16	(196,624)	(367,641)
NET CURRENT ASSETS		<u>454,935</u>	<u>353,709</u>
PROVISIONS FOR LIABILITIES	22	(34,346)	(5,015)
NET ASSETS		<u><u>14,695,841</u></u>	<u><u>13,994,016</u></u>
THE FUNDS OF THE CHARITY:			
Restricted Funds	17	61,873	59,521
Unrestricted funds:	17		
General fund		14,628,867	13,932,497
Designated funds		5,101	1,998
		<u>14,633,968</u>	<u>13,934,495</u>
TOTAL CHARITY FUNDS		<u><u>14,695,841</u></u>	<u><u>13,994,016</u></u>

The financial statements were approved by the Council members on 5 July 2021 and signed on their behalf by:



Dr K Carne

CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in)/provided by operating activities	21	<u>(322,043)</u>	<u>133,955</u>
Cash flows from investing activities:			
Interest and dividends from investments	4	256,857	324,893
Purchase of furniture and equipment	13	(1,407)	(1,959)
Proceeds from sale of investments	14	4,291,237	1,693,581
Proceeds from Investment redemption		-	-
Purchase of investments	14	<u>(4,314,537)</u>	<u>(1,762,226)</u>
Net cash provided by/used in) investing activities		<u>232,150</u>	<u>254,289</u>
Change in cash and cash equivalents in the year		<u>(89,893)</u>	<u>388,244</u>
Cash and cash equivalents at the beginning of the year		603,488	215,244
Cash and cash equivalents at the end of the year		<u>513,595</u>	<u>603,488</u>

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The presentation currency of the financial statements is the pound sterling (£).

Going concern

The Council members have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and the charity is well placed to manage its business risks. In particular the Council members have considered the impact of the global pandemic known as Covid-19. Though there are inevitable uncertainties they believe there will be no material adverse impact on the Society's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

Subscriptions received in advance are included within creditors falling within one year.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated to activities on a basis consistent with use of the resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1. Accounting policies (continued)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of Council members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Council members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the SOFA as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the fair value at the year end and opening carrying value (purchase date if later).

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture & Equipment	-	20% straight line
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Heritage assets

Heritage assets represent books held by the Society for their contribution to knowledge and culture. The books were valued by an independent expert in 2014 based on insurance value. No depreciation is charged on the heritage assets as their economic life and high residual value mean that any depreciation would not be material. Heritage assets are reviewed at the year end for evidence of impairment and adjusted accordingly within the Statement of Financial Activities.

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. Accounting policies (continued)

Pensions

The Society participates in the Cambridge University Assistants' Contributory Pension Scheme (CUACPS) which is a defined benefit scheme. The Society's contributions are affected by a surplus or deficiency in the CUACPS but the Society is unable to identify its share of the underlying assets and liabilities in the Scheme on a consistent and reasonable basis. The Society therefore accounts for its contributions to the CUACPS as if it were a defined contribution scheme. To the extent that the Society is committed to funding the deficit through additional monthly contributions, a liability is recognised in the accounts.

Stocks

Stocks of back issues of the Society's journals have not been valued.

Gifts in Kind

The University of Cambridge provides accommodation to support the Society as a Gift in Kind.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Members' subscriptions & donations	8,317	-	8,317	10,415	-	10,415
Life members' subscriptions	3,080	-	3,080	4,480	-	4,480
Grant from Cambridge University	12,983	-	12,983	60,078	-	60,078
Gift in kind - accommodation	26,400	-	26,400	26,400	-	26,400
	<u>50,779</u>	<u>-</u>	<u>50,779</u>	<u>101,373</u>	<u>-</u>	<u>101,373</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Sales of journals	317,229	-	317,229	340,511	-	340,511
Royalties from journals	134,359	-	134,359	120,200	-	120,200
	<u>451,588</u>	<u>-</u>	<u>451,588</u>	<u>460,711</u>	<u>-</u>	<u>460,711</u>

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. INCOME FROM INVESTMENTS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Dividends and interest (gross)	254,885	1,950	256,835	321,803	2,970	324,773
Bank deposit interest	22	-	22	121	-	121
	<u>254,907</u>	<u>1,950</u>	<u>256,857</u>	<u>321,923</u>	<u>2,970</u>	<u>324,893</u>

5. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff Costs 2020 £	Other Costs 2020 £	Total Costs 2020 £	Staff Costs 2019 £	Other Costs 2019 £	Total Costs 2019 £
Investment management costs	-	42,180	42,180	-	34,573	34,573
Costs of sales of journals & grant funding	137,960	458,500	596,460	110,430	522,452	632,882
Governance	17,226	8,243	25,469	13,788	7,694	21,482
	<u>155,186</u>	<u>508,923</u>	<u>664,109</u>	<u>124,218</u>	<u>564,719</u>	<u>688,936</u>

6. EXPENDITURE ON RAISING FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Investment management costs	<u>42,180</u>	<u>-</u>	<u>42,180</u>	<u>34,573</u>	<u>-</u>	<u>34,573</u>

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Grant funding £	Publications, Lectures & meetings £	Total 2020 £	Total 2019 £
Grants to individuals (see note 9)	303,498	-	303,498	262,585
Printing and publication costs	-	98,746	98,746	103,566
Donations	-	-	-	1,000
Prize awarded	-	-	-	-
Expenses of meetings, including honoraria	2,241	774	3,015	13,923
Expenses of special one day meetings	-	6,075	6,075	-
200th Exhibition costs	2,170	750	2,920	101,572
Office costs	13,265	4,581	17,846	13,406
Wages and salaries	68,522	23,665	92,187	86,162
National insurance	5,977	2,064	8,041	5,356
Pension costs	28,045	9,686	37,731	18,913
Governance costs (see note 10)	18,931	6,538	25,469	21,482
Gift in kind - accommodation costs	19,623	6,777	26,400	26,400
	<u>462,272</u>	<u>159,656</u>	<u>621,928</u>	<u>654,365</u>

Basis of allocation

Costs have been allocated between charitable activities based on proportion of the direct costs of each activity.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES BETWEEN FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
Grants to individuals (see note 9)	303,498	-	303,498	262,585	-	262,585
Printing and publication costs	98,746	-	98,746	103,566	-	103,566
Donations	-	-	-	1,000	-	1,000
Prize awarded	-	-	-	-	-	-
Expenses of meetings, incl. honoraria	3,015	-	3,015	12,423	1,500	13,923
Expenses of special one day meetings	6,075	-	6,075	-	-	-
200th Anniversary	2,920	-	2,920	101,572	-	101,572
Office costs	17,846	-	17,846	13,406	-	13,406
Wages and salaries	92,187	-	92,187	86,162	-	86,162
National insurance	8,041	-	8,041	5,356	-	5,356
Pension costs	37,731	-	37,731	18,913	-	18,913
Governance costs (see note 10)	25,469	-	25,469	21,482	-	21,482
Gifts in kind - rent payable	26,400	-	26,400	26,400	-	26,400
	<u>621,928</u>	<u>-</u>	<u>621,928</u>	<u>652,865</u>	<u>1,500</u>	<u>654,365</u>

9. GRANTS TO INDIVIDUALS

	2020 Number	2020 £	2019 Number	2019 £
Research Grants	19	59,005	50	83,279
Travel Grants	7	3,015	123	29,572
Isaac Newton Institute Bursaries	-	-	8	4,000
Henslow Fellowships	15	144,248	16	145,734
Post Doc Covid-19 grants	8	97,230	-	-
Total	<u>49</u>	<u>303,498</u>	<u>197</u>	<u>262,585</u>

Research grants are awarded to fund the scientific research of post graduate students. Grants awarded range between £500 and £3,000.

Travel grants enable postgraduate students to travel in order to meet their research goals. Grants are awarded up to the value of £350.

Isaac Newton Institute Bursaries are awarded to young scientists to enable them to attend symposia at the Isaac Newton Institute for Mathematical Studies.

Henslow Fellowships are awarded to various Cambridge Colleges to fund scientific teaching positions. Fellowships awarded range between £14,000 and £35,000.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. GOVERNANCE COSTS

	Unrestricted Funds 2020 £	Total Funds 2020 £	Unrestricted Funds 2019 £	Total Funds 2019 £
Auditors' remuneration	5,300	5,300	5,300	5,300
Auditors' non audit fees	715	715	720	720
Office costs	2,228	2,228	1,674	1,674
Wages	11,510	11,510	10,758	10,758
National Insurance	1,004	1,004	669	669
Pension cost	4,711	4,711	2,361	2,361
	<u>25,469</u>	<u>25,469</u>	<u>21,482</u>	<u>21,482</u>

11. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets: - owned by the charity	1,487	1,164
Auditors' remuneration	5,300	5,300
Auditors' other financial services	715	720
Pension costs	42,443	21,274
	<u>49,945</u>	<u>28,458</u>

12. ANALYSIS OF STAFF COSTS AND REMUNERATION TO KEY PERSONNEL

	2020 £	2019 £
Wages and salaries	103,698	96,920
Social security costs	9,045	6,025
Other pension costs	42,443	21,274
	<u>155,186</u>	<u>124,219</u>

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

2020 No.	2019 No.
<u>8</u>	<u>7</u>

No employee received remuneration amounting to more than £60,000 in either year.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. TANGIBLE FIXED ASSETS

	Heritage assets £	Furniture and equipment £	Total £
Cost or valuation:			
As at 1 January 2020	894,640	21,645	916,285
Additions	-	1,407	1,407
Disposals	-	-	-
As at 31 December 2020	<u>894,640</u>	<u>23,053</u>	<u>917,693</u>
Depreciation:			
As at 1 January 2020	-	17,740	17,740
Charge for the year	-	1,487	1,487
Elimination on disposal	-	-	-
As at 31 December 2020	<u>-</u>	<u>19,227</u>	<u>19,227</u>
Net book value			
As at 31 December 2020	<u>894,640</u>	<u>3,825</u>	<u>898,465</u>
As at 31 December 2019	<u>894,640</u>	<u>3,905</u>	<u>898,545</u>

Heritage assets represent books held by the Society for their contribution to knowledge and culture. The books were valued by an independent expert in 2014 based on insurance value. There have been no additions, disposals or impairment of heritage assets during the current and four preceding years.

14. FIXED ASSET INVESTMENTS

Movement in fixed asset listed investments	2020 £	2019 £
Fair Value at 1 January 2020	12,746,778	10,823,672
Additions	4,314,537	1,762,226
Disposals (proceeds £4,291,237, loss on disposal of £47,342)	(4,338,579)	(1,626,219)
Net gain/(loss) on revaluation	654,051	1,787,098
Fair value at 31 December 2020	<u>13,376,787</u>	<u>12,746,777</u>
Historical cost at 31 December 2020	<u>7,741,657</u>	<u>7,539,833</u>
Listed investments	13,376,787	12,449,019
Cash	-	297,758
	<u>13,376,787</u>	<u>12,746,777</u>
Listed investments at fair value comprise:		
	2020 £	2019 £
UK	7,980,241	7,735,948
Overseas	5,396,546	4,713,071
	<u>13,376,787</u>	<u>12,449,019</u>

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. FIXED ASSET INVESTMENTS (continued)

Material investments

Details of material investments at the balance sheet date of 31 December 2020, represents more than 5% of the total portfolio, are as follows:

	2020 £	2019 £
Charifund - Equities Investment Fund for Charities	948,942	1,089,416

15. DEBTORS

	2020 £	2019 £
Trade debtors	80,078	106,578
Prepayments and accrued income	47,951	11,283
VAT	9,934	-
	<u>137,963</u>	<u>117,861</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Taxation and social security	3,050	36,380
Other creditors	140,454	88,994
Accruals and deferred income	53,121	242,267
	<u>196,624</u>	<u>367,641</u>

Included in Accruals and deferred income above is income of £nil (2019: £203,837) that relates to the following year.

17. SUMMARY OF FUND MOVEMENTS

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains/ (Losses) £	At 31 December 2020 £
Unrestricted funds						
General Funds	13,932,497	757,275	(422,631)	(244,906)	606,631	14,628,867
Designated funds						
Henslow Fund	-	-	(144,248)	144,248	-	-
William Bate Hardy Prize Fund	1,998	-	-	333	-	2,331
Post Graduate COVID 19 Fund	-	-	(97,230)	100,000	-	2,770
Total unrestricted funds	<u>13,934,495</u>	<u>757,275</u>	<u>(664,109)</u>	<u>(325)</u>	<u>606,631</u>	<u>14,633,968</u>
Restricted funds						
William Hopkins Prize Fund	2,122	70	-	333	77	2,602
Sir Joseph Larmor's Fund	250	8	-	(8)	-	250
G I Taylor Trust Fund	57,149	1,873	-	-	-	59,022
	<u>59,521</u>	<u>1,950</u>	<u>-</u>	<u>325</u>	<u>77</u>	<u>61,873</u>
Total Funds	<u>13,994,016</u>	<u>759,225</u>	<u>(664,109)</u>	<u>-</u>	<u>606,709</u>	<u>14,695,841</u>

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. SUMMARY OF FUND MOVEMENTS (continued)

The Henslow Fund was established in 2010 when Council set aside the initial sum of £20,000 from General Funds to meet the cost of the Henslow Fellowships. An amount equal to the expenditure in the year is transferred from unrestricted General Funds. The fund is represented by net current assets.

The William Bate Hardy Prize Fund was founded in 1964 to fund a prize for the best original memoir, investigation or discovery by a member of the University of Cambridge in connection with Biological Science that may have been published during the three years immediately preceding. The prize is adjudged once in three years by three Fellows of the Society, nominated by the Council of the Society for each occasion. The fund is represented by net current assets.

The William Hopkins Prize Fund was founded in memory of William Hopkins (1793-1866) to fund a prize for the best original memoir, invention or discovery by a member of the University of Cambridge in connection with Mathematico - physical or Mathematico - experimental science that may have been published during the three years immediately preceding. The prize is adjudged once in three years by three Fellows of the Society nominated by the Council of the Society for each occasion. The fund is represented by investments with a market value of £1,663 and by net current assets of £938.

The Sir Joseph Larmor's Fund was set up with a bequest of £250, the terms of which were that the income thereof be used to promote the interest of undergraduate members of the University of Cambridge in the aims of the Society. The fund is represented by net current assets.

The G I Taylor Trust Fund was set up with monies subscribed in response to an appeal in 1976. The income of the fund is used to meet costs associated with a lecture to be held each year in Cambridge. The lecturer is appointed each year by the Council of the Society after consultation with the Heads of the Departments of Applied Mathematics and Theoretical Physics, Engineering and Physics in the University of Cambridge. The fund is represented by net current assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	898,465	-	898,465	898,545
Fixed asset investments	13,375,124	1,663	13,376,787	12,746,777
Current assets	591,349	60,210	651,559	721,350
Creditors due within one year	(196,624)	-	(196,624)	(367,641)
Provisions for liabilities	(34,346)	-	(34,346)	(5,015)
	<u>14,633,968</u>	<u>61,873</u>	<u>14,695,841</u>	<u>13,994,016</u>

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. PENSION COSTS

The Society participates in the Cambridge University Assistants' Contributory Pension Scheme (CUACPS) which is a defined benefit scheme. The Society's contributions are affected by a surplus or deficiency in the CUACPS but the Society is unable to identify its share of the underlying assets and liabilities in the Scheme on a consistent and reasonable basis. The Society therefore accounts for its contributions to the CUACPS as if it were a defined contribution scheme.

The most recent full actuarial valuation of the CUACPS was carried out as at 31 July 2018 by an independent actuary, Robert Sweet, who is a Fellow of the Institute of Actuaries. He is not an employee or officer of the Society. The CUACPS is not a closed scheme nor one in which the age profile of the active membership is rising significantly.

The method used in the actuarial valuation as at 31 July 2018 was the Projected Unit method. The main assumptions were:

Rate of interest:	
. in deferment	5.15% pa
. in payment	5.15% pa
Rate of salary increases:	4.25% pa
Rate of increases in pensions in payment:	3.25% pa
Rate of mortality before and after retirement:	121% of S2NMA pension Mortality tables for males and 90% of S2NMA Pension Mortalities for females. Plus a projection based upon the CMI_2017 model with a long term 1.75% p.a. improvement.
Expenses:	
. past service	1.0% of the liability excluding expenses
. future service	0.9% of Pensionable Salaries
Age at Retirement:	
. active members	63 for males and 62 for females
. deferred members	61 for males and 61 for females
Assets:	Value of the assets as shown in the accounts

The result of the valuation using the above assumptions was:

Past Service (service to 31 July 2018)

Value of Past Service Liability	(a)	742,670,000
Actuarial Value of Assets	(b)	708,068,000
Deficiency	(b) - (a)	34,602,000
Funding Level	(b)/(a) x 100	95%

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. PENSION COSTS (continued)

In respect of the shortfall in funding, the Employer have agreed to continue to pay additional contributions of £14,595,000 p.a, payable monthly to 31 July 2025, which will eliminate the shortfall.

In respect of the future accrual of benefits, the expenses of administering the Scheme, death in service benefits and PPF levies, members who joined the scheme prior to 1 January 2013 will pay contributions at the rate of 5% pa of Pensionable Salaries, members who joined after 1 January 2013 will pay contributions at the rate of 3% pa of Pensionable salaries and all Employers will Pay:

	Salary Sacrifice Members		Non Salary Sacrifice Members	
	Active Members	Employers	Active Members	Employers
	%	%	%	%
Pre-2013 Members paying additional contributions	Nil	20.0	8.5	11.5
Other Pre-2013 Members	Nil	16.5	5.0	11.5
Post-2013 Members	Nil	8.8	3.0	5.8

From 23 April 2010 to 31 July 2025.

- 26.3% pa of Pensionable Salaries (Salary Sacrifice Members); and
- 20.3% pa of Pensionable Salaries (Other Members).

The contributions payable by the Society for the accounting period ended 31 December 2020 amounted to £11,323 (2019: £11,505). The outstanding contributions at 31 December 2020 amounted to £46,241 (2019: £37,629).

Material post valuation date events:

On 26 October 2018 the High Court announced its decision in the Lloyds Bank GMP equalisation case. This confirms that GMPs should be equalised from the Barber judgment date, 17 May 1990. It is far too soon for the Trustee to have reviewed the impact of this on the Scheme. In particular, there are still questions to be answered around how the equalisation should be applied in practice, and it is expected that the DWP will be issuing further guidance on this matter.

No allowance has been made for GMP equalisation in this valuation.

The next triennial valuation will be carried out as at 31 July 2021. As this Scheme has more than 100 members, interim actuarial reports will be required as at 31 July 2019 and 31 July 2020.

20. RELATED PARTY TRANSACTIONS AND TRUSTEES' EXPENSES AND REMUNERATION

The council members all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil). No expenses were paid to the council members during 2020 or 2019.

There have not been any related party transactions during the year.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

	2020	2019
	£	£
Net income/(expenditure) for the year	701,825	2,052,501
Depreciation charges	1,487	1,164
(Gains)/losses on investments	(606,709)	(1,854,463)
Movement on provision	29,331	4,472
Dividends and interest from investments	(256,857)	(324,893)
Decrease/(increase) in debtors	(20,103)	35,202
Increase/(decrease) in creditors	(171,017)	219,972
Net cash (used in)/provided by operating activities	<u>(322,043)</u>	<u>133,955</u>

22. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Defined benefit pension scheme deficit	<u>34,346</u>	<u>5,015</u>
Movement in defined benefit pension provision:	2020	
	£	
As at 1 January 2020	5,015	
Provision increase/(decrease)	34,346	
Transferred to creditors	(5,015)	
Interest	-	
As at 31 December 2020	<u>34,346</u>	

The pension provision is in respect of the pension deficit recovery plan agreed for the period to 31 July 2025.

CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
INCOME FROM:			
Donations and legacies	101,373	-	101,373
Charitable activities	460,711	-	460,711
Investments	322,156	2,737	324,893
TOTAL	884,240	2,737	886,977
EXPENDITURE ON:			
Raising funds	34,573	-	34,573
Charitable activities	652,865	1,500	654,365
TOTAL	687,438	1,500	688,938
Net income/(expenditure) before gains and losses on investments	196,802	1,237	198,038
Net gains/(losses) on investments	1,854,230	233	1,854,463
NET INCOME/(EXPENDITURE)	2,051,032	1,470	2,052,501
Transfers between funds	(821)	821	-
NET MOVEMENT IN FUNDS	2,050,211	2,291	2,052,501
Reconciliation of funds			
Total funds brought forward at 1 January 2019	11,884,285	57,230	11,941,515
Total funds carried forward 31 December 2019	<u>13,934,496</u>	<u>59,521</u>	<u>13,994,016</u>