

CAMBRIDGE PHILOSOPHICAL SOCIETY

Report of the Council of Management and Financial Statements

For the year ended 31 December 2023

Registered Charity Number 213811

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| Contents | Page |
|--------------------------------------|-------------|
| Reference and Administrative Details | 1 |
| Report of the Council of Management | 2 - 7 |
| Independent Auditors' Report | 8 - 10 |
| Statement of Financial Activities | 11 |
| Statement of Financial Position | 12 |
| Statement of Cash Flows | 13 |
| Notes to the Financial Statements | 14 - 27 |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

REGISTERED CHARITY NUMBER: 213811

COUNCIL MEMBERS

Professor L Greer, President
Dr C Y Barlow, Vice-President
Professor P Hewett, Vice-President
Professor R R Horgan, Vice-President
Dr T K Carne, Treasurer
Dr J A Fraser, Biological Secretary
Professor J Lasenby, Physical Secretary
Professor M Dunajski, Mathematical Secretary
Dr R Asher
Professor J Carr
Professor S Clarke
Professor G Csanyi
Dr D Fusco
Professor W Harris
Professor N Hopwood
Dr A Liu
Dr B Monserrat-Sanchez
Dr N Pugh

REGISTERED OFFICE

17 Mill Lane
Cambridge
CB2 1RX

BANKERS

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

SOLICITORS

HCR Hewitsons
50-60 Station Road
Cambridge, CB1 2JH

INVESTMENT MANAGER

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

AUDITORS

Chater Allan LLP
Chartered Accountants
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 2023. 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:-

Dr C Y Barlow, President
Professor L Greer, President-Elect
Professor R R Horgan, Vice-President
Dr T K Carne, Treasurer
Dr J A Fraser, Biological Secretary
Dr F J Leeper, Physical Secretary
Professor G P Paternain, Mathematical Secretary
Dr A Agarwal
Dr R Asher
Dr R Collepardo-Guevara
Dr L Fruk
Dr D Fusco
Professor W Harris
Professor P Hewett
Professor N Hopwood
Professor J Lasenby
Dr B Monserrat-Sanchez
Dr N Pugh

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.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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

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 Larnar 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.

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 manage 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 is 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 to three, three-year Research Fellowships each year.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Society aims to publish six issues of Mathematical Proceedings and six issues of Biological Reviews 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.

CAMBRIDGE PHILOSOPHICAL SOCIETY REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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.

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.

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 2023 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. Four Travel Grants meetings were held after the grant deadlines of 1 February, 1 May, 1 July and 1 November 2022 and two Research Studentship grant meetings were held after the grant deadlines of 31 March and 30 September 2023. Three members of Council constitute the panel at each of these Travel Grant 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, six members of Council form two panels to consider and award three-year research fellowships, currently £180,000 for each. These recommendations from the panel are also 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 of 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 higher than the forecast and higher than the 2022 actuals. *Biological Reviews* produced a surplus higher than the forecast and higher than the 2022 actuals.

Wiley 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. During the year, eighty-four Travel Grants were awarded, and fifty-five short-term Research Studentships were awarded. The Society awarded 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. Three Research Fellowships for three-year terms were also awarded to commence in the Michaelmas Term 2023, in addition to those currently ongoing.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

A new named award, Sedgwick Studentships, was created in 2023 to award two Studentships for three year terms to Post graduate students at Anglia Ruskin University. These Post graduate studentship commenced October 2023.

During the year the Society arranged nine lecture meetings, including the three named lectures in memory of *Sir Geoffrey Taylor*, *Sir Joseph Larmor* and *A V Hill*. Lectures also continued to be videoed and hosted online in addition to the in-person lectures. Details of the named lecture bequests appear in note 9 to these financial statements. The Society's Honorary Fellows Lecture took place in the Michaelmas Term 2023. The Society's Annual Sponsored One Day open to all members of the University and members of the public, took place in the Lent Term 2023.

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 liquid assets and free reserves at the year-end, a sum held 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 2023 this equates to the sum of £990,493. For the purposes of calculating the value of liquid assets and free reserves, cash deposits, money market funds and government and corporate bonds with a maturity of less than five years that may be liquidated within a one-day trading period are included in the definition of liquid assets and free reserves. As at 31 December 2023 the value of the Society's holdings of liquid assets and free reserves amounted to £650,280. Restricted reserves at the year-end were £65,155.

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 2023 totalled £489,980 compared with £478,463 in the previous year. Total incoming resources amounted to £874,974 (2022: £823,507) which, after resources expended of £629,232 (2022: £683,912), including a pension provision charge of (£34,272), resulted in net incoming resources of £245,741 (2022: £139,595) 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 securities and units in index-tracking and other funds which give exposure to equities listed in 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 £13,247,157 to £14,356,064 an increase of £1,108,907, due to a net investment of £359,666, coupled with unrealised gain of £749,241 on revaluation. At the end of the year the Society had net assets of £15,868,507 compared with £14,863,079 at the end of the previous year.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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. For 2024 it has been agreed to increase the maximum limit for these awards to £500 for Travel Grants and £5,500 for Research Studentships. The current level of bursaries awarded to the Isaac Newton Institute remains the same.

In 2022 Council agreed to increase the number of awards for Research Fellowship from the original figure of two a year. Four Research Fellowship grants for three-year terms were approved by Council to commence in 2023 and three Research Fellowships grants for three-year terms were approved by Council to commence in 2024. Further Research Fellowships are planned for both 2025 and 2026. Following a detailed review of the level of the stipends awarded for Research Fellowships it was agreed to increase the stipends from October 2024 onwards.

Nine public lectures are also confirmed for 2024 and nine are currently being planned for 2025 including a One-day meetings planned for March 2025, March 2026 and March 2027. The Council is also planning to continue the publication of its journal Mathematical Proceedings six times a year. Biological Reviews continues to be published as an online only publication having increased 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 have taken place and 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 2024. 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.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
REPORT OF THE COUNCIL OF MANAGEMENT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 21 October 2024 and signed on their behalf by:



Professor L Greer

Date: 23 October 2024

**CAMBRIDGE PHILOSOPHICAL SOCIETY
INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

We have audited the financial statements of Cambridge Philosophical Society for the year ended 31 December 2023 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 2023 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

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 Council Members' 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.

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 2023**

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- We identified the laws and regulations applicable to the Charity through discussions with Council Members and other management;
- We obtained an understanding of the legal and regulatory framework applicable to the Charity and how it is complying with that framework;
- We obtained an understanding of the Charity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to manage risks of fraud and non-compliance with laws and regulations.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we;

- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policy were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reviewing minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims.

Through the above procedures, we did not become aware of any actual or suspected non-compliance with laws and regulations. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

Date 24 October 2024

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 2023

| | Note | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Total Funds 2022 £ |
|--|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | |
| Donations and legacies | 2 | 38,379 | - | 38,379 | 46,349 |
| Charitable activities | 3 | 489,980 | - | 489,980 | 478,463 |
| Investments | 4 | 344,099 | 2,516 | 346,615 | 298,695 |
| TOTAL | | <u>872,458</u> | <u>2,516</u> | <u>874,974</u> | <u>823,507</u> |
| EXPENDITURE ON: | | | | | |
| Raising funds | 6 | 51,704 | - | 51,704 | 49,813 |
| Charitable activities | 7 | 575,167 | 2,361 | 577,528 | 634,100 |
| TOTAL | 5 | <u>626,872</u> | <u>2,361</u> | <u>629,232</u> | <u>683,912</u> |
| Net income/(expenditure) before gains and losses on investments | | 245,586 | 155 | 245,741 | 139,595 |
| Net gains/(losses) on investments | 14 | 759,592 | 95 | 759,687 | (2,264,474) |
| NET INCOME/(EXPENDITURE) | | <u>1,005,178</u> | <u>250</u> | <u>1,005,428</u> | <u>(2,124,879)</u> |
| Transfers between funds | 17 | (323) | 323 | - | - |
| NET MOVEMENT IN FUNDS | | <u>1,004,855</u> | <u>573</u> | <u>1,005,428</u> | <u>(2,124,879)</u> |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 14,798,497 | 64,582 | 14,863,079 | 16,987,958 |
| Total funds carried forward 31 December 2023 | | <u>15,803,352</u> | <u>65,155</u> | <u>15,868,507</u> | <u>14,863,079</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 2023**

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------------|--------------------------|
| FIXED ASSETS | | | |
| Tangible assets | 13 | 9,500 | 8,323 |
| Heritage assets | 13 | 894,640 | 894,640 |
| Investments | 14 | 14,356,064 | 13,247,157 |
| | | <u>15,260,204</u> | <u>14,150,120</u> |
| CURRENT ASSETS | | | |
| Debtors | 15 | 238,352 | 192,827 |
| Cash at bank and in hand | | 578,800 | 770,175 |
| | | <u>817,153</u> | <u>963,002</u> |
| LIABILITIES | | | |
| Creditors: amounts falling due within one year | 16 | (208,849) | (209,726) |
| NET CURRENT ASSETS | | <u>608,303</u> | <u>753,276</u> |
| PROVISIONS FOR LIABILITIES | 22 | - | (40,317) |
| NET ASSETS | | <u><u>15,868,507</u></u> | <u><u>14,863,079</u></u> |
| THE FUNDS OF THE CHARITY: | | | |
| Restricted Funds | 17 | 65,155 | 64,582 |
| Unrestricted funds: | 17 | | |
| General fund | | 15,800,022 | 14,795,500 |
| Designated funds | | 3,330 | 2,997 |
| | | <u>15,803,352</u> | <u>14,798,497</u> |
| TOTAL CHARITY FUNDS | | <u><u>15,868,507</u></u> | <u><u>14,863,079</u></u> |

The financial statements were approved by the Council members on 21 October 2024 and signed on their behalf by:



Dr T K Carne
Date 22 October 2024

**CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash (used in)/provided by operating activities | 21 | <u>(184,653)</u> | <u>(130,949)</u> |
| Cash flows from investing activities: | | | |
| Interest and dividends from investments | 4 | 346,615 | 298,695 |
| Purchase of furniture and equipment | 13 | (4,116) | (2,207) |
| Proceeds from sale of investments | 14 | 1,421,805 | 1,330,954 |
| Proceeds from Investment redemption | | 189,553 | - |
| Purchase of investments | 14 | <u>(1,960,578)</u> | <u>(995,529)</u> |
| Net cash (used in)/provided by investing activities | | <u>(6,722)</u> | <u>631,913</u> |
| Change in cash and cash equivalents in the year | | <u>(191,375)</u> | <u>500,964</u> |
| Cash and cash equivalents at the beginning of the year | | 770,175 | 269,211 |
| Cash and cash equivalents at the end of the year | | <u>578,800</u> | <u>770,175</u> |
| Summary of the cash and cash equivalents at the end of the reporting period | | | |
| Cash at bank and in hand | | 578,800 | 770,175 |
| | | <u>578,800</u> | <u>770,175</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. Accounting policies

Governing document

The Society was established on 15 November 1819. 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.

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 2019) 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.

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that are deemed significant in the context of the charity's accounts are set out below.

The present value of the Cambridge University Assistants' Contributory Pension Scheme (CUACPS), and the value of Heritage assets.

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 |
|-----------------------|---|-------------------|

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. The charity maintains paper records of the individual books held as heritage assets.

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 2023**

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 any 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 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|------------------------------------|--|--|---------------------------------------|--|--|---------------------------------------|
| Members' subscriptions & donations | 8,929 | - | 8,929 | 12,306 | - | 12,306 |
| Bequests | - | - | - | 3,200 | - | 3,200 |
| Life members' subscriptions | 3,050 | - | 3,050 | 4,443 | - | 4,443 |
| Gift in kind - accommodation | 26,400 | - | 26,400 | 26,400 | - | 26,400 |
| | 38,379 | - | 38,379 | 46,349 | - | 46,349 |

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|-------------------------|--|--|---------------------------------------|--|--|---------------------------------------|
| Sales of journals | 314,232 | - | 314,232 | 289,884 | - | 289,884 |
| Royalties from journals | 175,748 | - | 175,748 | 188,579 | - | 188,579 |
| | 489,980 | - | 489,980 | 478,463 | - | 478,463 |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. INCOME FROM INVESTMENTS

| | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|--------------------------------|--|--|---------------------------------------|--|--|---------------------------------------|
| Dividends and interest (gross) | 344,098 | 2,516 | 346,614 | 296,489 | 2,200 | 298,689 |
| Bank deposit interest | 1 | - | 1 | 6 | - | 6 |
| | <u>344,099</u> | <u>2,516</u> | <u>346,615</u> | <u>296,495</u> | <u>2,200</u> | <u>298,695</u> |

5. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

| | Staff Costs 2023 £ | Other Costs 2023 £ | Total Costs 2023 £ | Staff Costs 2022 £ | Other Costs 2022 £ | Total Costs 2022 £ |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Investment management costs | - | 51,704 | 51,704 | - | 49,813 | 49,813 |
| Costs of sales of journals & grant funding | 135,488 | 414,247 | 549,734 | 171,069 | 431,754 | 602,823 |
| Governance | 16,917 | 10,877 | 27,793 | 21,360 | 9,917 | 31,277 |
| | <u>152,405</u> | <u>476,828</u> | <u>629,232</u> | <u>192,429</u> | <u>491,484</u> | <u>683,912</u> |

6. EXPENDITURE ON RAISING FUNDS

| | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|-----------------------------|--|--|---------------------------------------|--|--|---------------------------------------|
| Investment management costs | <u>51,704</u> | <u>-</u> | <u>51,704</u> | <u>49,813</u> | <u>-</u> | <u>49,813</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Grant funding £ | Publications, Lectures & meetings £ | Total 2023 £ | Total 2022 £ |
|---|-----------------------|--|--------------------|--------------------|
| Grants to individuals (see note 9) | 251,245 | - | 251,245 | 294,750 |
| Printing and publication costs | - | 73,323 | 73,323 | 76,685 |
| Donations | 4,500 | - | 4,500 | - |
| Expenses of meetings, including honoraria | 24,944 | 7,651 | 32,595 | 18,165 |
| Office costs | 17,171 | 5,267 | 22,438 | 15,153 |
| Wages and salaries | 110,733 | 33,967 | 144,700 | 136,544 |
| National insurance | 8,946 | 2,744 | 11,690 | 6,022 |
| Pension costs | 7,319 | 2,245 | 9,564 | 28,503 |
| Pension deficit provision release | (23,315) | (7,152) | (30,467) | - |
| Governance costs (see note 10) | 21,269 | 6,524 | 27,793 | 31,877 |
| Gift in kind - accommodation costs | 20,203 | 6,197 | 26,400 | 26,400 |
| | <u>443,015</u> | <u>134,513</u> | <u>577,528</u> | <u>634,100</u> |

Basis of allocation

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

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES BETWEEN FUNDS

| | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|---------------------------------------|------------------------------------|----------------------------------|-----------------------------|------------------------------------|----------------------------------|-----------------------------|
| Grants to individuals (see note 9) | 251,245 | - | 251,245 | 289,750 | 5,000 | 294,750 |
| Printing and publication costs | 73,323 | - | 73,323 | 76,685 | - | 76,685 |
| Donations | 4,500 | - | 4,500 | - | - | - |
| Expenses of meetings, incl. honoraria | 30,234 | 2,361 | 32,595 | 16,076 | 2,089 | 18,165 |
| Office costs | 22,438 | - | 22,438 | 15,153 | - | 15,153 |
| Wages and salaries | 144,700 | - | 144,700 | 136,544 | - | 136,544 |
| National insurance | 11,690 | - | 11,690 | 6,022 | - | 6,022 |
| Pension costs | 9,564 | - | 9,564 | 28,503 | - | 28,503 |
| Pension deficit release | (30,467) | - | (30,467) | - | - | - |
| Governance costs (see note 10) | 27,793 | - | 27,793 | 31,877 | - | 31,877 |
| Gifts in kind - rent payable | 26,400 | - | 26,400 | 26,400 | - | 26,400 |
| | <u>575,167</u> | <u>2,361</u> | <u>577,528</u> | <u>627,010</u> | <u>7,089</u> | <u>634,100</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. GRANTS TO INDIVIDUALS

| | 2023 | 2022 |
|----------------------------------|----------------|----------------|
| | £ | £ |
| Research Grants | 62,840 | 82,839 |
| Travel Grants | 13,525 | 25,406 |
| Isaac Newton Institute Bursaries | 4,000 | 2,000 |
| Henslow Fellowships | 170,879 | 184,505 |
| Total | <u>251,245</u> | <u>294,750</u> |

Research grants are awarded to fund the scientific research of post graduate students. Grants awarded range between £500 and £3,000. During the year, fifty-five short-term Research grants were awarded.

Travel grants enable postgraduate students to travel in order to meet their research goals. Grants are awarded up to the value of £350. During the year, eighty-four Travel grants were awarded.

Isaac Newton Institute Bursaries are awarded to young scientists to enable them to attend symposia at the Isaac Newton Institute for Mathematical Studies. During the year, eight bursaries were awarded to a total value of £4,000.

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

10. GOVERNANCE COSTS

| | Unrestricted Funds 2023 £ | Total Funds 2023 £ | Unrestricted Funds 2022 £ | Total Funds 2022 £ |
|--------------------------------------|--|---------------------------------------|--|---------------------------------------|
| Auditors' remuneration | 7,000 | 7,000 | 6,900 | 6,900 |
| Auditors' remuneration previous year | | - | 600 | 600 |
| Auditors' non audit fees | 1,075 | 1,075 | 1,125 | 1,125 |
| Office costs | 2,802 | 2,802 | 1,892 | 1,892 |
| Wages | 18,067 | 18,067 | 17,049 | 17,049 |
| National Insurance | 1,460 | 1,460 | 752 | 752 |
| Pension cost | 1,194 | 1,194 | 3,559 | 3,559 |
| Pension deficit provision release | (3,804) | (3,804) | - | - |
| | <u>27,793</u> | <u>27,793</u> | <u>31,877</u> | <u>31,877</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| 11. NET INCOME/(EXPENDITURE) | 2023 | 2022 |
|--|-------------|-------------|
| This is stated after charging: | £ | £ |
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 2,940 | 2,567 |
| Auditors' remuneration 2023 | 7,000 | 6,900 |
| Auditors' remuneration 2022 | - | 600 |
| Auditors' other financial services | 1,075 | 1,125 |
| Pension costs | 10,759 | 32,062 |
| Pension deficit provision release | (34,272) | - |

12. ANALYSIS OF STAFF COSTS AND REMUNERATION TO KEY PERSONNEL

| | | |
|-----------------------------------|----------------|----------------|
| Wages and salaries | 162,768 | 153,593 |
| Social security costs | 13,150 | 6,774 |
| Other pension costs | 10,759 | 32,062 |
| Pension deficit provision release | (34,272) | - |
| | <u>152,405</u> | <u>192,429</u> |

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

| No. | No. |
|------------|------------|
| <u>8</u> | <u>8</u> |

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

| 13. TANGIBLE FIXED ASSETS | Heritage assets | Furniture and equipment | Total |
|----------------------------------|------------------------|--------------------------------|----------------|
| | £ | £ | £ |
| Cost or valuation: | | | |
| As at 1 January 2023 | 894,640 | 31,918 | 926,558 |
| Additions | - | 4,116 | 4,116 |
| Disposals | - | - | - |
| As at 31 December 2023 | <u>894,640</u> | <u>36,034</u> | <u>930,674</u> |
| Depreciation: | | | |
| As at 1 January 2023 | - | 23,595 | 23,595 |
| Charge for the year | - | 2,940 | 2,940 |
| Elimination on disposal | - | - | - |
| As at 31 December 2023 | <u>-</u> | <u>26,535</u> | <u>26,535</u> |
| Net book value | | | |
| As at 31 December 2023 | <u>894,640</u> | <u>9,500</u> | <u>904,140</u> |
| As at 31 December 2022 | <u>894,640</u> | <u>8,323</u> | <u>902,963</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.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. FIXED ASSET INVESTMENTS

| Movement in fixed asset listed investments | 2023 £ | 2022 £ |
|---|-------------------|-------------------|
| Fair Value at 1 January 2023 | 13,247,157 | 15,846,856 |
| Additions | 1,960,578 | 995,529 |
| Disposals (proceeds £1,421,805, profit on disposal of £10,446, cash redemption of £189,553) | (1,600,912) | (1,386,998) |
| Net gain/(loss) on revaluation | 749,241 | (2,208,230) |
| Fair value at 31 December 2023 | <u>14,356,064</u> | <u>13,247,157</u> |
| Historical cost at 31 December 2023 | <u>10,190,805</u> | <u>8,701,074</u> |
| Listed investments | 14,348,530 | 13,050,070 |
| Cash | 7,534 | 197,087 |
| | <u>14,356,064</u> | <u>13,247,157</u> |
| Listed investments at fair value comprise: | | |
| | 2023 £ | 2022 £ |
| UK | 6,859,807 | 5,561,347 |
| Overseas | 7,488,723 | 7,488,723 |
| | <u>14,348,530</u> | <u>13,050,070</u> |

Material investments

Details of material investments at the balance sheet date of 31 December 2023, represents more than 5% of the total portfolio, are as follows:

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Charifund - Equities Investment Fund for Charities | <u>-</u> | <u>1,127,453</u> |

15. DEBTORS

| | 2023 £ | 2022 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 153,893 | 143,537 |
| Other debtors | - | 9,140 |
| Prepayments and accrued income | 76,575 | 32,327 |
| VAT | 7,885 | 7,823 |
| | <u>238,352</u> | <u>192,827</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2023 | 2022 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Taxation and social security | 581 | 4,549 |
| Other creditors | 162,947 | 162,767 |
| Accruals and deferred income | 45,322 | 42,410 |
| | <u>208,849</u> | <u>209,726</u> |

Included in Accruals and deferred income above is income of £18,507 (2022: £17,546) that relates to the following year.

17. SUMMARY OF FUND MOVEMENTS

| | At 1 January 2023 | Income | Expenditure | Transfers | Gains/ (Losses) | At 31 December 2023 |
|----------------------------------|----------------------------------|----------------|--------------------|------------------|----------------------------|------------------------------------|
| | £ | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | | |
| General Funds | 14,795,500 | 872,458 | (455,992) | (171,535) | 759,592 | 15,800,022 |
| Designated funds | | | | | | |
| Henslow Fund | - | - | (170,879) | 170,879 | - | - |
| William Bate Hardy Prize Fund | 2,997 | - | - | 333 | - | 3,330 |
| Total unrestricted funds | <u>14,798,497</u> | <u>872,458</u> | <u>(626,871)</u> | <u>(323)</u> | <u>759,592</u> | <u>15,803,352</u> |
| Restricted funds | | | | | | |
| William Hopkins Prize Fund | 3,712 | 145 | - | 333 | 95 | 4,285 |
| Sir Joseph Larmor's Fund | 250 | 10 | - | (10) | - | 250 |
| G I Taylor Trust Fund | 60,620 | 2,361 | (2,361) | - | - | 60,620 |
| | <u>64,582</u> | <u>2,516</u> | <u>(2,361)</u> | <u>323</u> | <u>95</u> | <u>65,155</u> |
| Total Funds | <u>14,863,079</u> | <u>874,974</u> | <u>(629,232)</u> | <u>-</u> | <u>759,687</u> | <u>15,868,507</u> |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 £1,751 and by net current assets of £2,534.

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 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Total Funds 2022 £ |
|-------------------------------|--|--|---------------------------------------|---------------------------------------|
| Tangible fixed assets | 904,140 | - | 904,140 | 902,963 |
| Fixed asset investments | 14,354,312 | 1,752 | 14,356,064 | 13,247,157 |
| Current assets | 753,750 | 63,403 | 817,153 | 963,002 |
| Creditors due within one year | (208,849) | - | (208,849) | (209,726) |
| Provisions for liabilities | - | - | - | (40,317) |
| | 15,803,352 | 65,155 | 15,868,507 | 14,863,079 |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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 2021 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 2021 was the Projected Unit method. The main assumptions were:

Discount Rate (also referred to as "interest rate")

- . past service . RPI + 1.9%
- . future service . RPI + 1.9%

RPI inflation . Bank of England RPI yield curve -0.2% p.a.

Rate of salary increases: . 4.5% for 2021/2022 and then CPI + 1.5% thereafter

Rate of increases in pensions in payment: based on yield curve rates with appropriate caps and collars

Rates of increases in pensions in deferment

- . GMP CPI + 1.5%
- . Pensions in excess of GMP:
RPI BoE yield curve-0.2% to 2030; In 2031 increasing to 1.2% and then reducing by 0.1% p.a to 2041 when it remains at 0.2%
- CPI RPI - 1.0% to 2030; and RPI - 0.1% from 2031

Rate of mortality before and after retirement: 115% of S3PMA pension Mortality tables for males and 100% of S3PFA Pension Mortalities for females.

Plus a projection based upon the CMI_2020 model with a long term 1.25% p.a. improvement; and an additional initial rate of improvement of 0.25% p.a.

Expenses:

- . past service 1.0% of the liability excluding expenses
- . future service 0.9% of Pensionable Salaries

Age at Retirement:

- . active members 64 for males and 63 for females
- . deferred members 62 for males and 61 for females

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. PENSION COSTS (continued)

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 2021) £

| | | |
|---------------------------------|---------------|-------------|
| Value of Past Service Liability | (a) | 738,260,000 |
| Market Value of Scheme's Assets | (b) | 814,650,000 |
| Surplus/(Deficit) | (b) - (a) | 76,390,000 |
| Funding Level | (b)/(a) x 100 | 110% |

The result of the interim valuation as at 31 July 2023 was:

| | | |
|---------------------------------|---------------|--------------|
| Value of Past Service Liability | (a) | 907,000,000 |
| Market Value of Scheme's Assets | (b) | 843,000,000 |
| Surplus/(Deficit) | (b) - (a) | (64,000,000) |
| Funding Level | (b)/(a) x 100 | 93% |

In respect of the future accrual of benefits, the expenses of administering the Scheme, death in service benefits and PPF levies, the Members and the Employers will pay contributions at the following rates of Members' Pensionable Salaries. The rates in brackets are the rates payable from 1 November 2022 until 31 June 2023 only; the main rates are then payable from 1 August 2023 onwards:

| | Salary Sacrifice Members | | Non Salary Sacrifice Members | |
|-------------------------|--------------------------|-------------|------------------------------|-------------|
| | Active Members | Employers | Active Members | Employers |
| | % | % | % | % |
| Pre-2013 Members paying | Nil | 22.6 (20.0) | 8.5 | 14.1 (11.5) |
| Other Pre-2013 Members | Nil | 19.6 (16.5) | 5.0 | 14.6 (11.5) |
| Post-2013 Members | Nil | 10.6 (8.8) | 3.0 | 7.6 (5.8) |

In accordance with the Recovery Plan agreed by the Trustee and the University after the 2015 valuation, the Employers have been paying additional contributions at a rate of £14,595,000 p.a. to reduce the funding shortfall identified by the 2015 valuation. Following the 2021 valuation the Trustee and the University agreed that the Employers would continue to pay additional contributions at this rate until 31 July 2023.

**CAMBRIDGE PHILOSOPHICAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. PENSION COSTS (continued)

The fall in the funding level from 110% at 31 July 2021 to 100% at 31 July 2022 and to 93% at 31 July 2023 principally reflects the impact of the very high rate of inflation over this period. Most of the benefits provided by the CUAPS are linked to inflation, so this period has seen members' benefits increase by much more than previously assumed.

The Trustee and the University have agreed that the funding position will be reassessed as at 31 March 2024. If at that point the funding level remains below 95%, then the Employers will commence paying additional contributions from 1 August 2024 at a rate of £10m p.a. to improve the funding position.

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 (2022: £nil). No expenses were paid to the council members during 2023 or 2022.

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

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

| | 2023 | 2022 |
|--|------------------|------------------|
| | £ | £ |
| Net (expenditure)/income for the year | 1,005,428 | (2,124,879) |
| Depreciation charges | 2,940 | 2,567 |
| Losses/(Gains) on investments | (759,687) | 2,264,474 |
| Movement on provision | (40,317) | 12,940 |
| Dividends and interest from investments | (346,615) | (298,695) |
| Decrease/(increase) in debtors | (45,526) | (5,240) |
| Increase/(decrease) in creditors | (877) | 17,884 |
| Net cash (used in)/provided by operating activities | (184,653) | (130,949) |

22. PROVISIONS FOR LIABILITIES

| | 2023 | 2022 |
|---|-------------|-------------|
| | £ | £ |
| Defined benefit pension scheme deficit | - | 40,317 |
| Movement in defined benefit pension provision: | 2023 | |
| | £ | |
| As at 1 January 2023 | 40,317 | |
| Provision increase/(decrease) | (34,272) | |
| Transferred to creditors | (6,045) | |
| Interest | - | |
| As at 31 December 2023 | - | |

**CAMBRIDGE PHILOSOPHICAL SOCIETY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

In accordance with Charities SORP (FRS 102) (October 2019) the charity is required to disclose the comparative Statement of Financial Activities (SOFA). Set out below is the SOFA for the year ended 31 December 2022.

| | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|--|--|--|---------------------------------------|
| INCOME FROM: | | | |
| Donations and legacies | 46,349 | - | 46,349 |
| Charitable activities | 478,463 | - | 478,463 |
| Investments | 296,483 | 2,212 | 298,695 |
| TOTAL | 821,295 | 2,212 | 823,507 |
| EXPENDITURE ON: | | | |
| Raising funds | 49,813 | - | 49,813 |
| Charitable activities | 627,011 | 7,089 | 634,100 |
| TOTAL | 676,824 | 7,089 | 683,912 |
| Net income/(expenditure) before gains and losses on investments | 144,471 | (4,877) | 139,595 |
| Net gains/(losses) on investments | (2,264,442) | (32) | (2,264,474) |
| NET INCOME/(EXPENDITURE) | (2,119,970) | (4,909) | (2,124,879) |
| Transfers between funds | (324) | 324 | - |
| NET MOVEMENT IN FUNDS | (2,120,294) | (4,585) | (2,124,879) |
| Reconciliation of funds | | | |
| Total funds brought forward at 1 January 2022 | 16,918,791 | 69,167 | 16,987,958 |
| Total funds carried forward 31 December 2022 | 14,798,497 | 64,582 | 14,863,079 |