

The Natural History Society Of Northumbria

Annual Report and Financial Statements
for the Year Ended 31 July 2020



The Natural History Society Of Northumbria

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The Natural History Society Of Northumbria

Reference and Administrative Details

The trustees serving during the year and since the year end were as follows:

Trustees	Mrs J Angel (resigned 21 May 2020) Mr A Atkinson (resigned 21 May 2020) Prof P Davis (resigned 21 May 2020) Mr J Hewitt Mr B Kram Dr A G Lunn (resigned 20 March 2020) Mr C Metherell Dr G Port Dr C Redfern Prof J Richards (resigned 21 May 2020) Mr C Scrimgeour (appointed 21 May 2020) Dr J Simkin Mr D Teasdale Dr A Tindley (appointed 21 May 2020) Mr M Turner Mr R Vinkenoog (appointed 21 May 2020)
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Key Management Personnel	Ms C Freeman, Director
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Principal Office	Great North Museum: Hancock Barras Bridge Newcastle upon Tyne NE2 4PT
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Charity Registration Number	526770
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Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE1 6AG
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Independent Examiner	Simon Brown BA ACA DChA MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
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The Natural History Society Of Northumbria

Reference and Administrative Details

President:

Position Vacant.

Honorary Treasurer:

Mr B Kram

Trustees Elected by Members (for 3 years):

2020: Mr J Hewitt, Mr C Metherell, Dr G Port, Mr C Scrimgeour, Dr A Tindley, Mr R Vinkenoog.

2019: Mr D Teasdale.

2018: Mr M Turner, Dr C Redfern, Dr J Simkin and Mr B Kram.

Trustees who stood down during 2019/20:

Mrs J Angel, Mr A Atkinson, Prof P Davis, Dr AG Lunn and Prof J Richards.

Employees on 31st July 2020:

Ms C Freeman (Director), Mrs H Makepeace (Admin & Support Officer), Mrs J Holmes (Archivist)
Mr J Common (Communications Officer), Ms S Seeley (Administrative Assistant) and
Ms C Rankin (Project Officer).

Investment Committee:

Mr J Hewitt, Mr B Kram (Chair) and Dr C Redfern.

Great North Museum: Hancock Management Board:

Ms C Freeman

Gosforth Nature Reserve Management Committee:

Mrs J Black (Chair), Mr C Wren, Dr C Redfern and Mr J Hewitt.

Gosforth Nature Reserve Volunteer Warden:

Mr P Drummond

Library Committee:

Mrs M Evans, Dr L Jessop (Chair), Prof J Richards and Mr M Turner.

The Natural History Society Of Northumbria

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 July 2020.

Structure, governance and management

Nature of governing document

The Natural History Society of Northumbria (NHSN) (a registered charity, number 526770) is constituted under the constitution of the society, originally dated 1961, as subsequently amended, most recently in 2014.

Recruitment and appointment of trustees

The trustees are appointed by election at the annual meeting each year or by nomination from Newcastle University. They are "the persons having the general control and management of the administration of the charity."

Induction and training of trustees

All new trustees receive an induction to their role from the Director. Notes of meetings and any discussion papers are circulated outside meetings to ensure all trustees are properly briefed on issues facing the charity. Trustees are required to attend at least one meeting of Council per year.

Organisational structure

The general management and conduct of the affairs of NHSN, its property, the investment and expenditure of its funds and the enforcement of its constitution are the responsibility of an executive body called the Council, which is composed of the trustees of the charity. The management of the day-to-day running of NHSN is delegated by the Council to various committees, and/or employees.

Responsibility for the management of the Great North Museum: Hancock lies with Newcastle University who carry this out through the Great North Museum: Hancock Board on which NHSN is represented.

The Natural History Society Of Northumbria

Trustees' Report

Objectives and activities

Objects and aims

The objects of the Natural History Society of Northumbria (NHSN) are 'the encouragement by every means of the study of natural history in all its branches and the conservation of the natural environment in the north-east of England, including its geology, flora and fauna'.

Established in 1829, NHSN is one of the oldest natural history societies in the country. We own the Great North Museum: Hancock and its many natural history and ethnographic collections and we lease them to Newcastle University, on whose behalf they are administered by Tyne & Wear Archives and Museums.

We manage the regionally important Gosforth Nature Reserve in Newcastle upon Tyne and maintain the best natural history library in the region and a significant archive collection. We focus on the study of the natural sciences, providing talks, field outings and education courses and publishing scientific papers and the Northumbrian Naturalist journal. We are also involved in carrying out nature conservation and research, mainly on our nature reserve and through our Sections, such as our Bird Ringing and Botany groups.

Most of our work is undertaken by NHSN members on a voluntary basis. We are a membership society and people pay an annual subscription to become a member.

Our aims until 2029 consist of:

- Reaching and engaging more people to grow support for, and understanding of, natural history
- Widening engagement and supporting more people in developing skills, knowledge and enthusiasm for all aspects of natural history
- Identifying, conserving and sharing the region's natural, social and cultural heritage of natural history
- Strengthening our organisation through greater collaboration, effectiveness, impact and supporter focus.

Vision and values

Our vision is that nature is protected, restored and celebrated through greater awareness, understanding and enjoyment by people in north-east England. In pursuing our objects and aims in support of this vision we embrace our values:

- Inspiring (imaginative, curious, outward and relevant)
- Welcoming (inclusive, collaborative, sociable and nurturing)
- Knowledgeable (scientific, robust and reputable);
- Professional (responsive, supportive and respectful).

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the operations and finances of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

The Natural History Society Of Northumbria

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

A new chapter

2019 -20 has been the first year of the implementation of our new 10 year strategy, Towards 2029 and, coinciding with the ever-increasing global challenge of climate change and the ecological emergency, this has provided a new-found impetus to our activities. This has built on the enthusiasm of our members, staff, volunteers and partners shown during our Towards 2029 Project, funded by the National Lottery Heritage Fund, which formally ended in December 2019. The culmination of the project was our 190th birthday party in the Great North Museum: Hancock in August when a mass photo of participants on the museum steps was taken, providing interesting contrasts with the equivalent photo taken on our 100th birthday. A celebratory 190th booklet was also sent to all our members.

At the same time as we adopted our new strategy we declared our own climate and ecological emergency to ensure that we can play our part at the regional level in protecting our natural environment through education, appreciation of the beauty of wildlife and wild places, and promoting the economic and social benefits of the natural world.

The Covid Pandemic

All good strategies must be flexible enough to adapt to changing circumstances and that flexibility has been tested significantly during this year, in common with all organisations worldwide. While the pandemic has caused us to slow down or postpone some elements of our strategic improvement plans, the response of staff, volunteers and members to the challenges has been outstanding. The chief impacts of the pandemic have been:

- the loss of face to face engagement with volunteers, members and supporters on courses, events and activities, all of which have had to be cancelled or postponed - a reminder of how people are at the heart of NHSN and highlighting the importance of the social and well-being function that NHSN provides.
- the instant switch by all staff to working at home rather than in the office, which they have all embraced with good heart and inventiveness.
- the importance of Gosforth Nature Reserve as a local resource, which, apart from its initial closure during the period of total lockdown, has proved its value as a source of tranquillity and calm for many people in these challenging times - due to the efforts of the 30 or so volunteer rangers welcoming visitors to the reserve.
- a whole-hearted embracing of digital technology with many volunteers and staff rising to the challenge of taking events and activities online, moving our publications online, commissioning and processing films and holding meetings digitally, including for the first time our Annual Meeting for 2020. This demonstrated how valuable has been our recent investment in digital systems which has improved our organisational resilience.
- a huge increase in visits to our website and social media outlets and an increase in our digital engagement with members and supporters.

The Natural History Society Of Northumbria

Trustees' Report

Gosforth Nature Reserve

Before lockdown over 250 visitors attended the open day in August and participated in moth trapping, bird ringing, small mammal trapping and other educational activities.

Other open days and educational visits during the 2020 summer season have not been able to take place because of the pandemic.

A dedicated team of volunteers has helped in a variety of vital conservation tasks, including the planting of trees and the removal of non-native species,

A huge thank you to the 30 new volunteer rangers that have been recruited to assist with welcoming visitors and which enabled the reserve to reopen on 1 June 2020.

Learning and Engagement

The year has seen our key publications of North East Nature and Northumbrian Naturalist continue to improve with a wider range of contributing authors and improved design and production. As a result of lockdown the availability of these publications online has been enhanced and improved.

Until lockdown we continued to run a range of activities in the museum and across the wider region engaging people of all ages. Our natural history talks on Friday evenings during the winter continued to be enhanced by the 1829 talks, a series of 15 minute talks given by early-stage research students and a wide and varied range of field outings, talks and natural history education courses took place. Our sections including ornithology, botany, invertebrates and earth sciences continued with wide and varied programmes of events, talks and activities.

While the restrictions of lockdown curtailed our events, field outings and courses, where possible these have been continued on line and an impressive array of new material has been made available through our website and social media.

Nature in the North East

NHSN has continued with its core objectives of encouraging the study and protection of nature throughout the region and has done so in many different ways. Some of these activities are highlighted below.

- We conducted a pilot of a citizen science project called the North East Bee Hunt during the summer of 2020 which proved very successful with over 2,400 records from more than 160 participants. We hope to expand on this pilot in future years.
- We have built on a long tradition of representing the interests of nature on a range of projects and initiatives, encompassing the study and protection of nature across the north east including the Ouseburn Catchment Project, Tyne Kitiwake Partnership, GNM: Hancock Museum Board, Newcastle Parks and Allotments Trust and Newcastle University Citizen Science Network.
- The Dickinson Memorial Fund has supported nine different research and conservation projects carried out by NHSN members. The pandemic has caused some of these projects to be postponed but others have still been able to continue during the year.

Library and Archive

Our unique collections have been showcased through our on-line catalogue and, before the museum was closed under lockdown, temporary exhibitions and public access events.

Despite the disruption caused by the museum closure we have been able to proceed with our professional assessment of our collections undertaken by heritage consultant Janice Tullock, working with volunteers and staff to shape the future of the collections under our new 10 year strategy. We have also welcomed Jen Whitney during the year working on a research sabbatical in the area of digital curation of library and archive collections.

The Natural History Society Of Northumbria

Trustees' Report

An important addition was made to our archives with the acquisition of the Great Strata Section by Thomas Sopwith which was donated by Graham Carlisle through the Arts Council's Cultural Gift Scheme.

Governance

As part of the Towards 2029 project we identified a key area for improvement as some of our governance and a specific working group has been established to take this forward. Progress so far includes streamlining some of our committee structures, improving the effectiveness and diversity of Council, succession planning and providing a new forum for the continuing involvement of distinguished members of NHSN. We have also conducted a review of our constitution with a view to making amendments to it to cater for these revised governance arrangements and by way of general updating so that it is fit for purpose.

During the year, five of our particularly long-standing trustees, Janet Angel, Andy Atkinson, Peter Davis, Angus Lunn and John Richards, have retired and we owe them a special vote of thanks for their contributions as trustees over the years.

Financial review

The financial position for the period shows a total unrestricted deficit of income over expenditure of £53,032 with a £43,745 surplus on restricted funds. Included within unrestricted funds is the current year realised and unrealised loss of £51,038 in respect of investment assets.

At the year end reserves carried forward are: endowment funds of £54,332, restricted funds of £45,388 and unrestricted funds of £896,842.

The trustees consider the financial position to be satisfactory.

The Financial statements, which have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2019), conform to current statutory requirements and comply with the charity's governing documents.

Key Management Personnel

The trustees, who give their time freely, none of whom have received remuneration in the year, have considered who are the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The trustees then agree any uplift to remuneration.

The Natural History Society Of Northumbria

Trustees' Report

Policy on reserves

It is the policy of the charity to maintain unrestricted funds, excluding those invested or tied up within fixed assets, which are the free reserves of the charity, at a level which equates to at least six months unrestricted expenditure, which would equate to an approximate range of £100,000 to £125,000. This provides sufficient funds to cover management, administration and support costs and to ensure all on-going projects can continue.

The free reserves (including designated reserves) of the charity are currently £206,407 (2019: £220,074). NHSN holds investments of £660,525, whose interest provides the charity with core funding income. In addition, it provides security in the unlikely event that NHSN has to resume the management of the Great North Museum: Hancock and its collections, which it owns.

Free reserves are currently equivalent to approximately 9 months of budgeted unrestricted expenditure.

Investment policy and objectives

All investment transactions during the year under review have been carried out in accordance with the trustees' powers.

Plans for future periods

Having embarked on the initial implementation of our new business plan adopted as part of the Towards 2029 strategy, we continue to be committed to inspire more people, and encourage a wider range of people, to study and protect nature in the North East. In the light of this our priorities under the business plan remain threefold:

- to improve facilities and wildlife conservation at Gosforth Nature Reserve, in particular to enhance our ability to cater for increased educational visits by young people.
- to strengthen and enhance our communications about the region's natural history, including improving and developing our range of courses and events and citizen science initiatives.
- to enhance the social and cultural heritage of natural history, supporting the knowledge and role of natural history throughout the region, making greater use of our library and archive collections.

In the immediate future the restrictions occasioned by the pandemic will mean that some of these priorities will have to be postponed, while the museum remains restricted and face-to-face events and courses are impossible. But with the greater use of digital engagement we can continue with most of our priorities and in particular with improvements at Gosforth Nature Reserve. We are particularly pleased to have received a £49,300 Heritage Emergency Grant in July from the National Lottery Heritage Fund which is enabling us to respond to the challenges of the pandemic, support staff homeworking and enable safe social distancing at Gosforth Nature Reserve.

The Natural History Society Of Northumbria

Trustees' Report

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

The annual report was approved by the trustees of the charity on ^{23 February 2021} and signed on its behalf by:

J Hewitt

Mr J Hewitt
Trustee

The Natural History Society Of Northumbria

Independent Examiner's Report to the trustees of The Natural History Society Of Northumbria

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 July 2020 which are set out on pages 11 to 29.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Natural History Society Of Northumbria you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Natural History Society Of Northumbria's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since The Natural History Society Of Northumbria's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of MHA Tait Walker, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Natural History Society Of Northumbria as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Simon Brown BA ACA DChA
MHA Tait Walker
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 01/3/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

The Natural History Society Of Northumbria

Statement of Financial Activities for the Year Ended 31 July 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income and Endowments from:						
Donations and legacies	2	141,156	54,690	-	195,846	102,164
Charitable activities	3	62,200	-	-	62,200	65,558
Investment income	4	20,872	-	-	20,872	23,599
Other income	5	3,801	-	-	3,801	2,935
Total Income		<u>228,029</u>	<u>54,690</u>	<u>-</u>	<u>282,719</u>	<u>194,256</u>
Expenditure on:						
Raising funds	6	(42,244)	-	-	(42,244)	(33,391)
Charitable activities	6	(198,213)	(511)	-	(198,724)	(191,072)
Total Expenditure		<u>(240,457)</u>	<u>(511)</u>	<u>-</u>	<u>(240,968)</u>	<u>(224,463)</u>
Gains/(losses) on investment assets		<u>(51,038)</u>	<u>-</u>	<u>-</u>	<u>(51,038)</u>	<u>14,405</u>
Net (expenditure)/income		(63,466)	54,179	-	(9,287)	(15,802)
Gross transfers between funds		<u>10,434</u>	<u>(10,434)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		(53,032)	43,745	-	(9,287)	(15,802)
Reconciliation of funds						
Total funds brought forward		<u>949,874</u>	<u>1,643</u>	<u>54,332</u>	<u>1,005,849</u>	<u>1,021,651</u>
Total funds carried forward	17	<u>896,842</u>	<u>45,388</u>	<u>54,332</u>	<u>996,562</u>	<u>1,005,849</u>

All of the charity's activities derive from continuing operations during the above two periods.

The Natural History Society Of Northumbria

Statement of Financial Activities for the Year Ended 31 July 2019

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2019 £
Income and Endowments from:					
Donations and legacies		79,661	22,503	-	102,164
Charitable activities		65,553	5	-	65,558
Investment income	4	23,599	-	-	23,599
Other income		2,935	-	-	2,935
Total income		<u>171,748</u>	<u>22,508</u>	<u>-</u>	<u>194,256</u>
Expenditure on:					
Raising funds		(33,391)	-	-	(33,391)
Charitable activities		<u>(148,167)</u>	<u>(42,905)</u>	<u>-</u>	<u>(191,072)</u>
Total expenditure		<u>(181,558)</u>	<u>(42,905)</u>	<u>-</u>	<u>(224,463)</u>
Gains/(losses) on investment assets		<u>14,405</u>	<u>-</u>	<u>-</u>	<u>14,405</u>
Net income/(expenditure)		4,595	(20,397)	-	(15,802)
Gross transfers between funds		<u>(848)</u>	<u>848</u>	<u>-</u>	<u>-</u>
Net movement in funds		3,747	(19,549)	-	(15,802)
Reconciliation of funds					
Total funds brought forward		<u>946,127</u>	<u>21,192</u>	<u>54,332</u>	<u>1,021,651</u>
Total funds carried forward	17	<u>949,874</u>	<u>1,643</u>	<u>54,332</u>	<u>1,005,849</u>


The Natural History Society Of Northumbria

(Registration number: 526770)

Balance Sheet as at 31 July 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	84,242	78,152
Investments	12	<u>660,525</u>	<u>705,980</u>
		<u>744,767</u>	<u>784,132</u>
Current assets			
Debtors	13	31,747	29,578
Cash at bank and in hand		<u>227,707</u>	<u>196,118</u>
		259,454	225,696
Creditors: Amounts falling due within one year	14	<u>(7,659)</u>	<u>(3,979)</u>
Net current assets		<u>251,795</u>	<u>221,717</u>
Net assets		<u>996,562</u>	<u>1,005,849</u>
Funds of the charity:			
Endowment funds		54,332	54,332
Restricted funds		45,388	1,643
Unrestricted income funds			
Unrestricted funds		<u>896,842</u>	<u>949,874</u>
Total funds	17	<u>996,562</u>	<u>1,005,849</u>

The financial statements on pages 11 to 29 were approved by the trustees, and authorised for issue on ~~23 February 2021~~ and signed on their behalf by:



 Mr J Hewitt
 Trustee

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Natural History Society Of Northumbria meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The functional currency is sterling.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees have considered the financial position in light of the ongoing situation in regards to the Covid-19 virus and on conclusion of this work, consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Management have provided depreciation, prepayments, accruals and other cut-off adjustments. Whilst management believe that these estimates and judgements are accurate, there is every likelihood that they will not be exact.

These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

1 Accounting policies (continued)

Donations and legacies

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacy income is recognised when receipt is probable and entitlement is established. Where a legacy is notified to the charity prior to the year end, it is recognised as income if it is received before the accounts are approved.

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Subscriptions

Annual subscriptions are due each year in advance with no refunds available from the date in which a member originally joined. The society recognises this income in full, once received at the later date of cleared bank or due date.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Donated services and facilities

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

1 Accounting policies (continued)

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Refer to the support costs note for further information on the basis for allocation.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £200 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Lake Lodge	2% straight line
Equipment	10%-20% straight line
Hides	10% straight line

Research and development

Research and development expenditure is written off as incurred.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

1 Accounting policies (continued)

Fund structure

Unrestricted funds are the free funds of the charity to use at the discretion of the trustees in the furtherance of the charity's objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

The charity has a single permanent endowment fund which is made up from the capital donated by the living relatives to the Dickinson Memorial Fund. This capital is not to be utilised, but the income generated from it is allocated to the Dickinson Memorial Designated Income Fund.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the entity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

2 Income from donations and legacies

	Unrestricted funds			
	General	Restricted	Total	Total
	£	funds	2020	2019
		£	£	£
Donations and legacies;				
General public donations	7,342	300	7,642	5,537
Legacies	60,501	-	60,501	-
Gift aid reclaimed	11,923	-	11,923	11,718
Grants, including capital grants;				
Grants from other charities	-	54,390	54,390	21,660
Subscriptions	61,012	-	61,012	63,152
Events income	378	-	378	97
	<u>141,156</u>	<u>54,690</u>	<u>195,846</u>	<u>102,164</u>

3 Income from charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Courses	31,627	31,627	36,321
Publications	4,476	4,476	1,061
GPNR	13,095	13,095	15,324
Ornithological Research	-	-	68
Great North Museum: Hancock	13,002	13,002	12,784
	<u>62,200</u>	<u>62,200</u>	<u>65,558</u>

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

4 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Income from dividends;			
UK equity dividends	20,341	20,341	23,041
Interest receivable and similar income;			
Bank interest receivable	531	531	558
	<u>20,872</u>	<u>20,872</u>	<u>23,599</u>

5 Other income

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Recharges	3,801	3,801	2,935

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

6 Analysis of governance and support costs

Raising funds expenditure

Costs of generating donations and legacies

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Wages & salaries	25,489	25,489	21,960
Pension costs	845	845	698
General Expenses	230	230	203
Insurance	723	723	1,295
Office costs	6,378	6,378	2,078
Depreciation	3,541	3,541	2,439
	<u>37,206</u>	<u>37,206</u>	<u>28,673</u>

Charitable investment management costs

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Investment Fees	<u>5,038</u>	<u>5,038</u>	<u>4,718</u>

£42,244 (2019: £33,391) of the above expenditure was attributable to unrestricted funds and £Nil (2019: £Nil) to restricted funds.

Charitable activities expenditure

	Unrestricted funds		Restricted funds	Total 2020	Total 2019
	Designated £	General £	£	£	£
Charitable activities	5,193	179,128	511	184,832	179,698
Support costs	-	13,892	-	13,892	11,374
	<u>5,193</u>	<u>193,020</u>	<u>511</u>	<u>198,724</u>	<u>191,072</u>

£193,020 (2019: £146,901) of the above expenditure was attributable to unrestricted funds, £5,193 (2019: £1,266) to designated funds and £511 (2019: £42,905) to restricted funds.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

6 Analysis of governance and support costs (continued)

Breakdown of charitable activities expenditure

	2020 £	2019 £
Salaries and National Insurance	83,419	71,868
Pension costs	2,767	2,283
Archive costs	227	167
Courses	19,144	27,085
Gosforth Nature Reserve	17,180	15,696
Repairs and maintenance	1,000	-
Great North Museum: Hancock	5,000	5,000
Library costs	1,394	1,179
Transactions	12,675	8,183
Partnership and Consultancy Costs	7,335	15,032
Conservation and Research	1,267	327
Events Expenditure	3,498	2,953
Marketing and Publicity	6,513	12,949
Staff and Volunteer Expenses	1,670	4,946
Premises	1,445	2,590
Communications and IT	6,205	1,444
General expenses	7,010	4,878
Depreciation	7,073	3,118
	<u>184,822</u>	<u>179,698</u>

Support costs allocated to other expenditure

	Governance costs £	Total 2020 £	Total 2019 £
Staff costs	7,182	7,182	6,179
Premises	241	241	432
Communications & IT	1,034	1,034	241
General office	1,168	1,168	520
Governance	2,580	2,580	2,520
Depreciation	1,180	1,180	813
Legal	507	507	669
	<u>13,892</u>	<u>13,892</u>	<u>11,374</u>

The charity allocates costs direct to activities as far as possible, then identifies the remaining costs of its support functions. It then identifies those costs which relate to the governance function. Having identified the governance costs, the remaining support costs together with governance costs are apportioned between the key charitable activities undertaken. The charity has therefore split staff costs, premises costs, communications and IT costs, general office costs and depreciation accordingly with 30% of the costs allocated against raising funds, 60% identified as direct and the residual 10% being support. Furthermore, accountancy and legal fees are 100% charged to governance.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

7 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Dr A G Lunn

£1,008 (2019: £1,010) for the reimbursement of course tutor fees to Dr A G Lunn during the year.

Mr D Teasdale

£4,130 (2019: £5,704) for the reimbursement of course tutor fees to Mr D Teasdale during the year.

Dr J Simkin

£2,600 (2019: £3,486) for the reimbursement of course tutor fees to Dr J Simkin during the year.

Dr C Redfern

£Nil (2019: £127) for the reimbursement of ornithological expenses to Dr C Redfern during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	115,860	99,817
Pension costs	<u>3,843</u>	<u>3,171</u>
	<u>119,703</u>	<u>102,988</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Employees	<u>5</u>	<u>5</u>

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £42,667 (2019 - £42,144).

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

9 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>2,580</u>	<u>2,520</u>

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Lake Lodge £	Hides £	Equipment £	Total £
Cost				
At 1 August 2019	45,389	55,061	36,753	137,203
Additions	<u>-</u>	<u>5,241</u>	<u>12,655</u>	<u>17,896</u>
At 31 July 2020	<u>45,389</u>	<u>60,302</u>	<u>49,408</u>	<u>155,099</u>
Depreciation				
At 1 August 2019	12,948	29,427	16,676	59,051
Charge for the year	<u>801</u>	<u>4,455</u>	<u>6,550</u>	<u>11,806</u>
At 31 July 2020	<u>13,749</u>	<u>33,882</u>	<u>23,226</u>	<u>70,857</u>
Net book value				
At 31 July 2020	<u>31,640</u>	<u>26,420</u>	<u>26,182</u>	<u>84,242</u>
At 31 July 2019	<u>32,441</u>	<u>25,634</u>	<u>20,077</u>	<u>78,152</u>

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

12 Fixed asset investments

	2020 £	2019 £
Other investments	<u>660,525</u>	<u>705,980</u>
Other investments		
	Listed investments £	Total £
Cost or Valuation		
At 1 August 2019	705,980	705,980
Additions	190,608	190,608
Disposals	(187,133)	(187,133)
Revaluation	<u>(48,930)</u>	<u>(48,930)</u>
At 31 July 2020	<u>660,525</u>	<u>660,525</u>
Net book value		
At 31 July 2020	<u>660,525</u>	<u>660,525</u>
At 31 July 2019	<u>705,980</u>	<u>705,980</u>

All investments shown above are held at valuation.

Listed investments

The aggregate market value of listed investments is £660,525 (2019: £705,980).

Financial assets held at fair value

Realised gains and losses are calculated based on the market value brought forward plus any additions in the year.

The Trustees believe that the carrying value of the investments is supported by their underlying net assets.

The investment portfolio includes the following holdings which represent more than 5% of the market value of the portfolio:

Pimco Global Advisors Select UK Income BD Instl Inc Nav - 5.4%
 Twentyfour Global Corporate Bond I - 6.3%
 Vanguard Inv Services UK Government BD - 6.6%
 JP Morgan Funds Limited IS Equity Income - 5.7%
 Vanguard Funds PLC S&P 500 UCITS ETC USD - 5.7%

All investments are listed on a recognised stock exchange.

The historical cost of such investments is £607,479 (2019: £594,295).

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

13 Debtors

	2020 £	2019 £
Trade debtors	3,428	23,562
Prepayments	8,319	6,016
Accrued income	20,000	-
	<u>31,747</u>	<u>29,578</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	64	1,459
Accruals	7,595	2,520
	<u>7,659</u>	<u>3,979</u>

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,843 (2019 - £3,171).

16 Commitments

Capital commitments

The total amount contracted for but not provided in the financial statements was £1,691 (2019 - £Nil).

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

17 Funds

	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 July 2020 £
Unrestricted funds						
<i>General</i>						
General Fund	606,875	222,750	(235,263)	9,188	(51,038)	552,512
<i>Designated</i>						
James Alder Memorial Fund	1,763	-	-	-	-	1,763
Dickinson Memorial Income Fund	1,059	-	(2,101)	1,657	-	615
Maintenance Fund	1,470	-	-	-	-	1,470
TB Short Memorial Fund	184,786	-	-	-	-	184,786
Grace Hickling Memorial Fund	149,382	-	-	-	-	149,382
Life Membership Fund	3,387	1,390	-	(411)	-	4,366
Lantern Fund	1,152	3,889	(3,093)	-	-	1,948
	<u>342,999</u>	<u>5,279</u>	<u>(5,194)</u>	<u>1,246</u>	<u>-</u>	<u>344,330</u>
Total unrestricted funds	<u>949,874</u>	<u>228,029</u>	<u>(240,457)</u>	<u>10,434</u>	<u>(51,038)</u>	<u>896,842</u>
Restricted funds						
Archives	343	300	-	-	-	643
Heritage Emergency Grant	-	49,300	(511)	(5,344)	-	43,445
Towards 2029 HLF	-	5,090	-	(5,090)	-	-
John Spendan Lewis Foundation	1,300	-	-	-	-	1,300
	<u>1,643</u>	<u>54,690</u>	<u>(511)</u>	<u>(10,434)</u>	<u>-</u>	<u>45,388</u>
Total restricted funds	<u>1,643</u>	<u>54,690</u>	<u>(511)</u>	<u>(10,434)</u>	<u>-</u>	<u>45,388</u>
Endowment funds						
<i>Permanent</i>						
Dickinson Memorial Capital Funds	54,332	-	-	-	-	54,332
Total funds	<u>1,005,849</u>	<u>282,719</u>	<u>(240,968)</u>	<u>-</u>	<u>(51,038)</u>	<u>996,562</u>

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

17 Funds (continued)

Designated Funds

- The Gosforth Nature Reserve Restoration Fund was created from a donation from Sir James and Lady Steel for lake rejuvenation.
- James Alder Memorial Fund is for the publication of a new history of the Society.
- Dickinson Memorial Capital Fund was created from a capital donation from living relatives. The capital may not be utilised but income generated is credited to the designated income fund.
- Habitat Maintenance at GPNR Fund, has been designated by the trustees because they believe this is the amount they still need to spend on habitat maintenance at GPNR, from funds received in the year.
- Archive Fund has been established by the trustees to match a donation towards the archive collection.
- Maintenance Fund has been established by the trustees to pay for the maintenance of any society assets.
- Life Membership Fund - The Life Members Fund consists of amounts received in payment of life subscriptions and they are released to unrestricted funds over a period of 20 years in equal annual instalments.
- Lantern Fund - The Lantern Fund, set up in 2018, is to enable young people to experience nature for the first time and to support young naturalists. The funds have been designated by the trustees.

Included within unrestricted funds are the TB Short Memorial Fund and the Grace Hickling Memorial Fund, both of which are Expendable Endowment Funds. The funds were created from legacies and are invested in accordance with the Trustee Investment Acts and are subject only to expenditure for special projects. These funds are classified as Expendable endowments.

Endowment Funds

The Permanent Endowment fund, the Dickinson Memorial Fund, was established in 2007 by the trustees to create a permanent visible memorial to a great supporter of the society. It was decided that all past and future gifts from the relatives of Tony Dickinson and the applied gift aid should be added to this fund. The income generated is to be designated to the Dickinson Memorial Income Fund and expenditure offset for projects agreed at the discretion of the trustees.

Restricted Funds

- Archives Fund is made up from donations that are made specifically for the Archives activities.
- Toward 2029 Fund - A restricted fund consisting of grant funding from the Heritage Lottery Fund to support the Resilient Heritage 17 month project.
- Heritage Emergency Grant - A restricted fund consisting of a grant from the National Lottery Heritage Fund to support activities in response to the Covid 19 pandemic.
- John Spedan Lewis Foundation - A restricted fund consisting of a grant to fund repairs to the bird ringing hut and boardwalk at Gosforth Nature Reserve to ensure the continuation of ornithological research and study.

The Natural History Society Of Northumbria

Notes to the Financial Statements for the Year Ended 31 July 2020

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total funds
	General £	£	Expendable £	£
Tangible fixed assets	84,242	-	-	84,242
Fixed asset investments	606,193	-	54,332	660,525
Current assets	214,066	45,388	-	259,454
Current liabilities	(7,659)	-	-	(7,659)
Total net assets	896,842	45,388	54,332	996,562

	Unrestricted funds	Restricted funds	Endowment funds	Total funds at 31 July 2019
	General £	£	Expendable £	£
Tangible fixed assets	78,152	-	-	78,152
Fixed asset investments	651,648	-	54,332	705,980
Current assets	224,053	1,643	-	225,696
Current liabilities	(3,979)	-	-	(3,979)
Total net assets	949,874	1,643	54,332	1,005,849

19 Analysis of net funds

	At 1 August 2019 £	Cash flow £	At 31 July 2020 £
Cash at bank and in hand	196,118	31,589	227,707
Net debt	196,118	31,589	227,707

	At 1 August 2018 £	Cash flow £	At 31 July 2019 £
Cash at bank and in hand	284,298	(88,180)	196,118
Net debt	284,298	(88,180)	196,118

20 Related party transactions

There were no related party transactions in the year.