

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
(A Scottish Charitable Incorporated Organisation)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

SCIO NUMBER - CS000012
SCOTTISH CHARITY NUMBER - SC15557

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
(A Scottish Charitable Incorporated Organisation)

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TRUSTEES' REPORT

The Trustees present their report and financial statements of the Society for the year ended 31 July 2021. The financial statements statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the Society's constitution.

OBJECTIVES AND ACTIVITIES

The Society, founded in 1802, was incorporated in 1879 and retains its core aims which are to aid the study, diffusion advancement and development of the arts and sciences with their applications, and the better understanding of public affairs. Its principal activity is the holding of public lectures for members and guests, between October and April.

OPERATING REVIEW

The Society faced novel challenges for the 2020-21 session due to the restrictions imposed due to the COVID 19 pandemic. Lectures were held on line using Zoom. The Society is immensely grateful to our speakers who were all willing to deliver their lectures virtually. The number of log ins to the Wednesday evening lectures ranged from 104 to 238. Recordings of the lectures are published on the Society's website. Viewings of the recordings range from 116 to 4,300. The Society's membership remains at about 800. Previous channels of publicity using brochures having become unavailable, the Society mounted a poster publicity campaign in anticipation of the COP 26. The Society continues to support the Glasgow Science Festival.

Our income levels are satisfactory and adequate to fund our activities and our grant programme.

Mr George Rawlinson, our administrator, continues to be an invaluable support to the Society and continues to develop and improve services to our members, and maintains our internet presence.

FINANCIAL REVIEW

The Society had an overall surplus of £65,480 (2020: deficit of £54,331). The operating income less expenditure produced a surplus of £11,045 (2020: £7,195) and there were unrealised gains on investments of £54,435 (2020: unrealised losses of £61,526). Subscription income was down on the previous year (£17,239; 2020: £18,430), non-members' donations decreased to £166 (2020: £1,461) as a consequence of not meeting in person.

Investment income fell with COVID impacting distributions by the M&G Charifund. The income tax recovery was similar to last year. Total expenditure amounted to £22,083 (2020: £32,238). The significant reduction in expenditure is wholly due to the lack of in-person lectures during the 2020-21 session. The Society awarded no grants during the year.

As at 31 July 2021 the market value of the investments held by the Society was £284,474 (2020: £222,812).

INVESTMENT POLICY

Funds sufficient to meet all the Society's anticipated current expenditure are placed with the Society's bankers. Investment income arises on a holding in M & G's Charifund, some of which are accumulation units.

RESERVES POLICY

The general policy of the Trustees is to maintain a broadly neutral position from year to year.

BANKERS

Bank of Scotland, Argyle Street, Glasgow G1 3RS

REFERENCE AND ADMINISTRATIVE DETAILS

| | |
|-------------------|----------------------------------|
| SCIO number | CS000012 |
| Charity Number | SC15557 |
| Principal Address | 15 Lanark Street, Glasgow G1 5PY |
| Telephone | 0141 564 1219 |

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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TRUSTEES' REPORT (CONTINUED)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

The Trustees and officers serving during the year and since the year end were as follows: -

Key Management Personnel: Trustees and Executive Officers

| | | |
|------------------------|---------------------------|---|
| elected 17 March 2021 | Prof Pat Monaghan | <i>President</i> |
| retired 17 March 2021 | Prof. Jan McDonald | <i>Immediate past President until 17 March 2021</i> |
| | Dr Geraint Bevan | <i>Immediate Past President from 17 March 2021</i> |
| | Mr Tony Burton | <i>Honorary Secretary</i> |
| | Mr Richard Service | <i>Honorary Treasurer</i> |
| | Ms Patricia Fort | <i>Vice President</i> |
| | Dr Colin Miller | <i>Vice President</i> |
| | | |
| elected 7 October 2020 | Dr Leonard Esakowitz | |
| | Mr Campbell Forrest | |
| retired 17 March 2021 | Dr Felicity Grainger | |
| elected 7 October 2020 | Prof Felicity Huntingford | |
| elected 17 March 2021 | Dr Paul Walton | |
| | Prof Graham Watt | |
| elected 17 March 2021 | Mr Philip Woodrow | |
| retired 17 March 2021 | Ms Susan Young | |

Other Key Personnel: Mr George Rawlinson *Administrator*

STRUCTURE, GOVERNANCE & MANAGEMENT

The Society was incorporated in 1879 as a company limited by guarantee. It converted to a Scottish Charitable Incorporated Organisation in 2012. The Society is included in the register of charities maintained by the Scottish Charity Regulator.

Appointment of Trustees

In accordance with the constitution of the Society, an Annual General Meeting is held where the trustees are elected by the Society's members as defined by the constitution. Trustees can be co-opted on to the Council of the Society during the year but must stand for election at the next Annual General Meeting.

Organisation

The overall control of the affairs of the Society rests with the Members as expressed through Annual or Extraordinary Meetings. Subject to that control, the direction and management of the Society rests with the Council, all the members of which shall be the Trustees. The Council of the Society comprises the Office-Bearers, not more than ten Ordinary (elected) Members of Council, and such additional members as may be co-opted under rule iii.10. Only members of the Society are eligible for membership of the Council which is elected at the Annual General Meeting.

All elected members of Council take office upon election and serve until the next Annual General Meeting, when all positions (excepting that of President) shall fall vacant. The President is elected for two sessions. Vacancies in the Council arising during a session may be filled by resolution of Council, any such appointment being notified to the membership at the first convenient opportunity and open to continuation at a maximum of two immediately subsequent Annual General Meetings.

The Council may, if it considers this beneficial to its management of the Society, co-opt no more than three additional members onto Council to undertake particular responsibilities. The Council normally meets at least six times during each session. At any Council elected members shall have the right to vote. Seven Council members shall constitute a quorum for a Council meeting. The Council meeting, only organises the Society's programme of lectures, discussions and any other activities it deems fit in accordance with the Society's objectives.

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TRUSTEES' REPORT (CONTINUED)

Remuneration of Personnel

The trustees and the other key personnel comprise the main individuals in charge of directing, controlling, running and operating the Society on a day to day basis.

All trustees gave of their time freely; no trustee received remuneration in the year.

Expense reimbursements were paid to Trustees in respect of expenditure incurred by them as agent of the Society. No trustee received reimbursement of any expenses incurred by them in carrying out their duties as trustees.

The administrator received fees and reimbursable expenses, as disclosed in note 2 to the financial statements.

INDEPENDENT EXAMINER

Lewis J Osborne CA acts as Independent Examiner and his report is on Page 4.

He is willing to continue in this position and a resolution proposing his reappointment will be put to the Annual General Meeting.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are required to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Society as at the end of that financial period and of the income and expenditure of the Society for that period.

In preparing these accounts, the Trustees are required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are in their opinion reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless, in its view, based on the information then available to them, that basis of preparation would be inappropriate.

The Trustees are responsible for the preparation of the accounts in accordance with the Charities and Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply.

The Trustees are also responsible for taking reasonable steps both to safeguard the assets of the Society and to prevent fraud and detect fraud and other irregularities.

BY ORDER OF THE COUNCIL


Tony Burton
Honorary Secretary

GLASGOW: 18 January 2022

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
(A Scottish Charitable Incorporated Organisation)

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF
THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW FOR THE YEAR ENDED 31 JULY 2021**

I report on the accounts for the year ended 31 July 2021 which are set out on pages 5 to 9.

Respective responsibilities of trustees and examiner

The Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the Trustees and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

- 1 which gives me reasonable cause to believe that in any material respect the requirements:
to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and

to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



LEWIS J OSBORNE
CHARTERED ACCOUNTANT
2 Falkland Avenue
Newton Mearns
Glasgow
G77 5DR

18 January 2022

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
(A Scottish Charitable Incorporated Organisation)

INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-----------------------|------------------------|
| INCOME | | | |
| Subscriptions | | 17,239 | 18,430 |
| Donations | | 166 | 1,461 |
| Income tax recoverable | | 3,976 | 4,725 |
| Investment income | 3 | 11,672 | 14,517 |
| Miscellaneous income | | 75 | 300 |
| TOTAL INCOME | | <u>33,128</u> | <u>39,433</u> |
| EXPENDITURE | | | |
| Charitable Activities | 4 | 4,607 | 17,007 |
| Support Costs | 5 | 17,476 | 15,231 |
| TOTAL EXPENDITURE | | <u>22,083</u> | <u>32,238</u> |
| Unrealised gain/(loss) on investment | 7 | 54,435 | (61,526) |
| NET SURPLUS/(DEFICIT) | | <u>65,480</u> | <u>(54,331)</u> |
| STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES | | | |
| Funds brought forward | | 250,659 | 304,990 |
| Net surplus/(deficit) recognised in year | | 65,480 | (54,331) |
| Funds carried forward | | <u>316,139</u> | <u>250,659</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities

The notes on pages 7 to 9 form part of these financial statements

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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BALANCE SHEET AS AT 31 JULY 2021

| | Note | 2021 £ | 2020 £ |
|--|------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 6 | 2,690 | 2,690 |
| Investment | 7 | 284,474 | 222,812 |
| | | <u>287,164</u> | <u>225,502</u> |
| CURRENT ASSETS | | | |
| Bank | | 34,186 | 29,775 |
| Debtors & prepayments | | 247 | 840 |
| | | <u>34,433</u> | <u>30,615</u> |
| CREDITORS : Amounts falling due within 1 year | | | |
| Creditors & accrued charges | | 5,458 | 5,458 |
| NET CURRENT ASSETS | | <u>28,975</u> | <u>25,157</u> |
| NET ASSETS | | <u>316,139</u> | <u>250,659</u> |
| CAPITAL AND RESERVES | | | |
| Unrestricted Funds | | <u>316,139</u> | <u>250,659</u> |

These financial statements were approved by the Trustees on 18 January 2022 and are signed on their behalf by:

Prof Pat Monaghan
President



Richard Service
Treasurer



The notes on pages 7 to 9 form part of these financial statements

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Society, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities and Trustee Investment (Scotland) Act 2005. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Investment assets and income

Investments are initially recognised at cost then subsequently at fair value, being the quoted market value. Realised gains and losses (representing the difference between sale proceeds and fair value at the previous financial year end or purchase cost if acquired during the financial year) and unrealised gains and losses (representing the movement in the fair value of investments over the financial year or from their date of purchase if acquired during the financial year) are recognised within income and expenditure in the Statement of Financial Activities.

Dividends and interest income are included as investment income when the Trust has entitlement to the funds.

Income Recognition

Income is recognised when the Society has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the Society has been notified in writing of both the amount and settlement date.

Expenditure Recognition

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, 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.

Irrecoverable VAT

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible Fixed Assets

Depreciation of fixtures, fittings and equipment is provided at a rate in order to write off each asset over its estimated useful life.

Debtors

Debtors and prepayments are recognised at the settlement amount due.

Creditors

Creditors are recognised where the Society has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Creditors are normally recognised at their settlement amount.

Financial instruments

The Society's financial assets and financial liabilities are of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

2. COST OF KEY MANAGEMENT PERSONNEL

| | 2021 | 2020 |
|---------------------|----------------------|----------------------|
| | £ | £ |
| Fees | 16,500 | 14,000 |
| Reimbursed expenses | <u>1,022</u> | <u>2,810</u> |
| | <u><u>17,522</u></u> | <u><u>16,810</u></u> |

The Society had no employees during the year (2020: Nil). The key management personnel is Mr George Rawlinson. Mr Rawlinson is contracted by the Society as an administrator to provide management services for which he charges fees. Mr Rawlinson is married to Patricia Fort, a Trustee of the Society. Ms Fort took no part in decisions as to the level of fees charged by the administrator. The Society considers that its key management personnel comprise the Trustees and the other person listed in the Trustees' Report. No employee benefits were paid during the year (2020 £Nil).

3. INCOME FROM INVESTMENTS

| | 2021 | 2020 |
|---|----------------------|----------------------|
| | £ | £ |
| Distributions declared on Charifund units | 11,672 | 14,517 |
| Interest receivable | <u>0</u> | <u>0</u> |
| | <u><u>11,672</u></u> | <u><u>14,517</u></u> |

4. EXPENDITURE ON CHARITABLE ACTIVITIES

| | 2021 | 2020 |
|--|---------------------|----------------------|
| | £ | £ |
| Hall Rent | 0 | 4,274 |
| Lecturers' expenses | 500 | 1,417 |
| Refreshments | 0 | 4,562 |
| Web site costs & zoom | 847 | 634 |
| Printing & stationery | 4 | 1,476 |
| Postages | 91 | 805 |
| Grants & donations | 0 | 500 |
| Miscellaneous expenses | 128 | 121 |
| Special event net expense/(net income) | 0 | 718 |
| Promotion, publicity and advertising | 3,037 | 0 |
| Educational awards | <u>0</u> | <u>2,500</u> |
| | <u><u>4,607</u></u> | <u><u>17,007</u></u> |

5. SUPPORT COSTS

| | 2021 | 2020 |
|----------------------------|----------------------|----------------------|
| | £ | £ |
| Secretarial Services | 16,500 | 14,000 |
| Direct debit charges | 264 | 300 |
| Insurance | 262 | 481 |
| Independent Examiner's fee | <u>450</u> | <u>450</u> |
| | <u><u>17,476</u></u> | <u><u>15,231</u></u> |

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

6. TANGIBLE FIXED ASSETS

| | President's insignia £ | Equipment £ | Total £ |
|--------------------------------|------------------------------|----------------|--------------|
| Cost at 1 August 2020 | 2,690 | 1,566 | 4,256 |
| Additions | <u>0</u> | | <u>0</u> |
| Cost at 31 July 2021 | <u>2,690</u> | <u>1,566</u> | <u>4,256</u> |
| Depreciation at 1 August 2020 | 0 | 1,566 | 1,566 |
| Depreciation Charge for Year | <u>0</u> | | <u>0</u> |
| Depreciation at 31 July 2021 | <u>0</u> | <u>1,566</u> | <u>1,566</u> |
| Net Book Value at 31 July 2021 | <u>2,690</u> | <u>0</u> | <u>2,690</u> |
| Net Book Value at 31 July 2020 | <u>2,690</u> | <u>0</u> | <u>2,690</u> |

The President's Insignia - Jenny Johnston Memorial and gold chain - is stated at cost.

Equipment is stated at written down value.

The Assets of the Society include a bronze bust of Lord Kelvin - held in the custodianship of the Hunterian Museum at the University of Glasgow, the President's chair - held in the custodianship of the University of Strathclyde, a bronze bust of Thomas Graham - held in the custodianship of the Royal College of Physicians and Surgeons of Glasgow, audio equipment used at the Society's meetings, and the insignia of office of the President. The archives of the Society are held in the library of the University of Glasgow.

7. INVESTMENT

| | 2021 £ | 2020 £ |
|---|----------------|-----------------|
| Cost | <u>45,273</u> | <u>45,273</u> |
| Market Value | | |
| Opening market value | 222,812 | 275,328 |
| Income on accumulation units reinvested | 7,227 | 9,010 |
| Gain/(loss) on revaluation | <u>54,435</u> | <u>(61,526)</u> |
| Closing market value | <u>284,474</u> | <u>222,812</u> |

The investment is a holding of units in The Equity Investment Fund for Charities (known as the M&G Charifund). This is an authorised unit trust and a registered charity, Charity Commission for England and Wales number 249958.

8. COMMITMENTS AND CONTINGENT LIABILITIES

As at the year end the Society had committed to grants awards of £2,500 (2020: £2,500). There is an ongoing scheme to make awards of up to £5,000 a year for purposes in accordance with the Society's constitution and the scheme rules.