

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

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**SCIO NUMBER - CS000012**  
**SCOTTISH CHARITY NUMBER - SC15557**

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**TRUSTEES' REPORT**

The Trustees present their report and financial statements of the Society for the year ended 31 July 2020. The financial 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 had another very successful year, with membership numbering more than 800. Average attendances are being maintained at a high level, reflecting on both the quality of speakers whom we continue to attract, and the reputation of the Society. During the year 2019-20, twelve lectures were delivered by invited speakers, in addition to an evening social event. 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 deficit of £54,331 (2019: deficit of £2,233). The operating income less expenditure produced a surplus of £7,195 (2019: £3,619) and there were unrealised losses on investments of £61,526 (2019: unrealised losses of £5,853). Subscription income was similar to the previous year (£18,430; 2019: £18,883), non-members' donations decreased slightly to £1,461 (2019: £1,639)

Investment income and the income tax recovery were similar to last year.

Total expenditure amounted to £32,238 (2019: £35,385).

During the year, the Society awarded grants of £2,500.

As at 31 July 2020 the market value of the investments held by the Society was £222,812 (2019: £275,328). The fall in value of the investments during the year was due to the fall in equity markets caused by Covid-19.

**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



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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: 6 January 2021

**THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW**  
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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF  
THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW FOR THE YEAR ENDED 31 JULY 2020**

I report on the accounts for the year ended 31 July 2020 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

6 January 2021

**THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW**  
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**INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2020**

	Note	2020 £	2019 £
<b>INCOME</b>			
Subscriptions		18,430	18,883
Donations		1,461	1,639
Income tax recoverable		4,725	4,834
Investment income	3	14,517	13,649
Miscellaneous income		300	0
<b>TOTAL INCOME</b>		<u><b>39,433</b></u>	<u><b>39,005</b></u>
<b>EXPENDITURE</b>			
Charitable Activities	4	17,007	22,821
Support Costs	5	15,231	12,564
<b>TOTAL EXPENDITURE</b>		<u><b>32,238</b></u>	<u><b>35,385</b></u>
Unrealised (losses) on investments	7	(61,526)	(5,853)
<b>NET (DEFICIT)</b>		<u><b>(54,331)</b></u>	<u><b>(2,233)</b></u>
 <b>STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES</b>			
Funds brought forward		304,990	307,223
Net (deficit) recognised in year		(54,331)	(2,233)
<b>Funds carried forward</b>		<u><b>250,659</b></u>	<u><b>304,990</b></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

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**BALANCE SHEET AS AT 31 JULY 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	6	2,690	2,690
Investments	7	222,812	275,328
		<u>225,502</u>	<u>278,018</u>
<b>CURRENT ASSETS</b>			
Bank		29,775	31,225
Debtors & prepayments		840	455
		<u>30,615</u>	<u>31,680</u>
<b>CREDITORS : Amounts falling due within 1 year</b>			
Creditors & accrued charges		5,458	4,708
<b>NET CURRENT ASSETS</b>		<u>25,157</u>	<u>26,972</u>
<b>NET ASSETS</b>		<u>250,659</u>	<u>304,990</u>
<b>CAPITAL AND RESERVES</b>			
Unrestricted Funds		<u>250,659</u>	<u>304,990</u>

These financial statements were approved by the Trustees on 6 January 2021 and are signed on their behalf by:

Dr Geraint Bevan  
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 2020**

**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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**2. COST OF KEY MANAGEMENT PERSONNEL**

	2020	2019
	£	£
Fees	14,000	11,328
Reimbursed expenses	2,810	1,668
	<u>16,810</u>	<u>12,996</u>

The Society had no employees during the year (2019: 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 (2019 £Nil).

**3. INCOME FROM INVESTMENTS**

	2020	2019
	£	£
Investment income	14,517	13,646
Interest receivable	0	3
	<u>14,517</u>	<u>13,649</u>

**4. EXPENDITURE ON CHARITABLE ACTIVITIES**

	2020	2019
	£	£
Hall Rent	4,274	4,897
Lecturers' expenses	1,417	2,494
Refreshments	4,562	4,271
Web site costs & zoom	634	24
Printing & stationery	1,476	2,018
Postages	805	368
Grants & donations	500	6,000
Miscellaneous expenses	121	656
Legal fees	0	0
Special event net expense/(net income)	718	(157)
Educational awards	2,500	2,250
	<u>17,007</u>	<u>22,821</u>

**5. SUPPORT COSTS**

	2020	2019
	£	£
Secretarial Services	14,000	11,328
Direct debit charges	300	297
Insurance	481	489
Independent Examiner's fee	450	450
	<u>15,231</u>	<u>12,564</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2020**

**6. TANGIBLE FIXED ASSETS**

	President's insignia £	Equipment £	Total £
Cost at 1 August 2019	2,690	1,566	4,256
Additions	<u>0</u>	<u>0</u>	<u>0</u>
Cost at 31 July 2020	<u>2,690</u>	<u>1,566</u>	<u>4,256</u>
Depreciation at 1 August 2019	0	1,566	1,566
Depreciation Charge for Year	<u>0</u>	<u>0</u>	<u>0</u>
Depreciation at 31 July 2020	<u>0</u>	<u>1,566</u>	<u>1,566</u>
Net Book Value at 31 July 2020	<u>2,690</u>	<u>0</u>	<u>2,690</u>
Net Book Value at 31 July 2019	<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. INVESTMENTS**

	2020 £	2019 £
Cost	<u>45,273</u>	<u>45,273</u>
Market Value		
Opening market value	275,328	272,893
Income on accumulation units reinvested	9,010	8,288
(Loss) on revaluation	<u>(61,526)</u>	<u>(5,853)</u>
Closing market value	<u>222,812</u>	<u>275,328</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**

Prior to the year end the Society committed to grants awards of £2,500 (2019: £2,250). 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.