

REGISTERED CHARITY NUMBER: SC014603

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
FOR
THE ARRAN SOCIETY OF GLASGOW**

THE ARRAN SOCIETY OF GLASGOW

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FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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THE ARRAN SOCIETY OF GLASGOW

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2022

The trustees present their report with the financial statements of the charity for the year ended September 2022. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the charity (known as “the society”) as set out in its rules and regulations are:

1. The support and encouragement of benevolent, cultural, and educational objects connected to the Island of Arran or the natives thereof.
2. Relieving the needs of the residents or former residents of the Island of Arran, or their descendants, or other persons eligible to be members of the Society.
3. The education of advancement in any trade or profession of deserving persons eligible to be members of the Society by means of grants.
4. The collection, preservation and publication of the history and folklore of the Island of Arran.

Grantmaking

Applications for grants are made directly to the Society, Grants are paid at the discretion of the trustees.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The trustees believe that during the year under review the Society achieved its objects, awarding grants in the sum of £7,318 (2021 £7,050). The trustees will closely monitor income and expenditure in the current year and will continue to consider applications in order that the income available can be utilised towards the objects of the Society.

FINANCIAL REVIEW

Financial position

A detailed Statement of Financial Activities can be found on page 5 to these financial statements. Income from donations, investments, and other income was more than expended on costs for the year however after taking into account net investment losses the Society showed a decrease in funds of £39,574 (2021: increase of £48,049).

The main contributing factor to this movement in the results is the reduction in the investments value. The net losses for the year were £44,262 being £423 of realised gains and £44,685 unrealised losses (2021: Net gain of £52,218 being £8,069 realised gains and £44,149 unrealised losses).

Investment policy and objectives

The trustees have considered the most appropriate policy for investing funds and have appointed Investee Wealth & Investment Limited as investment managers. The Society has invested mainly in UK equities, although some investment has been made in foreign securities. The requirement of the trustees is that the investments generate both income and capital growth. The trustees are satisfied that the management and performance of the investments in the year conforms to these requirements.

Reserves Policy

It is the policy of the Society to maintain the capital fund to generate annual income for distribution. The Society will not distribute funds greater than the revenue account balance. Donations, legacies, or other sums paid, or which may be paid to the Society subject to restrictions or conditions as to the disposal or application thereof, shall be held and applied in accordance with such restrictions and conditions.

THE ARRAN SOCIETY OF GLASGOW

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2022

Going concern

The society is in a strong financial position and cashflow is not an immediate problem. The trustees will assess income and reserves and monitor grant and other expenditure. They therefore have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the financial statements. There are no material uncertainties about the Society's ability to continue as a going concern.

FUTURE PLANS

The trustees of the Society will continue to consider applications in order that the available income can be utilised towards the Society's objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document and constitution

The Society is an unincorporated membership entity registered with OSCR as having charitable status. The Society is governed by its rules and regulations.

The persons eligible for membership of the Society shall be any person interested in the Island of Arran. Candidates for membership may be admitted by Directors at any of their meetings or by a majority of the members present at any General Meetings of the Society.

Recruitment and appointment of new trustees

The Office Bearers of the Society are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

The power to appoint and remove trustees rests with the members as set out in the rules and regulations of the Society.

Induction and training of new trustees

Induction and training as required is given on appointment of new trustees by the serving trustees.

Key management remuneration

The trustees, who meet regularly, are responsible for directing and controlling, running and operating the charity on a day-to-day basis and are thus deemed to be the key management of the Society. The trustees give their time freely and receive no remuneration.

Risk management

The trustees of the charity are aware of the risks the Society faces and consider that adequate procedures are in place for dealing with risk assessment, particularly in relation to the management and control of the Society funds, including the investment portfolio, and also in relation to the disbursement of grants. All procedures are periodically reviewed to ensure they still meet the needs of the Society.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

SC014603

Principal address

Flat 2/1
7 Thistle Terrace
Glasgow
G5 0SJ

THE ARRAN SOCIETY OF GLASGOW

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Trustees

Office Bearers

President

Sheila Gilmore

Vice President

Mary Margaret Brown

Secretary

Catherine Murchie

Treasurer

Graeme Kerr

Directors

Gilbert M Anderson

Claire Johnston

Isabel MacMillan

Fraser Davidson

Sarah Weir

Jamie Crawford

Hannah Dobson

Independent Examiner

Lorna Wyllie

Arran Accountants Ltd

Shore Road

Brodick

Isle of Arran

KA27 8JY

Stockbroker

Investee Wealth & Investment Limited

5 George Square

Glasgow

G2 IDY

Approved by order of the board of trustees on 6th February 2023 and signed on its behalf by:



Ms S Gilmore – Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE ARRAN SOCIETY OF GLASGOW**

I report on the account for the year ended 30 September 2022 set out on pages five to thirteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(l)(a) to (c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. As examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 connection with 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 Regulations 4 of the 2006 Accounts Regulations: and
 - To prepare accounts which accord with the accounting records and to comply with Regulations 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.

DocuSigned by:

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Lorna Wyllie
Arran Accountants Ltd
Shore Road
Brodict
Isle of Arran
KA27 8JY

6th February 2023

THE ARRAN SOCIETY OF GLASGOW
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and Legacies		6,600	-	-	6,600	1,397
Other income		115			115	-
Investment Income	3	7,008	1,752	-	8,761	5,375
Total		13,724	1,752	-	15,476	6,772
EXPEDITURE ON						
Raising funds	4	-	562	2,246	2,808	2,653
Charitable activities	5					
Island of Arran activities		6,429	1,550		7,979	8,288
Total		6,429	2,112	2,246	10,788	10,941
Net gains/(losses) on investments		-	(8,852)	(35,410)	(44,262)	52,218
NET INCOME/(EXPENDITURE)		7,295	(9,212)	(37,656)	(39,574)	48,049
RECONCILLIATION OF FUNDS						
Total funds brought forward		39,133	57,163	205,704	302,000	253,951
TOTAL FUNDS CARRIED FORWARD		46,428	47,951	168,048	262,426	302,000

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities

THE ARRAN SOCIETY OF GLASGOW
BALANCE SHEET
FOR THE YEAR ENDED 30 SEPTEMBER 2022

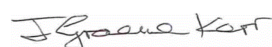
	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total Funds £	2021 Total Funds £
FIXED ASSETS						
Investments	11	34,700	49,789	172,313	256,802	297,039
CURRENT ASSETS						
Cash at Bank		6,202	-	-	6,202	6,030
CREDITORS						
Amounts falling due within one year	12	(578)	-	-	(578)	(1,069)
NET CURRENT ASSETS		5,624	-	-	5,624	4,961
TOTAL ASSETS LESS CURRENT LIABILITIES		40,324	49,789	172,313	262,426	302,000
NET ASSETS		40,324	49,789	172,313	262,426	302,000
FUNDS						
Unrestricted funds	13				46,428	39,133
Restricted funds					47,951	57,163
Endowment funds					168,048	205,704
TOTAL FUNDS					262,426	302,000

The financial statements were approved by the Board of Trustees and authorised for issue on 6th February 2023 and were signed on its behalf by:



S Gilmore - Trustee

DocuSigned by:



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G Kerr - Trustee

THE ARRAN SOCIETY OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. GENERAL INFORMATION

The Arran Society of Glasgow is a registered Scottish charity (Charity Number SC014603) and constitutes an unincorporated charity.

The principal address of the charity is Flat 2/1, 7 Thistle Terrace, Glasgow, G5 0SJ

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements of the Society 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 2019). Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The financial statements have been prepared under the historical cost convention with the exception of investments at market value.

Going concern

In their assessment of going concern the trustees have considered the impact on the Society as a result of the COVID-19 Virus.

The Society is in a strong financial position and cash flow is not an immediate problem. The trustees will assess income and reserves and monitor grant and other expenditure. They therefore have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the financial statements. There are no material uncertainties about the Society's ability to continue as a going concern.

Financial reporting standard 102 – reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- The requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the Society has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Costs relating to charitable activities, are charged to the Statement of Financial Activities on an accruals basis. Expenditure is recognised when there is a legal or constructive obligation to pay for expenditure.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cost of raising funds includes the costs incurred in respect of the investment portfolio management and costs of fundraising costs.

THE ARRAN SOCIETY OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS – continued FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES – continued

Charitable activities costs include costs incurred directly in meeting the objects of the Society, including payment of grant, costs including support costs and governance costs apportioned to charitable activities. Support costs are incurred in support of direct expenditure.

Governance costs, a category within Support costs, are costs attributable to compliance with the Society' constitutional and statutory requirements.

Expenditure

The charity is not VAT registered and accordingly expenditure is shown gross is irrecoverable VAT.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The Society is exempt from tax on its charitable activities.

Fund accounting

Funds held by the Society are either.

Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Endowment funds – these are funds which form the capital of the Society. The income arising from such funds is treated as unrestricted.

Restricted funds – these are funds that can only be used for the particular restricted purpose as specified by the donor.

Further explanation of the nature and purpose of each restricted fund is included in the notes to the financial statements.

Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market value. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposals throughout the year.

Financial instruments

The Society only has financial assets and financial liabilities 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.

Cash and cash equivalents

Cash and cash equivalents includes cash, bank and deposit accounts with a short term of maturity, being twelve months or less, from opening of the deposit or similar account.

Creditors

Other 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. Other creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

THE ARRAN SOCIETY OF GLASGOW
NOTES TO THE FINANCIAL STATEMENT - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2022	2021
3. INVESTMENT INCOME		
Dividends	<u>8,761</u>	<u>5,375</u>
	2022	2021
4. RAISING FUNDS		
investment management costs	<u>2,808</u>	<u>2,653</u>
5. CHARITABLE ACTIVITIES COSTS		
	(Grant funding of activities see note 7)	Support costs (see note 8)
		Totals
Isle of Arran activities	<u>7,318</u>	<u>1,238</u>
	2022	2021
6. GRANTS PAYABLE		
Island of Arran activities	<u>7,318</u>	<u>7,050</u>
The total grants paid to institution during the year was as follows		
	2022	2021
Arran Youth Foundation	-	1,000
Over 30s Football Club	1,000	-
Arran Junior Sailing Club	1,000	-
Whiting Bay Primary School	450	-
Arran Music School	<u>680</u>	<u>-</u>
	<u>3,130</u>	<u>1,000</u>

THE ARRAN SOCIETY OF GLASGOW
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

7. GRANTS PAYABLE - continued

The total grants paid to individuals during the year was as follows:

	2022	2021
James S Scott Memorial award	300	600
John D Mackinnon award	1,250	1,500
Other grants	2,638	3,950
	<u>4,188</u>	<u>6,050</u>

8. SUPPORT COSTS

	Management	Governance costs	Totals
Island of Arran activities	<u>72</u>	<u>589</u>	<u>661</u>

Support costs, included in the above, are as follows:

Management

	2022	2021
	Island of Arran activities	Total activities
Secretarial and general expenses	<u>72</u>	<u>169</u>

Governance costs

	2022	2021
	Island of Arran activities	Total activities
Independent examination	<u>589</u>	<u>1,069</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2022 nor for the year ended 30 September 2021.

Trustees' expenses

One trustee was reimbursed a total of £72 (2021: £82) for costs incurred on behalf of the Society.

THE ARRAN SOCIETY OF GLASGOW
NOTES TO THE FINANCIAL STATEMENT - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies	1,397	-	-	1,397
Other trading activities	-	-	-	-
Investment income	4,300	1,075	-	5,375
	5,697	1,075	-	6,772
EXPENDITURE ON				
Raising funds	-	531	2,122	2,653
Charitable activities				
Island of Arran activities	6,188	2,100	-	8,288
Total	6,188	2,631	2,122	10,941
Net gains (losses) on investments	-	10,444	41,774	52,218
NET INCOME/(EXPENDITURE)	(491)	8,888	39,652	48,049
RECONCILIATION FUNDS				
Total funds brought forward	39,624	48,275	166,052	253,951
TOTAL FUNDS CARRIED FORWARD	39,133	57,163	205,704	302,000

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 October 2021	297,039
Additions	9,122
Disposals	(5,097)
Revaluation	(44,262)
At 30 September 2021	256,802
NET BOOK VALUE	
At 30 September 2022	256,802
At 30 September 2021	297,039

There were no investment assets outside the UK

THE ARRAN SOCIETY OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. FIXED ASSET INVESTMENTS -continued

Cost or valuation at 30 September 2022 is represented by:

Valuation in 2022	Listed investments 256,802
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12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	578	1,069

13. MOVEMENT IN FUNDS

	At 1.10.21	Net movement in funds	At 30.9.22
	£	£	£
Unrestricted funds			
General fund	39,133	7,295	46,428
Restricted funds			
J D Mackinnon Trust fund	47,697	(7,609)	40,088
James S Scott Memorial Trust fund	9,466	(1,603)	7,863
	57,163	(9,212)	47,951
Endowment funds			
Capital funds	205,704	(37,656)	168,048
TOTAL FUNDS	302,000	(39,574)	262,426

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expanded	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	13,724	(6,429)	-	7,295
Restricted funds				
J D MacKinnon Trust fund	1,454	(1,716)	(7,347)	(7,609)
James S Scott Memorial Trust fund	298	(396)	(1,505)	(1,603)
	1,752	(2,112)	(8,852)	(9,212)
Endowment funds				
Capital funds	-	(2,246)	(35,410)	(37,656)
TOTAL FUNDS	15,476	(10,788)	(44,262)	(39,574)

THE ARRAN SOCIETY OF GLASGOW
NOTES TO THE FINANCIAL STATEMENT - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.10.20 £	net movement in funds £	At 30.9.21 £
Unrestricted funds			
General fund	39,624	(491)	39,133
Restricted funds			
J D MacKinnon Trust fund	40,076	7,621	47,697
James S Scott Memorial Trust fund	8,199	1,267	9,466
	<u>48,275</u>	<u>8,888</u>	<u>57,163</u>
Endowment funds			
Capital funds	166,052	39,652	205,704
TOTAL FUNDS	<u>253,951</u>	<u>48,049</u>	<u>302,000</u>

	Incoming resources £	Resources expanded £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	5,697	(6,188)	-	(491)
Restricted funds				
J D MacKinnon Trust fund	892	(1,941)	8,670	7,621
James S Scott Memorial Trust fund	183	(690)	1,774	1,267
	<u>1,075</u>	<u>(2,631)</u>	<u>10,444</u>	<u>8,888</u>
Endowment funds				
Capital funds	-	(2,122)	41,774	39,652
TOTAL FUNDS	<u>6,772</u>	<u>(10,941)</u>	<u>52,218</u>	<u>48,049</u>

Comparatives for analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Endowment fund £	2021 Total funds £
Investments	34,172	57,163	205,704	297,039
Current assets	6,030	-	-	6,030
Current liabilities	(1,069)	-	-	(1,069)
	<u>39,133</u>	<u>57,163</u>	<u>205,704</u>	<u>302,000</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2022.