

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

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

SCIO NUMBER - CS000012
SCOTTISH CHARITY NUMBER - SC015557

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

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THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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TRUSTEES' REPORT

The Trustees present their report and financial statements of the Society for the year ended 31 July 2018. 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 2017-18, 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

General Fund

The Society had an overall surplus in 2018 of £7,387 (2017: £25,913). The operating income less expenditure produced a surplus of £4,402 (2016: £6,646) and there were unrealised gains on investments of £2,985 (2017: £19,267). Subscription income was similar to the previous year (£19,000; 2017: £19,627), as were non-members' donations of £1,150 (2017: £1,123). Investment income, bank interest and the income tax recovery were also similar to last year. Total expenditure amounted to £33,272 (2017: £30,296). During the year, the Society awarded grants of £1,500 and made firm commitments of £3,569 which were paid out post year end. At 31 July 2018 the market value of the investments held by the Society was £272,893.

Kelvin Fund

No monies were ingathered or disbursed in connection with the Fund during the year. In March 2018 the Council decided that the balance on the fund be subsumed into the general fund to pay for an update of "No Mean Society", the history of the Society.

INVESTMENT POLICY

Funds sufficient to meet all the Society's anticipated current expenditure are placed with the Society's bankers. Its investment income arises on its holding in M & G's Charifund, some of which are accumulation units. The reported historic yield is 5.4%.

RESERVES POLICY

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

REFERENCE AND ADMINISTRATIVE DETAILS

SCIO number	CS000012
Charity Number	SC015557
Principal Address	15 Lanark Street, Glasgow G1 5PY
Telephone	0141 564 1219

ADVISERS

Independent Examiner	Lewis J Osborne LL.B.C.A., 2 Falkland Avenue, Newton Mearns, Glasgow G77 5DR
Bankers	Bank of Scotland, Argyll Street, Glasgow G1 3RS

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

TRUSTEES

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

Key Management Personnel: Trustees and Executive Officers

elected President 28 March 2018	Dr Geraint Bevan	<i>President</i>
	Prof Jan McDonald	<i>Immediate Past President</i>
	Dr Mary Fraser	<i>Honorary Secretary</i>
resigned 21 May 2018	Ms Margaret Houston	<i>Honorary Treasurer to 21 May 2018</i>
co-opted 6 June 2018	Mr Richard Service	<i>Honorary Treasurer from 6 June 2018</i>
resigned 14 February 2019	Ms Jean McFadden	<i>Vice-President</i>
	Prof Alan Shenkin	<i>Vice-President</i>
retired 28 March 2018	Prof John Barker	
	Prof Alexander Broadie	
retired 28 March 2018	Dr Colin Brown	
	Ms Patricia Fort	
	Mr Joe Freedman	
retired 28 March 2018	Ms Maria Fyfe	
	Dr Colin Miller	
elected 28 March 2018	Dr Felicity Grainger	
co-opted 6 June 2018	Ms Margaret Houston	
elected 28 March 2018	Prof Pat Monaghan	
elected 28 March 2018	Mr Stephen Campbell	
elected 28 March 2018	Mr Tony Burton	
co-opted 6 June 2018	Susan Young	
Other Key Personnel:	George Rawlinson	<i>Administrator</i>

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 take office upon election and serve until the next Annual General Meeting, when all positions (excepting that of the 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 meeting, only elected members shall have the right to vote. Seven Council members shall constitute a quorum for a Council meeting. The Council organises the Society's programme of lectures, discussions and any other activities it deems fit in accordance with the Society's objectives.

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.

Other than stated below, all trustees give of their time freely and no trustee received remuneration in the year.

Several Trustees received reimbursable expenses during the year, details of which are given in note 2 on page 8. The Administrator received fees and reimbursable expenses, details of which are set out in the same note.

INDEPENDENT EXAMINER

Lewis J Osborne, Chartered Accountant, 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.

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

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

Mary Fraser
Honorary Secretary



GLASGOW: 13th March 2019

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 2018

I report on the accounts for the year ended 31 July 2018 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

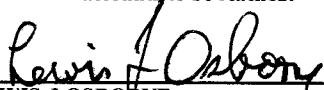
My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the Trustees and a comparison of the accounts presented with those records. It also includes consideration 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

13th March 2019

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 2018**

	General Fund £	2018 Kelvin Fund £	Total £	2017 restated General Fund £	2017 restated Kelvin Fund £	Total £
INCOME						
Subscriptions	19,000		19,000	19,627		19,627
Donations	1,150		1,150	1,123		1,123
Income tax recoverable	4,875		4,875	4,707		4,707
Investment income	3 12,449		12,449	11,485		11,485
Miscellaneous income	200		200	0		0
TOTAL INCOME	37,674	0	37,674	36,942	0	36,942
EXPENDITURE						
Charitable Activities	4 21,679		21,679	20,363		20,363
Support Costs	5 11,593		11,593	9,933		9,933
TOTAL EXPENDITURE	33,272	0	33,272	30,296	0	30,296
Unrealised Gains on Investments	2,985	0	2,985	19,267	0	19,267
NET INCOME	7,387	0	7,387	25,913	0	25,913

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Funds brought forward	298,133	1,703	299,836	272,220	1,703	273,923
Net income recognised in year	7,387	0	7,387	25,913	0	25,913
Transfer	1,703	-1,703	0	0	0	0
Funds carried forward	307,223	0	307,223	298,133	1,703	299,836

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

All income and expenditure derive from continuing activities

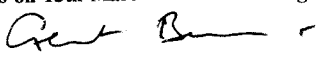
The notes on pages 7 to 9 form part of these financial statements


THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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BALANCE SHEET AS AT 31 JULY 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible fixed assets	6	2,690	2,690
Investments	7	272,893	262,498
		<u>275,583</u>	<u>265,188</u>
CURRENT ASSETS			
Bank		31,236	33,698
Debtors & prepayments	8	5,323	5,159
		<u>36,559</u>	<u>38,857</u>
CREDITORS : Amounts falling due within 1 year			
Creditors & accrued charges	9	4,919	4,209
		<u>31,640</u>	<u>34,648</u>
NET CURRENT ASSETS			
		<u>307,223</u>	<u>299,836</u>
NET ASSETS			
CAPITAL AND RESERVES			
Unrestricted Funds		307,223	298,133
Kelvin Fund		0	1,703
		<u>307,223</u>	<u>299,836</u>

These financial statements were approved by the Trustees on 13th March 2019 and are signed on their behalf by:

Dr Geraint Bevan  President

Mr 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 2018

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.

Change of accounting presentation and prior period restatement

The distributions arising on the Society's investment in accumulation units are now recognised as investment income of the year.

The prior period income statement is restated in accordance with this treatment. The effect of the change is to increase the prior period investment income by £6,678 and reduce the unrealised appreciation by the same amount. Neither net income of the prior period nor the net assets of the Society as previously reported are affected by this change in presentation.

THE ROYAL PHILOSOPHICAL SOCIETY OF GLASGOW
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

2. TRUSTEE REMUNERATION AND EXPENSES AND COST OF KEY MANAGEMENT PERSONNEL

	2018 £	2017 £
TRUSTEES		
Expenses	<u>889</u>	<u>2,074</u>
KEY MANAGEMENT PERSONNEL		
Fees	10,650	9,000
Expenses	<u>1,788</u>	<u>2,087</u>
	<u>12,438</u>	<u>11,087</u>

The Society had no full time equivalent employees during the year (2017: Nil). The key management personnel was a contractor who charged his services to the Society.

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 (2017 £Nil).

3. INCOME FROM INVESTMENTS

	2018 £	2017 restated £
Investment income	12,436	11,439
Interest receivable	13	46
	<u>12,449</u>	<u>11,485</u>

4. EXPENDITURE ON CHARITABLE ACTIVITIES

	2018 £	2017 £
Hall Rent	4,779	3,195
Lecturers' expenses	1,973	2,254
Refreshments	4,658	5,533
Web site costs	72	64
Printing & stationery	2,134	2,058
Postages	467	512
Grants & donations	1,500	1,250
Miscellaneous expenses	406	479
Legal fees	600	0
Special event expenses (net)	1,521	405
Educational awards	3,569	4,613
	<u>21,679</u>	<u>20,363</u>

5. SUPPORT COSTS

	2018 £	2017 £
Secretarial Services	10,650	9,000
Insurance	493	483
Independent Examiner's fee	450	450
	<u>11,593</u>	<u>9,933</u>

6. TANGIBLE FIXED ASSETS

	President's insignia £	Fixtures, fittings & equipment £	Total £
Cost at 1 August 2017	2,690	1,566	4,256
Additions	0	0	0
Cost at 31 July 2018	<u>2,690</u>	<u>1,566</u>	<u>4,256</u>
Depreciation at 1 August 2017	0	1,566	1,566
Depreciation Charge for Year	0	0	0
Depreciation at 31 July 2018	<u>0</u>	<u>1,566</u>	<u>1,566</u>
Net Book Value at 31 July 2018	<u>2,690</u>	<u>0</u>	<u>2,690</u>
Net Book Value at 31 July 2017	<u>2,690</u>	<u>0</u>	<u>2,690</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018

6. TANGIBLE FIXED ASSETS (continued)

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

Fixtures, Fittings and Equipment are 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

	2018	2017 restated
	£	£
Cost	<u>45,273</u>	<u>45,273</u>
Market Value		
Opening market value	262,498	236,553
Income reinvested	7,410	6,678
Gain on revaluation	2,985	19,267
Closing market value	<u>272,893</u>	<u>262,498</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 is registered with the Charity Commission for England and Wales (Number: 249958).

8. DEBTORS AND PREPAYMENTS

	2018	2017
	£	£
Income tax recoverable	4,875	4,707
Prepaid insurance	448	452
	<u>5,323</u>	<u>5,159</u>

9. CREDITORS AND ACCRUED CHARGES

	2018	2017
	£	£
Grants payable	3,569	0
Independent Examiner's fee	450	450
Hall rent	0	2,259
Secretarial services	900	1,500
	<u>4,919</u>	<u>4,209</u>

10. COMMITMENTS AND CONTINGENT LIABILITIES

Prior to the year end the Society committed to grants awards of £3,569 (2017: nil). This is included in creditors. 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.