

THE MERCHANTS HOUSE OF GLASGOW

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



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The Merchants House of Glasgow, although more ancient in origin, obtained its first recorded constitution in a Letter of Guildry in 1605, later ratified by an Act of the Scots Parliament in 1672. It is an Elective Incorporation, and one of the most important charitable institutions connected with the social, commercial and other interests of the City of Glasgow. Its regulations are amended from time to time in general meeting as necessary.

The Merchants House of Glasgow is a charity, registered in Scotland under the Charities and Trustee Investment (Scotland) Act 2005.

The business of the House is managed by the Lord Dean of Guild, the Vice Dean, up to three recent Ex-Deans and up to 36 Directors elected in terms of the regulations of the House. It has substantial assets in the form of property and investments, the latter being reviewed regularly.

The principal objectives are to pay benefits to beneficiaries and to provide assistance in the form of grants to charitable institutions within and around Glasgow. These matters are dealt with by the Grants Committee. In addition to committee meetings, there are quarterly meetings of Directors when the business of the House is fully reviewed, together with such other meetings as are necessary.

The Directors are also responsible for the administration of the various trust funds mentioned in the report. The House continues to receive trust funds for it to administer and legacies and bequests.

www.merchantshouse.org.uk

THE MERCHANTS HOUSE OF GLASGOW

**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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THE MERCHANTS HOUSE OF GLASGOW

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

LEGAL AND ADMINISTRATIVE INFORMATION

Office Address	7 West George Street, Glasgow, G2 1BA
Telephone Number	0141 221 8272
Website	www.merchantshouse.org.uk
Registered Charity Number	SC008900
Auditors	Wbg (Audit) Limited 168 Bath Street Glasgow G2 4TP
Bankers	Bank of Scotland Corporate Banking, Level 6 110 St Vincent Street Glasgow G2 5ER
Insurance Brokers	Marsh Commercial G1 Building 5 George Square Glasgow G2 1AR
Investment Managers	Rathbones Investment Management 50 George Square Glasgow G2 1EH
Solicitors	Mitchells Robertson Ltd George House 36 North Hanover Street Glasgow G1 2AD

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

The Directors of the Merchants House of Glasgow present their Annual Report for the year ended 31 December 2024 under the Charities and Trustee Investment (Scotland) Act 2005 ("the Act"), together with the audited financial statements for the year then ended. They confirm that this report and the accounts comply with the requirements of the Act, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Merchants House of Glasgow, although more ancient in origin, obtained its first recorded constitution in a Letter of Guildry in 1605, later ratified by an Act of the Scots Parliament in 1672. It is an Elective Incorporation, and one of the most important charitable institutions connected with civic, social, commercial and other interests of the City of Glasgow. Its Regulations are amended from time to time in general meeting as necessary. The Regulations were amended most recently in May 2024.

Objectives and Activities

The principal charitable objectives of the House are the relief of poverty by payment of benefits to individuals and providing grants to charitable bodies chiefly in Glasgow and the West of Scotland. During the year, benefits amounting to £67,623 were paid to 73 beneficiaries (2023: £73,065 paid to 81 beneficiaries) and grants totalling £226,040 were paid to 49 charitable bodies (2023: £203,890 paid to 39 charitable bodies).

The House manages substantial endowment funds, many of which have specific terms on the distribution of grants.

The House aims to distribute all its available income taking one year with another. For the year ended 31 December 2024, the unrestricted fund shows a surplus for the year, primarily as a result of two substantial donations of investments. The donated investments have been reinvested. The restricted funds show a deficit for the year which was a planned spend from accumulated funds. The House continues to seek relevant charities and beneficiaries to receive grants.

Achievements and Performance

A key aim for the House has been to continue increasing the letting activity of its Grand Hall, Directors' Room, Lord Dean's Room and James McCune Smith Room. During 2024, the events and hall hire net income (after deduction of direct expenses) increased to £125,220 (2023: £111,180). The rental income generated from let units in the subsidiary company, Ship Venture Limited, has decreased slightly to £291,641 as a result of a few tenancy changes (2023: £293,707).

The investments of the House are held with the primary purpose of producing an income stream to support the grant making activities. The dividends and interest received during the year of £327,741 has increased from £294,404 received in the previous year.

During 2024 the House was approached by Trustees from the Association for the Relief of Infirmary in the West of Scotland (ARI) to explore a closer working relationship with the aim of maximising the distributable income available for charitable giving. Following discussions, the House received a donation of £5.7m from ARI and will support approximately 180 beneficiaries going forward. Approval from the Office of the Scottish Charity Regulator has been received and the House has taken over all the charitable work and activities of ARI with effect from December 2024.

The value of the investment portfolios increased considerably during 2024 following the significant gains in global equities and fixed interest asset prices during the year. In addition, £5.7m of investments was donated into the House portfolio from ARI. The House is able to adjust its level of giving to reflect changes in the income performance of the portfolios and those of its subsidiary company. The House could also choose to realise certain of its assets in the event income is remaining suppressed to sustain its charitable objectives given the highly liquid nature of the assets.

Grant Making Strategy

There are two main strands in the House's grant making strategy:

- (1) we receive and encourage applications for grant funding for a wide range of charitable activity across the social, educational, health and cultural sectors which has impact in Glasgow and the West of Scotland; and
- (2) we make grants from a number of designated and restricted funds for specific purposes.

The grant programme themes continue to be food and fuel poverty, healthy living and encouraging social inclusion.

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

Financial Review

The financial position at 31 December 2024 remained strong with investments totalling £15,365,294 and cash balances of £1,209,353. The commercial premises let through Ship Venture Ltd had 74% occupancy at 31 December 2024.

The financial results for the year record a surplus of £5,723,597 before disposal and revaluation gains of the investments. The unrestricted funds had a surplus of £5,891,952 before taking into account the investment gains.

The investments of the House are held in accordance with the powers granted to the Directors. The Investment Policy during 2024 was to seek to maximise the income of the House while preserving the real value of the funds invested. The Policy is subject to periodic review with a detailed review being carried out each year. Following advice received from the House's investment managers a proposal to invest some of the portfolios under a total return mandate, where suitable, was approved at a meeting of Directors in November 2021. This covers approximately one half of the portfolios where the House is able to distribute capital as well as income. The change in approach was implemented during 2022.

The Directors delegate the management of the investment portfolios to investment managers, on a discretionary basis. The Investment Managers' performance is measured against appropriate benchmarks as follows:

Fund	Actual %	Benchmark %
Endowment Pool	5.7	14.3
Growth Pool	5.7	14.3
General Pool	7.1	14.3
Underwood	5.7	8.1

2024 was, at the index level, a positive year for equities. However, the concentration of equity market returns experienced in 2023 carried over to 2024. The top five US companies now account for 29% of the S&P 500. This concentration impacts overall market performance, with over half of US equity returns coming from the "Magnificent 7" technology companies. The portfolio has 20% exposure to the technology sector through a diversified list of individual companies and collectives. Our largest position size is 2.5%. We therefore run a less concentrated technology exposure than the benchmark equity index.

The Endowment, Growth and Underwood portfolios produced lower returns than the General portfolio on account of their bias toward income producing companies rather than the higher growth companies which performed better. The primary role of these portfolios is to generate the majority of the income to meet our charitable purposes.

The composition of the investment portfolio of the Underwood fund reflects the expected timescale within which this fund will be expended in accordance with the original wishes of the donors.

The heritable property owned by the House together with the investment in Ship Venture Limited is a designated fund.

The financial performance and position in future periods are particularly sensitive to vacant accommodation within the commercial property and a reduction in hall lets, fluctuations in the value of investments which are traded on the Stock Exchange and the dividends declared by the companies in which the House has invested.

At 31 December 2024 the House held a high cash balance compared to the normal historical position. This is a conscious decision to reduce investment risk in readiness to support potential refurbishment of the heritable property owned by the House.

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

Structure, Governance and Management

The Directors of the Merchants House of Glasgow are the Trustees for the purposes of charity legislation in Scotland.

There are up to 41 Directors of the House comprising The Lord Dean of Guild, the Vice Dean, the Immediate Past Dean and the two immediate predecessors (all ex officio) together with up to 36 elected Directors who are appointed for a maximum of nine years.

Directors who are ex officio with effect from the annual meeting in May 2024 are:

Andrew McFarlane	Lord Dean of Guild
Donald Carmichael (resigned 28/2/25)	Vice Dean
Alasdair R J Ronald	Past Dean
Ian Dickson BEM DL (resigned 21/5/24)	Past Dean

The elected Directors during the year and to the date of signing the financial statements were:

Gayle Adnyana	Zoe Gillespie	Kerr Luscombe **
Campbell Armour	Alan Harvey *	John Mason ***
David A R Ballantine	Virginia Hewitt	Tony McElroy
Grant Barclay	Alan Horn	Frances McMenamin
Shabir Beg OBE	Matt Horton *	Lesley Millar *
Colin Botfield **	Ronald Inglis	Graham Mitchell
Philip Braat	Elizabeth Kennedy	Steven Morris
Robert Cunningham **	Eleanor Kerr **	Ann O'Connell **
Vivien Currie MBE	Harry Knight Small *	Charles Smith
Ben Douglas-Lee	Douglas Lapsley	John Taylor
James Dundas	Geoff Leask	Karen Waugh
Ross Galbraith *	Gordon Lennox	

* Appointed 21/5/24

** Retired 21/5/24

*** Appointed 20/2/24

Where the number of Directors proposed at an Annual General Meeting exceeds the number of vacancies, a vote of the members is held to determine who is appointed.

All new Directors are given access to an induction, training and guidance as to Trustees' duties and to statements of good practice in terms conforming to the requirements of the Charities and Trustee Investment (Scotland) Act 2005. A copy of Governance and Regulations of the Merchants House of Glasgow is also provided.

The Merchants House of Glasgow holds Directors' Liability Insurance for all Directors. The Directors are not employees and receive no remuneration.

Membership

There were 10 new members and the resignations and deaths of 11 members have been reported. It should be noted that a person does not rank as a voting member of the House until he or she has signed the Matriculation Roll. The active roll at 31/12/24 stood at 829.

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

Organisational Structure

The Directors meet quarterly to review the affairs of the House and additionally, as required.

For effective conduct of business of the House there are eight main committees of Directors:

Audit Committee	Legacy and Philanthropy Committee
Employment & Remuneration Committee	Membership Development Committee
Finance Committee	Nominations Committee
Grants Committee	Property and Capital Projects Committee

The Committees meet according to their Terms of Reference. Each Committee makes recommendations for approval at the Directors' Quarterly Meeting except that the Grants Committee has the authority, without such approval, to award grants up to £10,000.

The day to day running of The House is delegated to the Chief Executive and his staff. Their remuneration is set by the Employment and Remuneration Committee in conjunction with the Lord Dean and the Chair of the Finance Committee. The key management personnel during the year are considered to be the Chief Executive and Collector, the Finance Assistant and the Events Manager.

Reserves Policy

The reserves policy of the House is to ensure there are sufficient levels of cash and immediately realisable funds to meet the expected financial commitments of the House for the next twelve months. This includes the amounts expected to be disbursed by way of grants and payments to beneficiaries. The Directors are committed to distributing as much of the net incoming unrestricted resources as possible subject to ensuring the real value of the capital funds is maintained. The Directors may take a longer-term view into account when considering the expected costs and benefits of capital projects.

The balance held in unrestricted funds at 31 December 2024 was £8,323,637 of which £7,614,438 is regarded as free reserves, after allowing for funds of £709,199 tied up in tangible fixed assets including the premises of the House.

Future Plans

The Directors intend to continue the work of the House over the coming years in a way which will enable it to maintain or increase its charitable giving in real terms and to enhance the impact of its giving. The Directors continue to offer to other charities the ability to merge or manage other funds with those of the House with a view to improving the management and efficiency of these funds in achieving their own objectives.

The Directors are examining potential future property investments within the House premises to secure its long term value and attractiveness for rental and hall lettings.

Subsidiary Company

The commercial letting of available space in the building is carried out within the wholly owned subsidiary Ship Venture Limited. The sole purpose of letting the available accommodation is to generate income for the House. The Directors do not wish to incur undue expense in obtaining a current valuation of the property as there is no present intention to dispose of it and the commercial property is integral to the building from which the House operates.

Ship Venture Limited makes a gift aid payment each year to the House in an amount equal to its taxable profits or, if lower, distributable profits, in accordance with established practice. For the year ended 31 December 2024, Ship Venture has undertaken to make a payment of £149,606 (2023: £116,413). The gift aid payment in the prior year was reduced following significant repair works undertaken by the subsidiary, principally in the basement area of the building.

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

Risk Management

A Risk Register is maintained which is reviewed annually by the Audit Committee and is approved by the Directors. The Register identifies mitigating factors, further planned actions and allocates who is responsible for each risk. The major risks include:

The risk that the building is not properly maintained and available accommodation is not let to suitable tenants. This is mitigated by the appointment of professional property agents to manage and market the building.

The risk of making inappropriate investments which either do not produce sufficient income or are subject to excessive reductions in value. This is mitigated by the appointment of professional investment managers who manage the portfolios on a discretionary basis thus allowing them to respond promptly to any changes in market sentiment.

The risk that funds are disbursed to inappropriate recipients. Grants are only awarded after the standard application form has been completed and a copy of the recipient's most recent accounts have been provided to the House. For beneficiaries, payments are only made by direct transfer to confirmed bank accounts.

The risk of disbursing restricted funds to ineligible charities. This is mitigated by ensuring that the Grants Committee has received details of the purposes of each restricted fund and awards are only made in accordance with the relevant conditions.

The risk that there is inadequate control over the finances leading to an unsustainable position. This is mitigated by budgets being prepared in advance of each year, regular Management Accounts being reviewed by the Finance Committee and Directors.

In the opinion of the Directors, sufficient controls have been established to ensure that all relevant major risks have been adequately mitigated.

Related Parties

Details of Directors' expenses and any related party transactions are disclosed in Note 3 to the accounts. Directors are required to disclose at each meeting if they have any conflicts of interest, and these conflicts of interest are noted in the minutes of the Board or of the Committee to which they relate. Directors are also required to complete a Declaration of Interest Form which they are asked to review each year.

THE MERCHANTS HOUSE OF GLASGOW

Report of the Directors for the year ended 31 December 2024

Statement of Directors' Responsibilities

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

The law applicable in Scotland requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

A resolution will be proposed at the Annual General Meeting that Wbg (Audit) Limited be reappointed as auditors to the House for the ensuing year.

Statement of Disclosure to the Auditor

So far as the Directors are aware, there is no relevant audit information of which the Charity's Auditors are unaware. Additionally, the Directors have taken all necessary steps that they ought to have taken as Directors, in order to make themselves aware of all the relevant audit information and to establish that the Charity's Auditors are aware of that information.

Approved by the Directors on 22 April 2025 and signed on their behalf by:

Andrew McFarlane
Lord Dean of Guild

THE MERCHANTS HOUSE OF GLASGOW

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANTS HOUSE OF GLASGOW FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of The Merchants House of Glasgow (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the group and parent charity's Statement of Financial Activities, the group and parent charity's Balance Sheets, the group and parent charity's Cash Flow Statements and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2024, and of the group and the parent charity's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect of going concern are described in the relevant sections of this report.

THE MERCHANTS HOUSE OF GLASGOW

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANTS HOUSE OF GLASGOW FOR THE YEAR ENDED 31 DECEMBER 2024

Other information

The other information comprises the information included in the report and consolidated financial statements, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE MERCHANTS HOUSE OF GLASGOW

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANTS HOUSE OF GLASGOW FOR THE YEAR ENDED 31 DECEMBER 2024

Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the group and parent charity, the environment in which they operate and the control procedures implemented by management and the Trustees; and
- Our enquiries of management and Trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the group and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations; and
- UK tax legislation.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks of the group were related to;

- Posting inappropriate journal entries; and
- Management bias in accounting estimates.

Audit response to the risks identified

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; evaluating rationale of any significant transactions that are unusual or outside the normal course of business;
- Review of journal entries included, but was not limited to, the following areas:
 - investments;
 - accruals and deferred income;
 - wages and salaries;
 - other debtors;
 - income.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE MERCHANTS HOUSE OF GLASGOW FOR THE YEAR ENDED 31 DECEMBER 2024

Audit response to the risks identified (continued)

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Trustees, as a body, in accordance with section 44(1) (c) of the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Dalrymple FCCA (Senior Statutory Auditor)

For and on behalf of Wbg (Audit) Limited, Statutory Auditor

168 Bath Street

Glasgow

G2 4TP

22 April 2025

THE MERCHANTS HOUSE OF GLASGOW

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted	Restricted	Endowment	
	Note	Funds	Funds	Funds	Total Funds
		2024	2024	2024	2024
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	5,840,016	-	-	5,840,016
Other trading activities	5	874,454	-	-	874,454
Investments	6	169,561	158,180	-	327,741
Total income		6,884,031	158,180	-	7,042,211
Expenditure on:					
Raising funds					
Other trading activities	7	857,920	-	-	857,920
Investment & management	8	11,701	2,147	39,496	53,344
Charitable activities	10	163,023	244,327	-	407,350
Total expenditure		1,032,644	246,474	39,496	1,318,614
Net income / (expenditure) and net movement in funds before losses on investments		5,851,387	(88,294)	(39,496)	5,723,597
Net gains on investments	16	40,565	13,574	255,165	309,304
Net movement in funds		5,891,952	(74,720)	215,669	6,032,901
Funds reconciliation					
Total funds brought forward		2,422,275	897,430	7,915,235	11,234,940
Transfer between funds	19	9,410	7,906	(17,316)	-
Total funds carried forward	19	8,323,637	830,616	8,113,588	17,267,841
		2023	2023	2023	2023
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	161,963	100,000	-	261,963
Other trading activities	5	886,466	-	-	886,466
Investments	6	147,719	146,685	-	294,404
Total income		1,196,148	246,685	-	1,442,833
Expenditure on:					
Raising funds					
Other trading activities	7	934,160	-	-	934,160
Investment & management	8	5,375	2,350	44,300	52,025
Charitable activities	10	187,194	210,688	-	397,882
Total expenditure		1,126,729	213,038	44,300	1,384,067
Net (expenditure) / income and net movement in funds before losses on investments		69,419	33,647	(44,300)	58,766
Net gains on investments	16	52,284	16,327	359,761	428,372
Net movement in funds		121,703	49,974	315,461	487,138
Funds reconciliation					
Total funds brought forward		2,299,522	830,899	7,617,381	10,747,802
Transfer between funds	19	1,050	16,557	(17,607)	-
Total funds carried forward	19	2,422,275	897,430	7,915,235	11,234,940

THE MERCHANTS HOUSE OF GLASGOW

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

		Unrestricted	Restricted	Endowment	
	Note	Funds	Funds	Funds	Total Funds
		2024	2024	2024	2024
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	5,840,016	-	-	5,840,016
Other trading activities	5	36,142	-	-	36,142
Investments	6	315,989	158,180	-	474,169
Total income		6,192,147	158,180	-	6,350,327
Expenditure on:					
Raising funds					
Other trading activities	7	133,876	-	-	133,876
Investment & management	8	11,701	2,147	39,496	53,344
Charitable activities	10	163,023	244,327	-	407,350
Total expenditure		308,600	246,474	39,496	594,570
Net income / (expenditure) and net movement in funds before losses on investments		5,883,547	(88,294)	(39,496)	5,755,757
Net gains on investments	16	40,565	13,574	255,165	309,304
Net movement in funds		5,924,112	(74,720)	215,669	6,065,061
Funds reconciliation					
Total funds brought forward		2,435,054	897,430	7,915,235	11,247,719
Transfer between funds	19	9,410	7,906	(17,316)	-
Total funds carried forward		8,368,576	830,616	8,113,588	17,312,780
		2023	2023	2023	2023
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	161,963	100,000	-	261,963
Other trading activities	5	33,600	-	-	33,600
Investments	6	267,100	146,685	-	413,785
Total income		462,663	246,685	-	709,348
Expenditure on:					
Raising funds					
Other trading activities	7	144,467	-	-	144,467
Investment & management	8	5,375	2,350	44,300	52,025
Charitable activities	10	187,194	210,688	-	397,882
Total expenditure		337,036	213,038	44,300	594,374
Net (expenditure) / income and net movement in funds before losses on investments		125,627	33,647	(44,300)	114,974
Net gains on investments	16	52,284	16,327	359,761	428,372
Net movement in funds		177,911	49,974	315,461	543,346
Funds reconciliation					
Total funds brought forward		2,256,093	830,899	7,617,381	10,704,373
Transfer between funds	19	1,050	16,557	(17,607)	-
Total funds carried forward		2,435,054	897,430	7,915,235	11,247,719

THE MERCHANTS HOUSE OF GLASGOW

CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible assets	14 & 15	709,199	752,193	666,200	666,200
Investments	16	15,365,294	9,434,246	15,565,294	9,634,246
Total Fixed Assets		16,074,493	10,186,439	16,231,494	10,300,446
Current assets					
Debtors	17	275,165	171,812	159,199	122,560
Cash at bank and in hand	22	1,209,353	1,171,068	960,333	869,197
Total Current Assets		1,484,518	1,342,880	1,119,532	991,757
Liabilities					
Creditors falling due within one year	18	291,170	294,379	38,246	44,484
Net Current assets		1,193,348	1,048,501	1,081,286	947,273
Net Assets		17,267,841	11,234,940	17,312,780	11,247,719
The Funds of the Charity					
Unrestricted funds	19	8,323,637	2,422,275	8,368,576	2,435,054
Restricted funds	19	830,616	897,430	830,616	897,430
Endowment funds	19	8,113,588	7,915,235	8,113,588	7,915,235
Total Charity Funds		17,267,841	11,234,940	17,312,780	11,247,719

Approved by the Directors on 22 April 2025 and signed on their behalf by:

Andrew McFarlane
Lord Dean of Guild

Alasdair Ronald
Past Dean

THE MERCHANTS HOUSE OF GLASGOW

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash flows from operating activities					
Cash (used in) operating activities	21	5,335,032	(173,373)	5,271,904	(330,963)
Tax paid		-	-	-	-
Net cash (used in) operating activities		5,335,032	(173,373)	5,271,904	(330,963)
Cash flows from investing activities					
Dividends, interest and rents from investments		327,741	294,404	440,976	352,101
Purchase of property, plant and equipment		(2,744)	(5,000)	-	-
(Decrease) in cash investments		(119,857)	(11,337)	(119,857)	(11,337)
Proceeds from sale of investments		1,105,641	787,296	1,105,641	787,296
Purchase of investments		(6,607,528)	(796,060)	(6,607,528)	(796,060)
Net cash provided by investing activities		(5,296,747)	269,303	(5,180,768)	332,000
Change in cash and cash equivalents in the year		38,285	95,930	91,136	1,037
Cash and cash equivalent brought forward	22	1,171,068	1,075,138	869,197	868,160
Cash and cash equivalents carried forward	22	1,209,353	1,171,068	960,333	869,197

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements consolidate the results of the House and its wholly owned subsidiary, Ship Venture Ltd, on a line by line basis.

The House constitutes a public benefit entity as defined by FRS 102.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the House has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The House's presentation currency is sterling and amounts in the financial statements are rounded to the nearest £.

(b) Funds structure

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the Trustees, at their discretion, have created funds for specific purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal. Endowment funds are permanent or expendable capital funds. Further details of each fund are disclosed in note 19.

(c) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received. Termination benefits are recognised immediately as an expense when the House is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(d) Financial instruments

The House 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 fair value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies (continued)

(e) Income recognition

Income is recognised once the House has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when the House has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the House is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the House and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of confirmation when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the House.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the House; 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. This is normally upon notification by our investment advisor of the receipt of the dividend into the investment portfolio.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(f) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the House 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. For more information on this attribution refer to note (h) below.

Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs.

Expenditure on charitable activities includes Grants and Benefits Payable and other activities undertaken to further the purposes of the House and their associated support costs.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the House. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the House.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the House that would permit the House to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the Trustees as providing the best current available estimate of the opportunity cost of money reflecting the time value of money to the House.

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

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies (continued)

(g) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the House has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the House of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the House which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(h) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the House and its compliance with regulation and good practice. These costs include costs related to statutory audit and relevant legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing grants and benefits are broadly equivalent. The allocation of support and governance costs is analysed in note 9.

(i) Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The House does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the House is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(j) Tangible fixed assets and depreciation

Heritable property is accounted for at historic cost and not at valuation as the property is let out to a wholly owned subsidiary.

No depreciation is provided on heritable property as it is the policy of the House to maintain the property in such condition that its value taken as a whole is not impaired with the passage of time. Consequently, any element of depreciation would, in the opinion of the Lord Dean and Directors, be immaterial.

The cost of furniture and fittings and expenditure on repairs and renewals is charged in the year in which it is incurred. All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life:

	Basis
Building Improvements	10% per annum on additions prior to 1/1/19, 20% on additions thereafter
Equipment	10% and 33.33% per annum on additions prior to 1/1/19, 20% on additions thereafter

(k) Heritage assets

The House has a collection of heritage assets which includes antique furniture, fine artwork, 20th century decorative furniture, statues & sculptures and silver. Due to the lack of comparable market values for the collection and the expense of obtaining reliable valuations, the assets are not recognised in the Balance Sheet.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies (continued)

(l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(n) Creditors and provisions

Creditors and provisions are recognised where the House has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(o) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(p) Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- * a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- * a present obligation following a grant offer where settlement is either not considered probable; or
- * the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(q) Judgements in applying accounting policies and key sources of estimates uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect the reported income, expenditure, assets and liabilities. Use of available information and application of judgment are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from each estimate.

The Trustees are satisfied that the accounting policies are appropriate and applied consistently. Key sources of estimation have been applied as follows:

Depreciation of fixed assets – fixed assets are depreciated over the useful life of the asset. The useful lives of fixed assets are based on the knowledge of senior management, with reference to assets' expected life cycle.

Bad debt provision - trade debtors are reviewed by appropriate experienced senior management on a case by case basis with the balance outstanding and the ageing of the debtor taken into consideration.

Allocation of expenditure between activities – support costs are allocated between charitable activities and governance based on the time spent by senior management on undertaking the charity's activities.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Accounting Policies (continued)

(r) Allocation of investment management fees across the funds

Investment management fees are incurred quarterly and are calculated with reference to the investment valuation during the quarter. The gains and losses arising from investment sales and the revaluation gains or losses are allocated to the endowment funds (or a restricted fund where there is no associated endowment). The Trustees consider that the investment management fees are directly related to the investment gains and losses and, therefore, should be allocated in the same way as the gains or losses ie across the endowment funds (or restricted fund where there is no associated endowment).

2. Legal status of the House

The House is a charity registered in Scotland under the Charities and Trustee Investment (Scotland) Act 2005.

3. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2023: £nil). Expenses paid to the Trustees in the year totalled £nil (2023: £nil).

During the year the following related party transactions took place:

The House paid Directors Liability Insurance premiums of £517 (2023: £492).

Donations of £4,014 were received from directors during the year (2023 - £235,915).

Ronald Inglis is a director of Mitchells Robertson Ltd who provided legal services during the year costing £11,942 (2023 - £4,060).

Ben Douglass-Lee is a director of Rathbones who provided investment services during the year costing £53,345.

Alasdair Ronald is a trustee of the Association for the Relief of Infirmary in the West of Scotland. Shares valued at £5,699,372 were received from this charity.

Andrew McFarlane, Donald Carmichael and Alasdair Ronald are trustees of both Hutcheson's Hospital and the Glasgow Dean of Guild Court Trust. Administration charges were received from these charities of £8,000 and £600 respectively (2023 - £8,000 and £600).

Alan Horn and Frances McMenamin are trustees of The Glasgow & Educational Marshall Trust. Administration charges were received from this charity of £13,000 (2023 - £13,000).

The House awarded grants to the following organisations in which a trustee(s) of the House has/have an interest:

High School of Glasgow Educational Trust £4,400 (Alan Horn)

Presbytery of Glasgow £5,041 (2023 - £5,855) and Lodging House Mission £5,000 (2023 - £5,000) (Grant Barclay)

Barmulloch Community Trust £3,250 (Tony McElroy)

North United Communities £2,500 (Andrew McFarlane)

The Wild Olive Café £7,500, Faith in the Community £4,000 and Church House Bridgeton £5,000 (Donald Carmichael and Grant Barclay)

Family Mediation West of Scotland £3,000 (Harry Small)

The Occasional Cabaret £2,200 (Ross Galbraith)

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

4. Income from donations and legacies

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Grants and donations	5,840,016	261,963	5,840,016	261,963
Legacies	-	-	-	-
	<u>5,840,016</u>	<u>261,963</u>	<u>5,840,016</u>	<u>261,963</u>

5. Income from other trading activities

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Rental income serviced units	291,641	293,707	-	-
hall and room hire and events	266,968	229,644	-	-
Service charge income	275,853	325,665	-	-
Government and other grants	2,650	2,650	-	-
Insurance claim	-	-	-	-
Administrative income	37,342	34,800	36,142	33,600
	<u>874,454</u>	<u>886,466</u>	<u>36,142</u>	<u>33,600</u>

The wholly owned trading subsidiary Ship Venture Limited is incorporated in the United Kingdom (company number SC166242) and pays all its taxable profits to the House under the gift aid scheme. Ship Venture Limited's core business is that of management and rental of property and all commercial trading operations carried on at its Glasgow premises. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

	2024	2023
	£	£
Rental income and service charges	835,661	850,215
Cost of sales and administration costs	(724,044)	(789,693)
Other operating income	2,650	2,650
Interest receivable	3,178	931
Interest payable	-	(3,896)
Net profit	<u>117,445</u>	<u>60,207</u>
Amount gift aided to the House	(149,606)	(116,413)
Retained in subsidiary	<u>(32,161)</u>	<u>(56,206)</u>

The assets and liabilities of the subsidiary were:

	2024	2023
	£	£
Fixed Assets	42,996	85,990
Current assets	519,735	467,937
Current liabilities	(407,670)	(366,707)
Total net assets	<u>155,061</u>	<u>187,220</u>
Aggregate share capital and reserves	<u>155,061</u>	<u>187,220</u>

6. Investment income

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Dividends and interest – equities and bonds	291,994	291,343	291,994	291,343
Interest on cash deposits	35,747	3,061	32,569	6,029
Gift aid donation from subsidiary	-	-	149,606	116,413
	<u>327,741</u>	<u>294,404</u>	<u>474,169</u>	<u>413,785</u>

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

7. Raising funds – expenditure on other trading activities – Group

	Direct Costs £	Support Costs £	Total 2024 £	Total 2023 £
Ship Venture direct costs	724,044	-	724,044	789,693
House support costs	-	133,876	133,876	144,467
	724,044	133,876	857,920	934,160

8. Raising funds - Investment and management costs - Group and Charity

	Direct Costs £	Support Costs £	Total 2024 £	Total 2023 £
Investment management fees	53,344	-	53,344	52,025

9. Allocation of governance and support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Governance related £	Other support costs £	Total allocated 2024 £	Governance related £	Other support costs £	Total allocated 2023 £	Basis of apportion- ment
Staff costs	13,725	190,347	204,072	13,926	194,282	208,208	Staff time
Office costs	1,238	19,389	20,627	2,046	32,045	34,091	Staff time
Total	14,963	209,736	224,699	15,972	226,327	242,299	

Governance costs:

	2024 £	2023 £
Auditor's remuneration	8,688	9,369
Support costs (see above)	14,963	15,972
	23,651	25,341

Allocation of governance and other support costs:

	2024 £	2023 £
Grants payable	79,163	85,281
Benefits payable	20,349	21,921
Raising funds	133,875	144,466
Total allocated	233,387	251,668

10. Analysis of expenditure on charitable activities - Group and Charity

	Grants Payable £	Benefits Payable £	2024 Total £	Grants Payable £	Benefits Payable £	2023 Total £
Grants payable (note 11)	226,040	-	226,040	203,890	-	203,890
Benefits payable to individuals	-	67,623	67,623	-	73,065	73,065
Staff costs	12,600	1,575	14,175	12,200	1,525	13,725
Governance and support costs (note 9)	79,163	20,349	99,512	85,281	21,921	107,202
Group and Charity total	317,803	89,547	407,350	301,371	96,511	397,882

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11. Analysis of grants

	Unrestricted £	Restricted £	Total 2024 £	Unrestricted £	Restricted £	Total 2023 £
Grants to institutions						
St Mirren's TC Charitable Trust	-	20,000	20,000	-	10,000	10,000
Scottish Nautical Welfare Society	-	10,000	10,000	-	12,200	12,200
Ocean Youth Trust	-	10,000	10,000	-	10,000	10,000
The Royal Liverpool Seamen's Orphan Institute	-	10,000	10,000	-	5,600	5,600
New Tannahill Centre	-	10,000	10,000	-	-	-
Shopmobility Paisley	-	10,000	10,000	-	-	-
NHS gifts	-	8,000	8,000	-	8,000	8,000
Wild Olive Café	-	7,500	7,500	-	-	-
Church of Scotland	-	5,041	5,041	-	5,855	5,855
Sunshine Wishes	-	5,005	5,005	-	-	-
Lodging House Mission	-	5,000	5,000	-	5,000	5,000
University of Glasgow	-	5,000	5,000	-	5,000	5,000
Star Project	-	5,000	5,000	-	-	-
Glasgow Barons	-	5,000	5,000	-	-	-
SupportED	-	5,000	5,000	-	-	-
Loud N Proud	-	5,000	5,000	-	-	-
Homeless Project Scotland	-	5,000	5,000	-	-	-
Clyde Shop Mobility	5,000	-	5,000	-	-	-
Church House Bridgeton	-	5,000	5,000	-	-	-
Boston Seafarer's Friend Society	-	5,000	5,000	-	-	-
Richmond's Hope	-	-	-	-	10,000	10,000
Govan HELP	-	-	-	-	10,000	10,000
Minority Communities Addiction	-	-	-	10,000	-	10,000
Govanhill Baths Community Trust	-	-	-	-	8,600	8,600
Musical	-	-	-	-	7,500	7,500
Hope Connections	-	-	-	-	7,300	7,300
GCC Maths Project	-	-	-	-	7,000	7,000
Leanne Fund	-	-	-	-	7,000	7,000
Refuweege	-	-	-	-	5,000	5,000
Croft Visitors Centre	-	-	-	5,000	-	5,000
Glasgow's Golden Generation	-	-	-	-	5,000	5,000
Awards between £3,001 and £5,000	-	34,880	34,880	11,985	16,100	28,085
Awards between £2,001 and £3,000	5,014	24,700	29,714	6,000	18,750	24,750
Awards between £1,001 and £2000	7,900	7,000	14,900	-	6,000	6,000
Awards of £1,000 or less	1,000	-	1,000	-	1,000	1,000
	18,914	207,126	226,040	32,985	170,905	203,890
Governance, staff and support costs	79,163	12,600	91,763	85,281	12,200	97,481
Total	98,077	219,726	317,803	118,266	183,105	301,371

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11. Analysis of grants (continued)

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	2024	£	£	2023
			£			£
Grants by category:						
Food and fuel poverty	1,000	101,726	102,726	4,175	43,100	47,275
Encouraging social inclusion	12,400	61,700	74,100	8,000	51,000	59,000
Healthy living	3,500	34,700	38,200	17,092	70,950	88,042
Other	2,014	9,000	11,014	3,718	5,855	9,573
	18,914	207,126	226,040	32,985	170,905	203,890
Governance, staff and support costs	79,163	12,600	91,763	85,281	12,200	97,481
Total	98,077	219,726	317,803	118,266	183,105	301,371

A full list of grants paid is available on the website.

12. Net income for the year

	Group		Charity	
This is stated after charging:	2024	2023	2024	2023
	£	£	£	£
Depreciation	38,033	59,451	-	-
Auditor's remuneration:				
Audit fees	13,309	1,303	7,854	8,610
Non-audit fees	834	759	834	759

13. Analysis of staff costs and remuneration of key management personnel

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Salaries and wages	192,799	198,720	192,799	198,720
Social security costs	13,770	12,682	13,770	12,682
Pension contributions	10,424	10,373	10,424	10,373
Total staff costs and employee benefits	216,993	221,775	216,993	221,775

	2024	2023
	£	£
Key management personnel remuneration	140,765	125,889

One employee had total employee benefits (excluding pension costs) in excess of £60,000 this year (2023: one employee).

	2024	2023
	No.	No.
The average number of persons, by headcount, employed by the House during the year was:	5	6

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

14. Tangible Fixed Assets - Group

	Heritable Property £	Equipment £	Total £
Cost or valuation			
At 1 January 2024	968,540	135,759	1,104,299
Additions	-	2,744	2,744
Disposals	(16,028)	-	(16,028)
At 31 December 2024	952,512	138,503	1,091,015
Depreciation			
At 1 January 2024	238,150	113,956	352,106
Charge for the year	24,433	13,600	38,033
Disposals	(8,323)	-	(8,323)
At 31 December 2024	254,260	127,556	381,816
Net book value			
At 31 December 2024	698,252	10,947	709,199
At 31 December 2023	730,390	21,803	752,193

At 31 December 2024 all fixed assets were held for mixed use.

Tangible Fixed Assets - Charity

	Heritable Property £
Cost or valuation	
At 1 January 2024 and At 31 December 2024	666,200
Depreciation	
At 1 January 2024 and At 31 December 2024	-
Net book value	
At 31 December 2024 and 31 December 2023	666,200

15. Heritage Assets

The House holds a collection of antique furniture, fine artwork, 20th century decorative furniture, statues & sculptures, silver and the Chains of Office of the Lord Dean and Vice-Dean. The collection is not capitalised in the balance sheet as the Trustees consider that the benefit of valuing the collection does not justify the costs that would be incurred. In March 2019 the collection was valued for insurance purposes at £272,300.

Antique Furniture / 20th Century decorative furniture

The collection includes various furniture items which are situated throughout the House in the Grand Hall, the Directors' Room, the Lord Dean's Room, the Vestibule and the James McCune Smith Room. The items include Victorian chairs, 19th Century chandeliers, mahogany chairs, side tables, mahogany and panel boards, a model tobacco ship, a Steinway grand piano and the door of the old Merchants House in the Bridgegate.

Fine Artwork

The art collection contains portraits of past Deans of Guild as well as several people of importance to the House along with paintings of local landmarks. The artwork is on display in the Grand Hall, the Directors' Room, the Lord Dean's Room and the James McCune Smith Room.

Statues & Sculptures

The House has a carved white marble bust of both James Ewing of Strathleven and James Buchanan, together with a marble statue of Kirkman Findlay.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

15. Heritage Assets (continued)

Silver

The Silver consists of three items - a Sheffield plated decorated tea tray, a pair of Sheffield plated Candelabra and a William IV decorated waiter.

16. Investments

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Investments	15,365,294	9,434,246	15,365,294	9,434,246
Subsidiary Undertaking	-	-	200,000	200,000
	15,365,294	9,434,246	15,565,294	9,634,246

	2024	2023
	£	£
Movement in fixed asset listed investments		
Market value brought forward	9,434,246	8,985,773
Additions to investments at cost	6,607,528	796,060
Increase in cash investments	119,857	11,337
Disposals at carrying value	(1,143,970)	(730,923)
Net gain on revaluation	347,633	371,999
Market value carried forward	15,365,294	9,434,246

	2024	2023
	£	£
Investments at fair value comprised:		
Equities	15,151,723	9,340,532
Cash	213,571	93,714
Total	15,365,294	9,434,246

	2024	2023
	£	£
Net gains on investments comprise:		
Realised (losses) / gains on investments	(38,329)	56,373
Net gain on revaluation	347,633	371,999
Total	309,304	428,372

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the House is considered in the financial review and investment policy and performance sections of the Report of the Directors.

The House manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The House does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

Subsidiary

The House holds 50,000 shares of £1 each in its wholly owned trading subsidiary company Ship Venture Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in note 5.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

17. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	78,595	45,649	-	-
Other debtors	196,570	126,163	4,450	5,744
Due from group undertaking	-	-	154,749	116,816
	275,165	171,812	159,199	122,560

18. Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	52,856	75,366	494	1,866
Accrual for grants payable	8,798	14,661	8,798	14,661
Other creditors and accruals	220,495	194,099	28,954	27,957
Taxation and social security costs	9,021	10,253	-	-
	291,170	294,379	38,246	44,484

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

19. Charitable funds – Group

Analysis of Fund movements

	2023 Balance b/fwd £	Income £	Expenditure £	Transfers £	Gains £	2024 Balance c/fwd £
Unrestricted funds						
Property fund	866,200	-	-	-	-	866,200
ARI Fund	-	5,699,372	(7,156)	-	-	5,692,216
Carol Richmond Charitable Trust	2,014	1,316	(2,264)	1,014	-	2,080
Total designated funds	868,214	5,700,688	(9,420)	1,014	-	6,560,496
General funds	1,554,061	1,187,022	(1,026,903)	8,396	40,565	1,763,141
Total unrestricted funds	2,422,275	6,887,710	(1,036,323)	9,410	40,565	8,323,637
Endowment funds						
Historical Endowments	3,424,030	-	(16,347)		92,303	3,499,986
Benjamin MacKay Trust *	222,547	-	(1,395)	(4,228)	15,724	232,648
Bogles of Gilmorehill Bursaries	113,959	-	(797)	-	4,500	117,662
Buchanan & Ewing Bequests	178,759	-	(895)	-	5,050	182,914
Carol Richmond Charitable Trust *	61,463	-	(334)	(1,014)	3,772	63,887
Commercial Travellers of Scotland	169,578	-	(860)	-	4,851	173,569
George Craig Trust	415,083	-	(1,982)	-	11,192	424,293
Glasgow Nursing & Medical Relief *	547,031	-	(2,969)	(9,003)	33,480	568,539
Inverclyde Bequest	1,749,480	-	(8,652)	-	48,852	1,789,680
MacPherson Charitable Trust	107,533	-	(513)	-	2,898	109,918
Morgan Mortification	492,794	-	(2,480)	-	14,007	504,321
RNVR Club (Scot) Memorial Trust *	181,877	-	(1,012)	(3,071)	11,421	189,215
Ure Elder Trust	251,101	-	(1,260)	-	7,115	256,956
Total endowment funds	7,915,235	-	(39,496)	(17,316)	255,165	8,113,588
Restricted funds						
Benjamin MacKay Trust	42,038	5,486	(4,750)	4,228	-	47,002
Bogles of Gilmorehill Bursaries	52,942	5,478	(750)	-	-	57,670
Buchanan & Ewing Bequest	8,598	6,150	(5,750)	-	-	8,998
Commercial Travellers of Scotland	10,388	5,907	(3,600)	-	-	12,695
Dr James Black's Trust	26,459	868	(377)	-	714	27,664
George Craig Trust	125	13,628	(12,251)	10,000	-	11,502
Glasgow Nursing & Medical Relief	16,321	11,680	(25,800)	9,003	-	11,204
Inverclyde Bequest	62,829	59,486	(38,480)	-	-	83,835
Keir Trust	115,214	3,782	(6,800)	-	3,105	115,301
Kennedy Fund	96,808	2,008	(11,011)	-	5,754	93,559
Morgan Mortification	26,838	17,056	(5,791)	(18,396)	-	19,707
RNVR Club (Scot) Memorial Trust	10,289	3,985	(10,500)	3,071	-	6,845
Underwood Trust	415,727	14,002	(116,814)	-	4,001	316,916
Ure Elder Trust	12,854	8,664	(3,800)	-	-	17,718
Total restricted funds	897,430	158,180	(246,474)	7,906	13,574	830,616
TOTAL FUNDS	11,234,940	7,045,890	(1,322,293)	-	309,304	17,267,841

* These funds permit the utilisation of capital as well as income.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

19. Charitable funds - Group (continued)

Analysis of Fund movements - prior year

	2022 Balance					2023 Balance
	b/fwd	Income	Expenditure	Transfers	Losses	c/fwd
	£	£	£	£	£	£
Unrestricted funds						
Property fund	866,200	-	-	-	-	866,200
Carol Richmond Charitable Trust	3,718	1,214	(3,968)	1,050	-	2,014
Total designated funds	869,918	1,214	(3,968)	1,050	-	868,214
General funds	1,429,604	1,194,934	(1,122,761)	-	52,284	1,554,061
Total unrestricted funds	2,299,522	1,196,148	(1,126,729)	1,050	52,284	2,422,275
Endowment funds						
Historical Endowments	3,308,509	-	(18,360)		133,881	3,424,030
Benjamin MacKay Trust *	208,287	-	(1,541)	(4,191)	19,992	222,547
Bogles of Gilmorehill Bursaries	108,475	-	(873)	-	6,357	113,959
Buchanan & Ewing Bequests	172,441	-	(1,004)	-	7,322	178,759
Carol Richmond Charitable Trust *	57,892	-	(386)	(1,050)	5,007	61,463
Commercial Travellers of Scotland	163,547	-	(958)	-	6,989	169,578
George Craig Trust	400,804	-	(2,271)	-	16,550	415,083
Glasgow Nursing & Medical Relief *	515,689	-	(3,386)	(9,212)	43,940	547,031
Inverclyde Bequest	1,688,765	-	(9,653)	-	70,368	1,749,480
MacPherson Charitable Trust	103,905	-	(577)	-	4,205	107,533
Morgan Mortification	475,578	-	(2,738)	-	19,954	492,794
RNVR Club (Scot) Memorial Trust *	171,147	-	(1,159)	(3,154)	15,043	181,877
Ure Elder Trust	242,342	-	(1,394)	-	10,153	251,101
Total endowment funds	7,617,381	-	(44,300)	(17,607)	359,761	7,915,235
Restricted funds						
Benjamin MacKay Trust	37,752	4,845	(4,750)	4,191	-	42,038
Bogles of Gilmorehill Bursaries	48,635	5,057	(750)	-	-	52,942
Buchanan & Ewing Bequest	8,523	5,825	(5,750)	-	-	8,598
Commercial Travellers of Scotland	9,178	5,560	(4,350)	-	-	10,388
Dr James Black's Trust	25,030	806	(389)	-	1,012	26,459
George Craig Trust	8,210	13,165	(21,250)	-	-	125
Glasgow Nursing & Medical Relief	25,095	10,647	(28,633)	9,212	-	16,321
Inverclyde Bequest	50,252	55,977	(43,400)	-	-	62,829
Keir Trust	118,046	3,799	(11,406)	-	4,775	115,214
Kennedy Fund	-	101,330	(10,452)	-	5,930	96,808
Morgan Mortification	17,569	15,874	(6,605)	-	-	26,838
RNVR Club (Scot) Memorial Trust	13,990	3,645	(10,500)	3,154	-	10,289
Underwood Trust	460,042	12,078	(61,003)	-	4,610	415,727
Ure Elder Trust	8,577	8,077	(3,800)	-	-	12,854
Total restricted funds	830,899	246,685	(213,038)	16,557	16,327	897,430
TOTAL FUNDS	10,747,802	1,442,833	(1,384,067)	-	428,372	11,234,940

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

19. Charitable funds (continued)

- a) The unrestricted funds are available to be spent for any of the purposes of the House.

The Trustees have created the following designated funds:

Heritable Property

The property is held to generate rental income which the House can then use in line with its charitable objectives and activities. The fund covers both the property and the related investment in Ship Venture Limited.

ARI Fund

The investments from the Association of the Relief of Infirmary in the West of Scotland were donated to the House in December 2024. The income is to be applied for the beneficiaries of the original ARI charity. £7,156 was paid out in the year in investment and professional fees.

Carol Richmond Charitable Trust

The income is applied for the benefit of Giffnock South Parish Church. £2,014 was paid out in the year.

- b) Endowment funds and Restricted funds comprise;

Historical Endowments (Endowment fund):

These endowment funds comprise individual endowment funds where the original purpose of the fund has been extinguished or there are no remaining beneficiaries. Under the terms of the endowments the House can use the income as the Trustees see fit. The funds included within the balance are as follows: Ridge Beedle, Simon Dallas, Daniel Duncan, Rebecca Edgar, John Farquhar, Gardiner, Lawrence Glen, James Grant, Dr James McCallum, Sir George Mitchell, Marjory Shanks Schaw, Johnstone Smith, Templeton, Waugh's Bequest, Stephen Bicentenary Trust, Glasgow Corn Trade and Scottish Retail Credit Trust.

The Benjamin MacKay Trust (Endowment fund and Restricted fund):

This trust was received by the House in July 2013. The House has undertaken to distribute at least one/seventh of the income generated each year to charitable organisations within the Lenzie/Kirkintilloch area. This fund permits the House to distribute capital as well as income. Awards of £4,000 were made during the year.

The Bogles of Gilmorehill Bursaries (Endowment fund and Restricted fund):

The Bogles of Gilmorehill Bursaries were established in 1992 by a gift of £50,000 from Ellen Bogle and Robert Bogle, descendants of the family which owned the Gilmorehill land on which the University of Glasgow is built. Awarded annually to home based graduate students undertaking a Masters Degree course in the Faculties of Divinity or Social Sciences and recommended to us by the University, the Bursaries are intended to benefit students whose financial needs are not met from public funds. No awards were made during the year.

The Buchanan and Ewing Bequest (Endowment fund and Restricted fund):

These grants are made specifically to Education Institutions to aid study. Awards of £5,000 were made during the year.

Carol Richmond Charitable Trust (Endowment fund and Designated fund):

Funds were transferred to the House in July 2006. This fund permits the House to distribute capital as well as income.

Commercial Travellers of Scotland Benevolent Fund for Widows and Orphans (Endowment fund and Restricted fund):

On 30th September 2009, the whole funds of the Commercial Travellers of Scotland Benevolent Fund for Widows and Orphans were transferred to the House on the understanding that the House would thereafter administer the funds in accordance with the objects of the House. There are now 2 beneficiaries and payments of £3,000 were made during the year.

Dr James Black's Trust (Restricted fund):

This small Trust was transferred to the House in August 2012 with a value of £17,981. It was principally for the benefit of retired domestic servants, but The House can also use it to disburse for other purposes. No awards were made in the year.

George Craig Trust (Endowment fund and Restricted fund):

Grants awarded by the George Craig Trust Committee amounted to £11,000. Grants of £1,000 each were given to assist in the education of 11 students.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

19. Charitable funds (continued)

The Glasgow Nursing and Medical Relief Association (Endowment fund and Restricted fund):

The whole funds of The Glasgow Nursing and Medical Relief Association were transferred to the House in 2006, on the understanding, incorporated into a formal undertaking, that the House would thereafter administer the fund in accordance with the wishes of the directors as expressed by them, prior to the dissolution and winding up of the Association. This fund permits the House to distribute capital as well as income. The fund is now managed by The Glasgow Nursing and Medical Relief Association Committee. In accordance with its brief, awards of £24,800 have been made to certain medical and nursing related charitable organisations in Glasgow and one retired member.

Inverclyde Bequest (Endowment fund and Restricted fund):

The Inverclyde Bequest Fund was founded in 1906. During the past year the sum of £36,480 has been distributed in accordance with the terms of the bequest for the relief of seamen belonging to the Mercantile Marine of the Commonwealth and the United States, their wives, widows, children and family dependents. The funds are distributed directly to charities in Scotland, England and to Missions in the New York and Boston Districts.

The Keir Trust (Restricted fund):

This Trust was originally set up by Mrs Helen Pottage, who had a lifelong interest in the arts. The Trust was transferred to the House in March 2012, with the Investment value of £92,808 at the time, together with a residual cash balance of £3,298. This Trust must be used to benefit the greater good, rather than pensioners. Awards of £6,000 were made in the year.

The Kennedy Fund (Restricted fund):

This Fund was set up during 2023 with a donation of £100,000. The Fund must be used for the primary purposes of the Merchants House and must be expended in full during a period not exceeding 10 years. Awards of £10,000 were made in the year.

MacPherson Charitable Trust (Endowment fund):

Funds of £58,065 were transferred to the House in February 2005. Income generated from this fund is treated as unrestricted.

The Morgan Mortification (Endowment fund and Restricted fund):

1/3 of the income generated from this fund is paid as a grant to the Presbytery of Glasgow. Awards of £5,041 were made in the year. In addition, £10,000 was transferred to The George Craig Trust and £8,396 to House unrestricted funds.

RNVR Club (Scotland) Memorial Trust (Endowment fund and Restricted fund):

The whole funds of RNVR Club (Scotland) Memorial Trust were transferred to The House in 2006, on the understanding that The House would thereafter administer the fund in accordance with the objects of the Trust. This fund permits the House to distribute capital as well as income. Awards of £10,000 were made in the year.

The Underwood Trust (Restricted fund):

A substantial donation was received by the House from the Underwood Trust in June 2013. The purpose of the Fund is to assist financially the deprived people of Glasgow and its surrounding environs (50%) and Paisley and its environs (50%). The disbursement is capital and interest over a period between 10 to 15 years. During the year awards totalling £110,855 were distributed to 22 charities. Awards are made in accordance with The House's own guidelines: -

- Organisations providing care and assistance to groups of or concerned with disabled, elderly or terminally ill, and socially deprived
- Organisations providing care, advancement and rehabilitation of youth
- Universities, colleges of further education and schools.

The Ure Elder Trust (Endowment fund and Restricted fund):

The Ure Elder Trust was transferred to the House in 2018. This fund is to be applied for the prevention or relief of poverty, the advancement of health, the advancement of education, the advancement of heritage and culture (including maintaining and keeping in good order and condition the burial ground in the Glasgow Necropolis forming Compartment Epsilon No. 278 and the Monument erected thereon), the relief of those in need or for any other charitable purpose. Focus is placed on the Greater Glasgow and Govan areas. Awards and beneficiary payments of £2,400 were made in the year.

Management Fee

The expenditure shown against each fund includes a proportion of the administration costs of the House.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

20. Allocation of net group assets over funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £
Fixed assets	709,199	-	-	709,199
Investments	992,462	6,248,980	8,123,852	15,365,294
Current assets	6,893,842	(5,409,324)	-	1,484,518
Current liabilities	(271,866)	(9,040)	(10,264)	(291,170)
	8,323,637	830,616	8,113,588	17,267,841
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £
Fixed assets	752,193	-	-	752,193
Investments	971,298	537,795	7,925,153	9,434,246
Current assets	968,347	374,533	-	1,342,880
Current liabilities	(269,563)	(14,898)	(9,918)	(294,379)
	2,422,275	897,430	7,915,235	11,234,940

21. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
Net income for the year (as per the Statement of Financial Activities)	6,032,901	487,138	6,065,061	543,346
Adjustments for:				
Depreciation charges	38,033	59,451	-	-
Disposal of fixed assets	7,705	-	-	-
Dividends and interest	(327,741)	(294,404)	(474,169)	(413,785)
(Gains) on investments	(309,304)	(428,372)	(309,304)	(428,372)
(Increase) / decrease in debtors	(103,353)	44,911	(3,446)	2,053
(Decrease) in creditors	(3,209)	(42,097)	(6,238)	(34,205)
Net cash (used in) operating activities	5,335,032	(173,373)	5,271,904	(330,963)

22. Analysis of cash and cash equivalents

	Group		Charity	
	2024	2023	2024	2023
Cash in hand	1,209,353	1,171,068	960,333	869,197
Total cash and cash equivalents	1,209,353	1,171,068	960,333	869,197