



**The Trades House of Glasgow**  
**Report and Consolidated Financial Statements**  
**Year ended 30 September 2020**  
**Scottish Charity No:SC040548**

**THE TRADES HOUSE OF GLASGOW  
YEAR ENDED 30 SEPTEMBER 2020  
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# THE TRADES HOUSE OF GLASGOW YEAR ENDED 30 SEPTEMBER 2020

## THE PLATFORM

The individual trustees holding office on the Platform as at 24<sup>th</sup> March 2021 were:

Ken Dalgleish, Deacon Convener  
William J B Birse-Stewart, Collector  
Bruce Reidford, Late Collector  
Tom McNally, Late Convener  
Alistair J Dorward, Ex Convener  
Keith Brown, Ex Convener  
Ewen Mackie, Collector Elect

## TRUSTEES

The trustees of Trades House in office during the period 1 October 2019 to 24 March 2021 were:

## HAMMERMEN

Dr Gordon Masterton  
Colin Botfield (retired 14 October 2020)  
John McKnight (resigned 2 June 2020)  
Professor Bruce Wood  
Andrew Young  
David Westmore  
Nina Baker (appointed 9 October 2019)  
Dr Martin Cullen (appointed 14 October 2020)

## TAILORS

Timothy J Purdon  
Fiona Scott (retired 9 October 2019)  
Gordon Price (retired 9 October 2019)  
Kenneth Gibb (retired 14 October 2020)  
Alex Paterson  
Ken Kennedy  
Gordon Mather (appointed 9 October 2019)  
Janet Hansen (appointed 9 October 2019)  
John Kelly (appointed 14 October 2020)

## CORDINERS

Dr .Beverly Bergman  
Professor Ewan McDonald  
Alistair Dorward  
Iain Lennox  
Dr. Adrian Pierotti (retired 14 October 2020)  
Liam Devlin (retired 9 October 2019)  
Brian McAlinden (appointed 9 October 2019)  
Liam Entwistle (appointed 14 October 2020)

## MALTMEN

William J B Birse-Stewart  
George P Thomson (retired 9 October 2019)  
Charles Mackintosh  
Iain Macpherson (deceased 11 December 2020)  
Roddy Young  
David Moore  
Darren Wilson (appointed 9 October 2019)  
Stuart White (appointed 14 October 2020)

# THE TRADES HOUSE OF GLASGOW YEAR ENDED 30 SEPTEMBER 2020

## **WEAVERS**

Kenneth W. MacDonald  
Kenneth Dalgleish  
Moirra Dalgetty (retired 9 October 2019)  
Breege Smyth (Supernumerary)  
Alex McCluskey (retired 14 October 2020)  
Susanne McCormick (appointed 9 October 2019)  
Mark Hamilton (appointed 14 October 2020)

## **BAKERS**

Anita Brown (retired 14 October 2020)  
Dr Rose Mary Harley (retired 9 October 2019)  
Bruce Reidford  
Elizabeth Reidford  
Scott Anderson  
Silvia Ciferri (Supernumerary) (appointed 9 October 2019)  
Jason Ross (appointed 14 October 2020)

## **SKINNERS**

David R Bird (appointed 9 October 2019)  
Elspeth Talbot  
Rev Thomas L Pollock (retired 14 October 2020)  
Hugh Gilmour  
Kim Wight (appointed 14 October 2020)

## **WRIGHTS**

Dorothy Newlands of Lauriston (retired 9 October 2019)  
Graeme McDonald (retired 14 October 2020)  
Richie Miller (retired 14 October 2020)  
Shirin Parsno  
Gillian Christiansen (appointed 9 October 2019)  
Tony Barr (appointed 14 October 2020)  
Don McKillop (appointed 14 October 2020)

## **COOPERS**

Tom McInally  
Keith Brown  
Kenneth Dalby (retired 9 October 2019)  
Alasdair Ronald (retired 14 October 2020)  
Sheonagh Beaton  
John MacLeod  
Graeme Kidd (Supernumerary) (appointed 9 October 2019)  
Graeme Monteith (Supernumerary) (appointed 14 October 2020)

## **FLESHERS**

Ruth E. Maltman (retired 9 October 2019)  
John Kerr  
Col Hugo Grant  
Gavin Queen  
Iris Gibson (Retired 9 October 2019)  
Graeme Lyall (appointed 9 October 2019)

# THE TRADES HOUSE OF GLASGOW YEAR ENDED 30 SEPTEMBER 2020

## **MASONS**

David McLaren (retired 9 October 2019)  
Gordon Weetch  
John Brown  
David Taylor  
N. Grant Macleod (appointed 9 October 2019)

## **GARDENERS**

Nick T Parry (appointed 14 October 2020)  
Pauline Bell (retired 14 October 2020)  
William G H Peebles  
Donald Wemyss (retired 9 October 2019)  
Lorne Scott  
Paul Carnan (appointed 9 October 2019)

## **BARBERS**

Karen Waugh (retired 9 October 2019)  
Dr Mary Warnock (retired 14 October 2020)  
Dave King  
Neil MacEwen  
Aileen White (appointed 9 October 2019)  
Professor David Hamblen (appointed 14 October 2020)

## **BONNETMAKERS & DYERS**

Robert Linton (retired 9 October 2019) (appointed 6 February 2020)  
Mariella MacLeod (retired 9 October 2019) (appointed 10 March 2020)  
Dianne Chapman  
Mungo Campbell (resigned 6 February 2020)  
David Hanlan (appointed 9 October 2019) (resigned 10 March 2020)  
Norman MacLean (Supernumerary) (appointed 9 October 2019)  
Ewen Mackie (appointed 17 June 2020)

**Chief Executive and Clerk: John Gilchrist CA MBA.**

**Trades House of Glasgow,**

**Trades Hall,**

**85 Glassford Street,**

**Glasgow G1 1UH**

**Tel:** 0141 553 1605

**Email:** [john.gilchrist@tradeshouse.org.uk](mailto:john.gilchrist@tradeshouse.org.uk)

[www.tradeshouse.org.uk](http://www.tradeshouse.org.uk)

**ADMINISTRATIVE INFORMATION  
YEAR ENDED 30 SEPTEMBER 2020**

**BANKERS:**

Bank of Scotland  
PO Box 1000  
BX21LB

**AUDITORS:**

RSM UK Audit LLP  
First Floor  
Quay 2  
139 Fountainbridge  
Edinburgh  
EH3 9QG

**INVESTMENT ADVISERS:**

Tilney  
130 St Vincent Street  
Glasgow  
G2 5SE

**LEGAL ADVISERS:**

Bannatyne Kirkwood France & Co  
16 Royal Exchange Square  
Glasgow  
G1 3AG

**REGISTERED ADDRESS:**

Trades Hall  
85 Glassford Street  
Glasgow  
G1 1UH  
Telephone 0141 553 1605

# **TRUSTEES REPORT YEAR ENDED 30 SEPTEMBER 2020**

The Trustees hereby submit their report and the audited financial statements for the year ended 30 September 2020.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing Documents**

The Trades House of Glasgow was first constituted in 1605 under the arbitration award referred to as the Letter of Guildry, thereafter operated under an Act of Scots Parliament of 1672, and is now regulated by the Glasgow Trades House Order Confirmation Act 1920. The other governing documents are:-

- Declaration of the Trades House of Glasgow 2009
- Deeds of Appointment of 2010 and 2013 in respect of the constituent charity funds managed by Trades House of Glasgow
- The Rules and Bye Laws of the Trades House of Glasgow 23<sup>rd</sup> May 2018.

Trades House of Glasgow is a registered charity body with the Office of the Scottish Charity Register (OSCR) under number SC040548.

### **Organisational Structure**

The House comprises 64 representatives elected by the 14 ancient Incorporated Trades of Glasgow who each year choose a Deacon Convener and Collector.

The 64 representatives are elected by each Incorporation in September each year and they become independent House Trustees at the first House meeting on the following October. All Trustees are provided with copies of the Rules and Bye Laws and a formal training programme explaining the duties and responsibilities of charity Trustees is provided.

The Platform Committee of the House, comprising the Deacon Convener and Collector plus up to six other officers, provide general direction and supervision of the House's activities. The Chief Executive and Clerk to the House is its principal paid official, who provides strategic and operational advice and support to the Platform. He is also responsible for the daily management of administration, hall operations, commercial activities and, updating rules and regulations which are relevant to the working of the Trades House. The Collector of the House, acting through the Chief Executive and Clerk, is responsible for preparing the Accounts for each financial year. The House meets six times a year and the Platform Committee normally meet every month.

Trades House of Glasgow apply the seven principles set down in the Charity Governance Code throughout its governance procedures and structure.

The governance structure of Trades House of Glasgow has the following key committees:-

- Platform
- Hall Committee
- Finance Committee
- Investment Committee
- Charities Committee
- Education Committee
- Governance Committee
- Audit Committee

Trades House of Glasgow manages 20 restricted Charitable Funds which are detailed in these accounts.

### **Group Structure**

Trades House of Glasgow is the parent of a group which comprises Trades House of Glasgow (Charity number SC040548) and a subsidiary company Trades House of Glasgow (Services) Limited (Company number SC 471792). The Trades House of Glasgow (Services) Limited has three Directors, J. Gilchrist, Chief Executive, Keith Brown OBE, and Tom McNally. The principal activity of the company is the provision of commercial events and functions within Trades Hall of Glasgow.

### **Responsibilities of the Trustees**

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

## **TRUSTEES REPORT YEAR ENDED 30 SEPTEMBER 2020**

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In the preparation of these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

### **Risk Management**

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity and its subsidiary face
- the establishment of policies, systems and procedures to mitigate those risks
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified the following areas of risk:-

- The Covid-19 pandemic has had a significant impact upon Trades House and Trades Hall and a full review of its consequences across the business have been considered. Forecasts for the three years to September 2023 have been prepared and the effect upon income from Investments, Hall Trading and Rental Income has been assessed. The key assumptions and affect upon cash reserves have been assessed as follows:-
  - Investment Income – The investment portfolio has been negatively impacted, although the market has recovered some of its losses. Going forward it is thought that investment income will continue to be negatively affected as companies reduce or cancel their dividends. After detailed discussions with our Investment Managers a prudent view upon future income has been taken.
  - Hall Trading – Hall Trading has been significantly impacted by periods of lockdown and restrictions upon our ability to trade due to Government guidelines. The effects of social distancing will continue to restrict our ability to hold events and functions until the benefits of a vaccine become apparent. A prudent assessment of future income has been made over the three year period to September 2023 with income growing slowly until the ability to fully trade returns. The reduction in income has been offset by significant cost savings plus a restructure of staff leading to a reduction of four staff.
  - Rental Income – Due to lockdown and social distancing our tenant's ability to trade has been restricted. A prudent view has been taken upon the level of future rental income and we are managing the risk by regular reviews with the tenant.

The reduction in income has been offset by cost savings and it is anticipated that Trades House will have sufficient cash reserves which will allow it to meet its liabilities and anticipated future charitable activities.

- Trades Hall is a Class A listed historical building and is recognised as a unique historical building of great importance to the history of Glasgow. We have longer term plans to install a fire suppression system within Trades Hall to reduce the effect of fire damage. This investment is dependent upon external grant support and availability of internal cash flow. The main areas of risk within the kitchens have been addressed by the installation of fire suppression systems.
- Operational risk arising from fire, health and safety within Trades Hall. We have focused on these risks which are being managed through a programme of ensuring all compliance matters are in place and a regular maintenance programme is under way.

### **Objective and Activities**

The objectives of Trades House are detailed in the Rules and Bye Laws as:-

- To convene the 14 Trade Incorporations of Glasgow in the spirit of Union is Strength and to promote awareness of the importance of the House and the Crafts in the history and culture of the City.
- To support organisations that work to improve the quality of life within the City of Glasgow and especially in respect of poverty, ill health or those with disabilities. Additionally, to provide individual support for those in ill health or in financial hardship.
- To support youth in the City through crafts, education and citizens awards and participation in sport.



## TRUSTEES REPORT YEAR ENDED 30 SEPTEMBER 2020

- To raise funds to support the objectives.
- To support the City of Glasgow in ways that promote its history, heritage and cultural background.
- To sustain Trades Hall as the home of the House and the Crafts and one of Glasgow's historic buildings.
- To preserve our artefacts by the provision of a Museum and Library and to make such exhibits available to the public to view and consult for research purposes where appropriate.

The activities of the House focus delivery of these objectives by:-

- Raising income from its Funds and events which is then devoted to charitable objects centred upon Glasgow, whether for relieving individual distress or more general wider public charitable purposes.
- The benefits of the charitable awards made by Trades House are reflected in –
  - The support of organisations through the Commonweal Fund
  - The relief of families in poverty through the Relief Fund
  - The relief of children in poverty through the Drapers Fund
  - The support of children in Kinship care through the Kinship Care Initiative
  - The support of beneficiaries requiring financial support
- Management of various educational projects to support youth in the City through crafts, education and citizens awards.
- Trades House and the Deacon Convener, as Third Citizen of Glasgow, maintain a strong relationship with Glasgow City Council to help promote the history, heritage and culture of the city and promote awareness of the achievements of Trades House and the Crafts in the charitable and educational areas of the city.
- Trades Hall is promoted as a commercial venue which derives income from lets, events and commissions that is used to support and maintain the heritable property.
- Maintenance and investment in Trades Hall to ensure that the historical importance of the building will be ensured for future generations.
- Preservation of artefacts in the Craftsman's Museum in Trades Hall and research into the history of Trades House in the development of the culture and growth of Glasgow.

The success of delivery of the above activities is measured through some key performance indicators which focus upon:-

- The number and value of charitable awards made during the year.
- The number and value of events held in Trades Hall during the year.

### **Strategy**

The Trustees of Trades House have identified the purpose and strategy of Trades House as:-

To improve the lives of people in Greater Glasgow by tackling areas of significant charitable need, with a focus on social and civic wellbeing and education.

We will achieve this by:

- Convening and capitalising on the skills, commitment and combined strength of our 14 Incorporated Trades, and the Glasgow-grown charities based at Trades Hall
- Identifying where we can add most value, measuring our impact and sharing inspirational success stories that demonstrate the difference we make
- Reaching out to attract and welcome new friends and supporters and extend our influence in ways that reflect life in today's changing world.

### **Achievements**

The activities of Trades House and Trades Hall have been significantly impacted by the effects of Covid 19. In March 2020 we entered a long period of lockdown where no activities were allowed to take place in Trades Hall. This was followed by a period where our ability to open was restricted to small weddings. This has also meant that all functions and events held by Trades House or any of the 14 Incorporated Crafts were also cancelled. Where possible Trades House and Craft activities have taken place online through the use of Zoom.

Covid 19 has also led to the cancellation of all Trades House educational projects as Trades Hall could not open and all schools and colleges were closed. The annual Burns Festival did take place prior to the lockdown.

The work of the various Charity committees within Trades House carried on during the year through the use of Zoom. The impact of Covid 19 upon local charities and families suffering financial distress is becoming apparent through a gradual increase in the number of requests for support which are received.

Charitable payments totalling £414,461 (2019: £471,697) were made to 528 individuals (2019: 767) and 63 organisations (2019: 70). Payments from the Drapers Fund totalling £79,108 (2019: £93,909) have assisted 247 (2019: 254) families with children to reduce the effects of distress caused by poverty. The Commonweal Fund has made grants of £118,687 (2019: £133,500) to 51 (2019: 58) organisations in the Glasgow area, with a focus upon assisting small charities achieve their objectives.

## **TRUSTEES REPORT YEAR ENDED 30 SEPTEMBER 2020**

The Trades House Kinship Care Initiative is a fund designed to provide opportunities to children being supported by their extended family, to reach their full potential and become active citizens in Glasgow. During the year awards totalling £29,700 (2019: £20,000) were made to support kinship children at homework clubs, which are recognised as a good foundation for the future education and personal development of children in kinship care.

Each year, the Deacon Convener and his Chain Gang, organise various charitable events to raise funds for charitable causes. Unfortunately, due to Covid 19 all fund raising activities had to be cancelled, however Deacon Convener Bruce Reidford and his Chain Gang successfully made donations of £3,234 to their chosen charities before lockdown.

### **Future Plans**

Covid 19 has significantly affected Trades House and it has resulted in the delay of future plans for continued investment in Trades Hall plus a growth in commercial income to help support its charitable objectives. The three year plan shows a slow recovery which will be dependent upon the removal of Government restrictions and social distancing.

The Charities committee is continuing to focus awards upon the most deserving needs of society within Glasgow as the negative impact of Covid 19 is felt throughout society.

### **Going Concern**

The Trustees revisited the current year and future year budgets and cash flow forecasts to September 2023 in light of the impact of Covid-19 on the Group. These indicate that Trades House will have sufficient resources which will allow it to meet its liabilities and anticipated future charitable activities for at least the next 12 months.

On the basis of budgets, financial forecasts and cash flow projections the Trustees are satisfied that there are no material uncertainties and believe the going concern principle is appropriate to these financial statements.

### **Investment Policy**

Funds which are not required for day to day working capital are invested by our Investment Managers who have a discretionary portfolio mandate over the investments. The Investment Committee lay down the benchmark for the Fund Managers who invest according to that benchmark and their performance is reviewed bi-annually by the committee. The Investment Committee is appointed by the House for a term of 3 years.

### **Related Parties**

There are common dealings with the 14 Incorporations but these are all dealt with on an arm's length basis. Details of related party transactions are described in notes 21 and 22 to the accounts.

### **Financial Review**

The consolidated results for the year to 30<sup>th</sup> September 2020 comprise the audited results of Trades House of Glasgow and Trades House of Glasgow (Services) Limited for the year ended September 2020.

The Consolidated results show unrestricted funds having a deficit for the year of £116,892 (2019 deficit £119,877). This comprises three parts –a deficit in House running costs of £15,602 (2019 deficit £12,643), a Hall trading loss of £108,085 (2019 Loss £111,816) and a surplus income from designated funds of £6,795 (2019 £4,582).

The restricted funds show a deficit for the year of £31,905 (2019 surplus £115,737).

There were losses due to revaluation of investments £3,131,740 (2019:Gains £168,593), and losses upon sale of investments of £59,314 for the year (2019: Losses £48,330).

The above results have been significantly impacted due to the effects of Covid 19 within the following areas:-

#### Hall Trading

- Hall Trading has fallen by £101,267 (53%) due to lockdown and opening restrictions.
- This has been offset by a reduction of £60,166 in Repair expenditure plus, the receipt of £41,946 under the Coronavirus Job retention Scheme
- The results include £13,750 in respect of Redundancy payments.

#### House Running costs

- All expenditure upon House operations has been reduced in order to mitigate the impact of Covid 19
- Expenditure was reduced by £18,294 with the receipt of support under the Coronavirus Job retention Scheme.
- The results include £5,252 in respect of Redundancy payments.

## TRUSTEES REPORT YEAR ENDED 30 SEPTEMBER 2020

### Restricted Funds

- Income from Investments fell significantly during the year as the effect of dividends being stopped or reduced due to Covid 19 were felt. Restricted income dropped by £172,476 (19%).

### Revaluation of Investments

- The value of investments dropped by 15% due to stock market uncertainty caused by Covid 19.

All Artefacts were revalued at current market value. Chains and Silverware were revalued by J. Forrest & Co. Limited, and all other artefacts, paintings, furniture, statues and other items, were revalued by Lyon & Turnbull, Auctioneers. A gain of £24,575 arose upon the revaluation of Chains and Silverware. No changes arose upon the valuation of other artefacts.

### Reserves Policy

The total value of the funds belonging to the Trades House and the Funds administered by the House as at 30 September 2020 are covered by the attached audited financial statements, and are as follows:

	2020	2019	2018
	£	£	£
Unrestricted	2,113,868	2,399,100	2,478,621
Designated	160,460	153,666	48,253
	2,274,328	2,552,766	2,526,874
Restricted	18,847,774	21,884,612	21,751,421
	21,122,102	24,437,378	24,278,295

Unrestricted Funds comprise certain Fixed Assets, plus investments, plus other net assets / (liabilities) and a part of the Trades Hall property, occupation of which is central to our activities. The remainder of the Trades Hall asset is held within restricted funds.

Restricted Funds mainly comprise a substantial investment portfolio which generates the income necessary to award grants and beneficiary payments in fulfilment of the conditions under which we received these funds. Our policy is to safeguard these reserves while accepting that in appropriate circumstances we are mandated to expend the capital of certain of the charity funds to carry out the donors' wishes. Restricted Reserves also have a value attributable to a share of Trades Hall and some related to other Fixed Assets.

### Grant Making Policy

Grants payable are payments made to third parties in the furtherance of the objectives of the charity.

Grant applications made to the charity are considered by the Charities Committee and various Committees that manage each Fund in accordance with the guidelines prescribed for each Fund.

### Remuneration Policy for Key Management Personnel

The remuneration of the Chief Executive is reviewed annually by the Remuneration Committee. The remuneration reflects the nature of the charity and is benchmarked against charities of a similar size.

### Services provided by Volunteers

Trades House of Glasgow relies upon services undertaken by Trustees or past Trustees on a voluntary basis.

All House Committees have committee members who are current or past Trustees of the Trades House. Committees may meet on a monthly, bi-monthly, or quarterly basis, depending upon their purpose.

Education projects run by Trades House have committees which include past and present Trustees of Trades House.

Covid 19 has severely impacted the operations of the House, Incorporated Crafts and the Chain Gang. For six months of the year all activities have ceased however operations and charity work of Trades House have continued through the use of Zoom.

Each year, the Deacon Convener's Chain Gang, a committee made up of the Deacons/Visitor, of each Incorporated Craft, plus representatives of Associated Organisations, undertake several fund raising activities to raise funds for the Deacon Convener's fund which donates money raised to a chosen charitable cause.

The number of full time equivalent days contribution of time by Trustees or past Trustees for 2020 was 572 days (2019: 660 days).

The above excludes the personal time invested by the Deacon Convener, as Third Citizen of Glasgow, attending many civic events in Glasgow and functions throughout the country promoting Glasgow and Trades House.

**TRUSTEES REPORT  
YEAR ENDED 30 SEPTEMBER 2020**

**Auditors**

A resolution will be proposed at the Annual General Meeting that RSM UK Audit LLP be re-appointed as auditors.

**Disclosure of information to Auditors**

As far as the Platform Committee are aware, at the time the report is approved:

- a) there is no relevant information of which the House's auditors are unaware,
- b) the Platform Committee have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

On behalf of the Trustees:

A handwritten signature in blue ink, appearing to read 'W Birse-Stewart', written in a cursive style.

**William Birse-Stewart  
Collector**

**Date:** 24 March 2021

# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE TRADES HOUSE OF GLASGOW

## Opinion

We have audited the financial statements of Trades House of Glasgow (the 'charity') and its subsidiaries (the 'group') for the year ended 30 September 2020 which comprise the Group and parent charity Statement of Financial Activities, the group and parent company Balance Sheets, the group and parent charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 30 September 2020 and of its 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 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.

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 charity 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the Trustees Report 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, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- proper accounting records have not been kept; or
- the 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.

# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE TRADES HOUSE OF GLASGOW

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on pages 7 and 8 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 trustees 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 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 charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



RSM UK Audit LLP  
Statutory Auditor  
First Floor, Quay 2  
139 Fountainbridge  
Edinburgh EH3 9QG

Date 29 March 2021

**THE TRADES HOUSE OF GLASGOW**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 30 SEPTEMBER 2020**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds Year to September 2020	Total Funds Year to September 2019
		£	£	£	£
<b>Income and Endowments from:</b>					
Donations and Legacies		7,397	-	7,397	29,228
Trades Hall trading	4a	245,048	-	245,048	314,816
Fundraising activities		9,927	14,977	24,904	85,517
Matriculation Fees and Other Income	2	25,633	14,635	40,268	19,078
Investment Income	3	33,357	756,572	789,929	967,424
<b>Total Income</b>		<u>321,362</u>	<u>786,184</u>	<u>1,107,546</u>	<u>1,416,063</u>
<b>Expenditure on:</b>					
Trades Hall trading	4b	353,133	22,619	375,752	442,441
Raising Funds		1,027	1,931	2,958	43,580
Investment Management Costs		2,640	41,790	44,430	48,172
		<u>356,800</u>	<u>66,340</u>	<u>423,140</u>	<u>534,193</u>
Charitable Activities:					
Grants Individuals	5a	779	250,492	251,271	293,982
Institutions	5b	-	163,190	163,190	177,715
Support Costs	6	80,675	338,067	418,742	414,313
		<u>81,454</u>	<u>751,749</u>	<u>833,203</u>	<u>886,010</u>
<b>Total Expenditure</b>		<u>438,254</u>	<u>818,089</u>	<u>1,256,343</u>	<u>1,420,203</u>
<b>(Deficit) of Funds</b>		<u>(116,892)</u>	<u>(31,905)</u>	<u>(148,797)</u>	<u>(4,140)</u>
Net (Losses)/Gains on Revaluation of Investments	11	(181,929)	(2,949,811)	(3,131,740)	168,593
Net (Losses) on Realisation of Investments		(4,192)	(55,122)	(59,314)	(48,330)
Transfer		-	-	-	-
<b>Net (Expenditure)/Income</b>		<u>(303,013)</u>	<u>(3,036,838)</u>	<u>(3,339,851)</u>	<u>116,123</u>
Other Recognised Gains/(Losses)					
Gain on Revaluation of Artefacts	10	24,575	-	24,575	42,960
<b>Net movement in Funds</b>		<u>(278,438)</u>	<u>(3,036,838)</u>	<u>(3,315,276)</u>	<u>159,083</u>
<b>Reconciliation of Funds:</b>					
Total Funds brought forward		2,552,766	21,884,612	24,437,378	24,278,295
<b>Balance carried forward at 30 September 2020</b>		<u>2,274,328</u>	<u>18,847,774</u>	<u>21,122,102</u>	<u>24,437,378</u>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended were derived from continuing activities. The notes on pages 22 to 38 form part of these financial statements.

**THE TRADES HOUSE OF GLASGOW**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 30 SEPTEMBER 2020**

**Details of comparative figures  
for 2019**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds Year to September 2019
		£	£	£
<b>Income and Endowments from:</b>				
Donations and Legacies		29,228	-	29,228
Trades Hall trading	4a	314,816	-	314,816
Fundraising activities		65,605	19,912	85,517
Matriculation Fees and Other Income	2	19,078	-	19,078
Investment Income	3	38,376	929,048	967,424
<b>Total Income</b>		<u>467,103</u>	<u>948,960</u>	<u>1,416,063</u>
<b>Expenditure on:</b>				
Trades Hall trading	4b	426,632	15,809	442,441
Raising Funds		39,200	4,380	43,580
Investment Management Costs		2,409	45,763	48,172
		<u>468,241</u>	<u>65,952</u>	<u>534,193</u>
Charitable Activities:				
Grants Individuals	5a	13,963	280,019	293,982
Institutions	5b	8,000	169,715	177,715
Support Costs	6	96,776	317,537	414,313
		<u>118,739</u>	<u>767,271</u>	<u>886,010</u>
<b>Total Expenditure</b>		<u>586,980</u>	<u>833,223</u>	<u>1,420,203</u>
<b>(Deficit)/Surplus of Funds</b>		<u>(119,877)</u>	<u>115,737</u>	<u>(4,140)</u>
Net Gains on Revaluation of Investments	11	5,935	162,658	168,593
Net (Losses) on Realisation of Investments		-	(48,330)	(48,330)
Transfer of Funds		96,874	(96,874)	-
<b>Net (Expenditure)/Income</b>		<u>(17,068)</u>	<u>133,191</u>	<u>116,123</u>
Other Recognised Gains/(Losses)				
Gain on Revaluation of Artefacts	10	42,960	-	42,960
Gain on Revaluation of Property		-	-	-
<b>Net movement in Funds</b>		<u>25,892</u>	<u>133,191</u>	<u>159,083</u>
<b>Reconciliation of Funds:</b>				
Total Funds brought forward		2,526,874	21,751,421	24,278,295
<b>Balance carried forward at 30 September 2019</b>		<u><u>2,552,766</u></u>	<u><u>21,884,612</u></u>	<u><u>24,437,378</u></u>



**THE TRADES HOUSE OF GLASGOW**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 30 SEPTEMBER 2020**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds Year to September 2020	Total Funds Year to September 2019
		£	£	£	£
<b>Income and Endowments from:</b>					
Donations and Legacies		11,268	-	11,268	29,228
Trades Hall trading	4a	101,978	-	101,978	109,146
Fundraising activities		9,927	14,977	24,904	85,517
Matriculation Fees and Other Income	2	67,732	14,635	82,367	60,875
Investment Income	3	33,357	756,572	789,929	967,424
<b>Total Income</b>		<u>224,262</u>	<u>786,184</u>	<u>1,010,446</u>	<u>1,252,190</u>
<b>Expenditure on:</b>					
Trades Hall trading	4b	186,154	22,619	208,773	268,377
Raising Funds		1,027	1,931	2,958	43,580
Investment Management Costs		2,640	41,790	44,430	48,172
		<u>189,821</u>	<u>66,340</u>	<u>256,161</u>	<u>360,129</u>
Charitable Activities:					
Grants Individuals	5a	779	250,492	251,271	293,982
Institutions	5b	-	163,190	163,190	177,715
Support Costs	6	97,441	338,067	435,508	428,375
		<u>98,220</u>	<u>751,749</u>	<u>849,969</u>	<u>900,072</u>
<b>Total Expenditure</b>		<u>288,041</u>	<u>818,089</u>	<u>1,106,130</u>	<u>1,260,201</u>
<b>(Deficit) of Funds</b>		<u>(63,779)</u>	<u>(31,905)</u>	<u>(95,684)</u>	<u>(8,011)</u>
Net (Losses)/Gains on Revaluation of Investments	11	(181,929)	(2,949,811)	(3,131,740)	168,593
Net (Losses) on Realisation of Investments		(4,192)	(55,122)	(59,314)	(48,330)
Transfer		-	-	-	-
<b>Net (Expenditure)/Income</b>		<u>(249,900)</u>	<u>(3,036,838)</u>	<u>(3,286,738)</u>	<u>112,252</u>
<b>Other Recognised Gains/(Losses)</b>					
Gain on Revaluation of Artefacts	10	24,575	-	24,575	42,960
<b>Net movement in Funds</b>		<u>(225,325)</u>	<u>(3,036,838)</u>	<u>(3,262,163)</u>	<u>155,212</u>
<b>Reconciliation of Funds:</b>					
Total Funds brought forward		2,547,604	21,884,612	24,432,216	24,277,004
<b>Balance carried forward at 30 September 2020</b>		<u><u>2,322,279</u></u>	<u><u>18,847,774</u></u>	<u><u>21,170,053</u></u>	<u><u>24,432,216</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended were derived from continuing activities. The notes on pages 22 to 38 form part of these financial statements.

**THE TRADES HOUSE OF GLASGOW**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 30 SEPTEMBER 2020**

**Details of comparative figures  
for 2019**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds Year to September 2019
		£	£	£
<b>Income and Endowments from:</b>				
Donations and Legacies		29,228	-	29,228
Trades Hall trading	4a	109,146	-	109,146
Fundraising activities		65,605	19,912	85,517
Matriculation Fees and Other Income	2	60,875	-	60,875
Investment Income	3	38,376	929,048	967,424
<b>Total Income</b>		<u>303,230</u>	<u>948,960</u>	<u>1,252,190</u>
<b>Expenditure on:</b>				
Trades Hall trading	4b	252,568	15,809	268,377
Raising Funds		39,200	4,380	43,580
Investment Management Costs		2,409	45,763	48,172
		<u>294,177</u>	<u>65,952</u>	<u>360,129</u>
Charitable Activities:				
Grants Individuals	5a	13,963	280,019	293,982
Institutions	5b	8,000	169,715	177,715
Support Costs	6	110,838	317,537	428,375
		<u>132,801</u>	<u>767,271</u>	<u>900,072</u>
<b>Total Expenditure</b>		<u>426,978</u>	<u>833,223</u>	<u>1,260,201</u>
<b>(Deficit)/Surplus of Funds</b>		<u>(123,748)</u>	<u>115,737</u>	<u>(8,011)</u>
Net Gains on Revaluation of Investments	11	5,935	162,658	168,593
Net (Losses)/Gains on Realisation of Investments		-	(48,330)	(48,330)
Transfer of Funds		96,874	(96,874)	-
<b>Net (Expenditure)/Income</b>		<u>(20,939)</u>	<u>133,191</u>	<u>112,252</u>
<b>Other Recognised Gains/(Losses)</b>				
Gain on Revaluation of Artefacts	10	42,960	-	42,960
Gain on Revaluation of Property				
<b>Net movement in Funds</b>		<u>22,021</u>	<u>133,191</u>	<u>155,212</u>
<b>Reconciliation of Funds:</b>				
Total Funds brought forward		2,525,583	21,751,421	24,277,004
<b>Balance carried forward at 30 September 2019</b>		<u>2,547,604</u>	<u>21,884,612</u>	<u>24,432,216</u>

**THE TRADES HOUSE OF GLASGOW  
CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible Assets	10	3,868,417	3,885,337
Investments	11	<u>16,385,824</u>	<u>20,217,285</u>
		20,254,241	24,102,622
<b>CURRENT ASSETS</b>			
Stock		8,528	13,478
Debtors	12	232,645	260,016
Cash at Bank and in Hand		351,107	409,273
Investment Manager Deal Account		<u>603,614</u>	<u>1,489</u>
		1,195,894	684,256
<b>LIABILITIES</b>			
Creditors: amounts falling due within one year	13	<u>(163,060)</u>	<u>(161,365)</u>
<b>Net current assets</b>		1,032,834	522,891
Creditors: amounts falling due after one year	14	(164,973)	(188,135)
<b>NET ASSETS</b>		<u><u>21,122,102</u></u>	<u><u>24,437,378</u></u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted Funds		2,274,328	2,552,766
Restricted Funds	16	<u>18,847,774</u>	<u>21,884,612</u>
	17	<u><u>21,122,102</u></u>	<u><u>24,437,378</u></u>

The notes on pages 22 to 38 form part of these financial statements.

The financial statements were approved and authorised for issue by the House Trustees on 24<sup>th</sup> March 2021 and signed on its behalf by:



**William Birse-Stewart**  
Collector

**Date: 24 March 2021**

**THE TRADES HOUSE OF GLASGOW  
BALANCE SHEET  
AS AT 30 SEPTEMBER 2020**

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible Assets	10	3,868,417	3,885,337
Investments	11	16,385,824	20,217,285
		<u>20,254,241</u>	<u>24,102,622</u>
<b>INVESTMENT IN SUBSIDIARY COMPANY</b>	23	1	1
<b>CURRENT ASSETS</b>			
Stock		8,528	13,478
Debtors	12	253,507	232,505
Cash at Bank and in Hand		345,775	399,819
Investment Manager Deal Account		603,614	1,489
		<u>1,211,424</u>	<u>647,291</u>
<b>LIABILITIES</b>			
Creditors: amounts falling due within one year	13	<u>(130,640)</u>	<u>(129,562)</u>
<b>Net current assets</b>		1,080,784	517,729
Creditors: amounts falling due after one year	14	(164,973)	(188,135)
		<u>21,170,053</u>	<u>24,432,216</u>
<b>FUNDS OF THE CHARITY</b>			
Unrestricted Funds		2,322,279	2,547,604
Restricted Funds	16	18,847,774	21,884,612
	17	<u>21,170,053</u>	<u>24,432,216</u>

The notes on pages 22 to 38 form part of these financial statements.

The financial statements were approved and authorised for issue by the House Trustees on 24<sup>th</sup> March 2021 and signed on its behalf by:



**William Birse-Stewart**  
Collector

**Date: 24 March 2021**

**THE TRADES HOUSE OF GLASGOW  
CONSOLIDATED STATEMENT OF CASH FLOWS  
AND STATEMENT OF CASH FLOWS  
YEAR ENDED 30 SEPTEMBER 2020**

	Notes	Consolidated 2020 £	Trades House 2020 £	Consolidated 2019 £	Trades House 2019 £
<b>Net Cash (used in) operating activities</b>	25	<u>(835,751)</u>	<u>(831,629)</u>	<u>(918,422)</u>	<u>(914,797)</u>
Cash flows from Investing activities:					
Investment income		789,929	789,929	967,424	967,424
Purchase of Plant & Equipment		(28,557)	(28,557)	(165,510)	(165,510)
Purchase of Investments		(1,715,874)	(1,715,874)	(549,732)	(549,732)
Proceeds from Sale of Investments		2,356,283	2,356,283	558,855	558,855
Bank Loan repayments		(22,071)	(22,071)	(21,186)	(21,186)
<b>Net Cash provided by investing activities</b>		<u>1,379,710</u>	<u>1,379,710</u>	<u>789,851</u>	<u>789,851</u>
<b>(Decrease)/Increase in cash in the year</b>		543,959	548,081	(128,571)	(124,946)
Cash at the beginning of the year		410,762	401,308	539,333	526,254
<b>Total cash at the end of the year</b>		<u>954,721</u>	<u>949,389</u>	<u>410,762</u>	<u>401,308</u>

# NOTES TO THE ACCOUNTS

## YEAR ENDED 30 SEPTEMBER 2020

### 1. ACCOUNTING POLICIES

#### General Information

Trades House of Glasgow is a registered charity body under number SC040548.

The Trades House of Glasgow was first constituted in 1605 under the arbitration award referred to as the Letter of Guildry, thereafter operated under an Act of Scots Parliament of 1672, and is now regulated by the Glasgow Trades House Order Confirmation Act 1920.

The charity's principal activities and nature of the charity's operations are detailed in the Objectives and Activities section of the Trustees report on page 8 and 9.

The charity's registered address is Trades Hall, 85 Glassford Street, Glasgow G1 1UH.

#### Basis of Accounting

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102), UK Generally Accepted Accounting Practice (UK GAAP) including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in Sterling (£).

#### Basis of Consolidation

The financial statements consolidate the financial statements of the charity and its subsidiary for the financial year ended 30 September 2020.

#### Going Concern

The Trustees have considered the application of the going concern principle. In light of the impact of Covid-19 detailed budgets and cash flow forecasts have been prepared for the three year period to September 2023 and these indicate that Trades House will have sufficient resources which will allow it to meet its liabilities and anticipated future charitable activities for the foreseeable future.

As part of the forecasts it has been identified that Trades Hall has been significantly impacted by Covid 19 with a forecast 63% reduction in income being offset by cost cuts and a reduction in staffing levels. The forecast cash flows for Trades House of Glasgow (Services) Limited indicate that financial support may be required to meet ongoing operational costs. Trades House has provided a Letter of Financial Support for its subsidiary company.

On the basis of budgets, financial forecasts and cash flow projections the Trustees are satisfied that there are no material uncertainties and believe the going concern principle is appropriate to these financial statements.

#### Income

Income is recognised when the charity 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.

Income from Hall activities is recognised when the function takes place.

#### Donations and Legacies

Donations, legacies and similar incoming resources are included gross in the year in which they are received which is when the House becomes entitled to the resource.

#### Grants Received

Revenue grants received are included in the year for which they are received.

#### Investment, Rental & Catering Income

Income from investments, catering and rental income is included in the year in which it is receivable.

## **NOTES TO THE ACCOUNTS YEAR ENDED 30 SEPTEMBER 2020**

### **Expenditure**

All expenditure, including any value added tax which is irrecoverable, is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure, it is possible settlement will be required and the amount of the obligation can be measured reliably. All directly attributable costs are allocated to the relevant functional category. All costs of supporting charitable expenditure and generating funds are allocated to the relevant heading in a consistent basis.

### **Grants Payable**

Grants are accounted for when approved by the relevant Committee and notified to the recipient. They are awarded at their discretion to qualifying needy individuals and charitable organisations devoted to the welfare of Glasgow and its citizens within the terms of each Fund.

### **Holiday Pay Accrual**

Accrued liabilities include the liability for short-term compensated absence arising from employee entitlement to paid annual holiday leave which has arisen in the year due but not taken.

### **Support Costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll, marketing and governance costs which support the charitable and educational activities. These costs have all been allocated to charitable activities.

### **Tangible Assets and Depreciation**

Where there is an enduring benefit, expenditure on assets in excess of £200 is capitalised.

Property is shown at current market value based on a 30 September 2018 valuation. In the opinion of the Trustees the building's estimated useful life is greater than 50 years and on that basis no depreciation is charged. Accordingly the Trustees have opted to carry out an annual impairment review in line with FRS 102.

Artefacts are shown at current market value based upon valuations carried out during September 2020. An annual impairment review in line with FRS 102 is carried out.

Plant and Equipment is stated at cost less depreciation. Depreciation is provided at rates which are calculated to write off the cost of each asset over its expected useful life. The annual rates which are applied from the date the asset comes into use, are as follows:-

Plant & Equipment at Cost - between 5 and 20 years straight line.

### **Pensions**

The Trades House makes contributions to individual pension plans for certain employees. Contributions are charged in the income and expenditure account as they become payable.

### **Stock**

Stock of promotional goods is valued at the lower of cost and net realisable value.

### **Investments**

Quoted Fixed Asset Investments have been incorporated at mid-market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

### **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 opening market value (or purchase value if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**Funds policy**

Unrestricted funds are available for use at the discretion of the Platform Committee in furtherance of the general objectives of the House.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are used in accordance with the rules of each specific fund.

**Trust Funds**

On 1 June 2014 all funds under management were re-organised into new groupings of funds to improve the management and administration of each respective Fund as well as a more effective application of the funds.

Subject to separate accounting for each type of Fund, investments for each Fund are pooled and administration expenses charged equitably on the basis of income. In distributing income, regard is taken in each Trust administered by the House to the expressed wishes of the benefactor or terms of the new re-organised groupings.

**Taxation**

The Trades House of Glasgow is a recognised charity by HM Revenue and Customs and accordingly there is no liability to taxation on any of its income.

	<b>Consolidated</b>	<b>Trades House</b>	<b>Consolidated</b>	<b>Trades House</b>
<b>2. MATRICULATION FEES AND OTHER INCOME</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted</b>				
Matriculation Fees	1,492	1,492	2,171	2,171
Sale of Trades House stock	215	215	1,399	1,399
Craft Support Services	20,267	20,267	15,508	15,508
Management Fee and Hall Rental	-	42,099	-	41,797
Coronavirus Job Retention Scheme	3,659	3,659	-	-
	<u>25,633</u>	<u>67,732</u>	<u>19,078</u>	<u>60,875</u>
<b>Restricted</b>				
Coronavirus Job Retention Scheme	<u>14,635</u>	<u>14,635</u>	<u>-</u>	<u>-</u>

During the year the charity received support from the government under the Coronavirus Job Retention Scheme. The scheme provides for reimbursement of wages and salaries for employees who were placed on furlough leave.

Income under the Coronavirus Job Retention Scheme in respect of the charity administration staff involved totalled £18,294 (2019 - £Nil) and is shown in Note 2 above.

Income under the Coronavirus Job Retention Scheme in respect of the Trades Hall staff involved totalled £41,946 (2019 - £Nil) and is shown in Note 4a.

Under the scheme the charity applied for the reimbursement of up to 80% of employees' salary costs up to £2,500 per salary payable from 1<sup>st</sup> March 2020. The scheme was accessed by designating affected employees as furloughed or retained on paid leave of absence. Employees were notified of these changes to their contract and information to support the claim was submitted to HMRC.



**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 30 SEPTEMBER 2020**

<b>3. INVESTMENT INCOME – Consolidated and Trades House</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Dividends	46,850	741,572	788,422	965,409
Bank interest	1,507	-	1,507	2,015
Interest paid by unrestricted fund (Note 18 )	(15,000)	15,000	-	-
	<u>33,357</u>	<u>756,572</u>	<u>789,929</u>	<u>967,424</u>
<b>4. TRADES HALL TRADING</b>	<b>Consolidated</b>	<b>Trades House</b>	<b>Consolidated</b>	<b>Trades House</b>
	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>a. Income</b>				
<b>Unrestricted</b>				
Rental and Events Income	203,102	101,978	314,816	109,146
Coronavirus Job Retention Scheme	41,946	-	-	-
	<u>245,048</u>	<u>101,978</u>	<u>314,816</u>	<u>109,146</u>
<b>b. Costs</b>				
<b>Unrestricted</b>				
Direct costs	9,540	453	17,969	-
Staff costs (note 8)	146,004	-	136,815	-
Insurance & utilities	52,875	52,875	55,397	55,397
Other overheads	56,444	44,556	62,160	42,880
Repairs & maintenance	40,837	40,837	109,676	109,676
Depreciation	47,433	47,433	43,183	43,183
Loss on Disposal of Fixed Assets	-	-	1,432	1,432
	<u>353,133</u>	<u>186,154</u>	<u>426,632</u>	<u>252,568</u>
<b>Restricted</b>				
Depreciation	<u>22,619</u>	<u>22,619</u>	<u>15,809</u>	<u>15,809</u>

Depreciation related to Plant & Equipment expenditure which was incurred for the purpose of enhancing and ensuring the continued operation of Trades Hall has been split between Unrestricted and Restricted Funds in the same ratio as the value of the building is allocated between Funds.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

<b>5. GRANTS</b>	<b>Consolidated 2020 Number</b>	<b>Trades House 2020 Number</b>	<b>Consolidated 2019 Number</b>	<b>Trades House 2019 Number</b>
<b>a) Individual Beneficiaries</b>	528	528	767	767
	£	£	£	£
Grants	223,237	223,237	252,917	252,917
Bursaries & Educational Grants	28,034	28,034	27,102	27,102
	<u>251,271</u>	<u>251,271</u>	<u>280,019</u>	<u>280,019</u>
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
<b>b) Other Charitable Grants</b>	63	63	70	70
	£	£	£	£
Grants over £3,000:				
Prince & princess of Wales Hospice	5,000	5,000	-	-
Homeless Street Team	-	-	5,800	5,800
Glasgow Golden Generation	-	-	5,000	5,000
Cumbernauld Theatre	-	-	5,000	5,000
Childrens World	-	-	4,000	4,000
Voluntary Tutors Organisation	29,700	29,700	-	-
Geeza Break	-	-	20,000	20,000
Chest Heart Stroke	-	-	5,600	5,600
Good Morning Service	-	-	5,000	5,000
Right Track Scotland	-	-	5,000	5,000
Glasgow Bute Benevolent Society	5,000	5,000	9,000	9,000
Street League	4,000	4,000	-	-
The Good Shepherd	3,589	3,589	-	-
First Steps Future	7,500	7,500	-	-
MS Society Scotland	4,000	4,000	-	-
In Motion Theatre	3,200	3,200	-	-
Glasgow Disabled Scouts	6,000	6,000	-	-
Linkes	3,500	3,500	-	-
Ama Birth Companions	3,700	3,700	-	-
Glasgow Childrens Hospital Charity	5,000	5,000	-	-
Total over £3,000	80,189	80,189	64,400	64,400
Total other grants	83,001	83,001	105,315	105,315
	<u>163,190</u>	<u>163,190</u>	<u>169,715</u>	<u>169,715</u>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Grants:				
From Corporate Funds	779	779	21,963	21,963
From Trust Funds	413,682	413,682	449,734	449,734
	<u>414,461</u>	<u>414,461</u>	<u>471,697</u>	<u>471,697</u>

Awards from Corporate Funds represent grants awarded from the Deacon Convener's Fund plus awards made to students and other participants in the educational projects managed by Trades House.

In each of the grant awards to the institutions above, one grant was made.

Awards from Trust Funds represent grants made from Funds under Management as listed in note 16.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

<b>6. SUPPORT COSTS</b>	<b>Consolidated 2020 £</b>	<b>Trades House 2020 £</b>	<b>Consolidated 2019 £</b>	<b>Trades House 2019 £</b>
Staff costs (note 8)	232,927	249,693	218,084	232,146
Pensioners	3,750	3,750	3,750	3,750
Social Worker	33,185	33,185	32,323	32,323
Communication & publicity	26,206	26,206	35,120	35,120
Office administration	122,674	122,674	125,036	125,036
	<u>418,742</u>	<u>435,508</u>	<u>414,313</u>	<u>428,375</u>

The support costs are all allocated to Charitable activities.

<b>7. AUDITORS REMUNERATION</b>	<b>Consolidated 2020 £</b>	<b>Trades House 2020 £</b>	<b>Consolidated 2019 £</b>	<b>Trades House 2019 £</b>
Payable to RSM UK Audit LLP:				
Audit Fee	14,100	11,200	13,650	10,800
Tax Services	1,200	-	1,200	-
	<u>15,300</u>	<u>11,200</u>	<u>14,850</u>	<u>10,800</u>

<b>8. STAFF COSTS</b>	<b>Consolidated 2020</b>	<b>Trades House 2020</b>	<b>Consolidated 2019</b>	<b>Trades House 2019</b>
Average number of employees for the year	12	6	12	6
Aggregate payroll costs for the year	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages & salaries	349,190	248,476	337,867	229,990
Pensioners	3,750	3,750	3,750	3,750
Social security	34,859	23,095	34,467	22,104
Pension Contributions	9,065	6,055	14,888	12,375
Redundancy Costs	19,002	5,252	-	-
	<u>415,866</u>	<u>286,628</u>	<u>390,972</u>	<u>268,219</u>

Payroll costs have been allocated as follows:

Hall Trading costs	146,004	-	136,815	-
House Support costs	232,927	249,693	218,084	232,146
Pensioners	3,750	3,750	3,750	3,750
Social Worker costs	33,185	33,185	32,323	32,323
	<u>415,866</u>	<u>286,628</u>	<u>390,972</u>	<u>268,219</u>

Due to the Covid 19 pandemic and the resulting loss of business during lockdown periods the charity has had to reduce the staff headcount by 4 employees as from 1<sup>st</sup> November 2020. The redundancy costs of £19,002 (2019 - £Nil) have been fully provided for in these accounts.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**9. EMPLOYEES AND KEY MANAGEMENT PERSONNEL**

The key management personnel of the Trades House comprise the Trustees and the Chief Executive. The total employee benefits for the key management personnel were £110,762 in 2020 (2019 £107,536).

The number of employees and key management personnel whose total employee benefits fell within the following bands was as follows:

	<b>2020</b>	<b>2019</b>
£100,000 - £109,999 per annum	-	1
£110,000 - £119,999 per annum	1	-

The Trades House makes contributions to individual pension plans for certain employees. Pension contributions are charged in the Statement of Financial Activities as they become payable.

One employee earned in excess of £60,000 per annum (2019: 1) and contributions of £2,815 were made on this employee's behalf. (2019 £9,776).

The Members of the House were not paid or reimbursed for expenses in either year with the exception of the Deacon Convener who is reimbursed for cost of ceremonial wear, entertaining and necessarily incurred travel costs up to a maximum of £3,000 (2019: £3,000).

**10. FIXED ASSETS – Consolidated and Trades House**

	<b>Property</b>	<b>Plant &amp; Equipment</b>	<b>Artefacts</b>	<b>Total</b>
<b>Cost/Valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1 October 2019	2,485,000	801,214	770,632	4,056,846
Revaluation	-	-	24,575	24,575
Additions	-	28,557	-	28,557
Disposals	-	-	-	-
As at 30 September 2020	<u>2,485,000</u>	<u>829,771</u>	<u>795,207</u>	<u>4,109,978</u>
<b>Aggregate Depreciation</b>				
As at 1 October 2019	-	171,509	-	171,509
Charge for the year	-	70,052	-	70,052
Disposals	-	-	-	-
As at 30 September 2020	<u>-</u>	<u>241,561</u>	<u>-</u>	<u>241,561</u>
Net book value at 30 September 2020	<u>2,485,000</u>	<u>588,210</u>	<u>795,207</u>	<u>3,868,417</u>
Net book value at 30 September 2019	<u>2,485,000</u>	<u>629,705</u>	<u>770,632</u>	<u>3,885,337</u>

The property at Trades Hall, 85 Glassford Street, Glasgow, was valued by Lambert Smith Hampton at 30th September 2018 on a Market Value basis.

The insured value of Trades Hall is £31,734,126.

Artefacts includes £500,095 of chains and silverware which were valued by J. Forrest & Co. Limited at 11th November 2020 on a Market Value basis.

Artefacts also includes £295,112 of pictures and paintings, furniture and other items valued by Lyon & Turnbull, auctioneers, at 30<sup>th</sup> September 2020 on a Market Value basis.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**11 INVESTMENTS – Consolidated and Trades House**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Market value at 1 October 2019	20,217,285	20,106,146
Additions	1,715,874	549,732
Disposals	(2,415,595)	(607,186)
Net gain/(loss) on revaluation	<u>(3,131,740)</u>	<u>168,593</u>
Market value at 30 September 2020	<u>16,385,824</u>	<u>20,217,285</u>
Unrestricted Funds	955,280	1,194,211
Restricted Funds	<u>15,430,544</u>	<u>19,023,074</u>
	<u>16,385,824</u>	<u>20,217,285</u>

All investments are Listed Investments

	<b>Consolidated 2020</b>	<b>Trades House 2020</b>	<b>Consolidated 2019</b>	<b>Trades House 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>12. DEBTORS</b>				
Dividends	126,259	126,259	197,607	197,607
Trade debtors	23,162	6,595	34,335	6,826
Amount due by Subsidiary Company	-	38,079	-	891
Other debtors	<u>83,224</u>	<u>82,574</u>	<u>28,074</u>	<u>27,181</u>
	<u>232,645</u>	<u>253,507</u>	<u>260,016</u>	<u>232,505</u>

	<b>Consolidated 2020</b>	<b>Trades House 2020</b>	<b>Consolidated 2019</b>	<b>Trades House 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>13. CREDITORS: Amounts falling due within one year</b>				
Trade creditors	49,321	48,883	26,096	23,599
Social security and other taxes	11,422	7,573	18,070	7,201
Advance payments	9,008	9,008	9,004	9,004
Other creditors and accruals	43,091	28,708	78,070	59,633
Bank Loan due within one year (Note 15)	23,162	23,162	22,071	22,071
Provision for Redundancy Costs	19,002	5,252	-	-
Provision for VAT repayable	<u>8,054</u>	<u>8,054</u>	<u>8,054</u>	<u>8,054</u>
	<u>163,060</u>	<u>130,640</u>	<u>161,365</u>	<u>129,562</u>

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

	<b>Consolidated 2020 £</b>	<b>Trades House 2020 £</b>	<b>Consolidated 2019 £</b>	<b>Trades House 2019 £</b>
<b>14. CREDITORS:</b>				
<b>Amounts falling due after one year</b>				
Bank Loan (Note 15)	164,973	164,973	188,135	188,135
	<b>Consolidated 2020 £</b>	<b>Trades House 2020 £</b>	<b>Consolidated 2019 £</b>	<b>Trades House 2019 £</b>
<b>15. BANK LOAN:</b>				
Balance Outstanding at 1 <sup>st</sup> October 2019	210,206	210,206	231,392	231,392
Loan Repayments	(22,071)	(22,071)	(21,186)	(21,186)
Balance Outstanding at 30th September 2020	188,135	188,135	210,206	210,206
Balance due within one year	23,162	23,162	22,071	22,071
Balance due years 2 to 5	105,792	105,792	99,014	99,014
Balance due over 5 years	59,181	59,181	89,121	89,121
	188,135	188,135	210,206	210,206

On 26 October 2017 a loan of £250,000 was arranged with The Bank of Scotland. The Loan is over a ten year period at a Fixed Rate of 4.41%.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**16 INDIVIDUAL RESTRICTED FUNDS UNDER MANAGEMENT**

<b>a) CAPITAL</b>	<b>At 1 October 2019</b>	<b>Losses on Revaluation &amp; Realisation</b>	<b>At 30 September 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Commonweal General Fund	3,932,946	(566,158)	3,366,788
Andrew Kerr's Trust	1,584,466	(226,600)	1,357,866
John Dallas Supplementary Fund	58,487	(8,364)	50,123
McAdam Fund	<u>617,623</u>	<u>(88,329)</u>	<u>529,294</u>
Total Commonweal Fund	6,193,522	(889,451)	5,304,071
Nurses Fund	284,393	(40,672)	243,721
The Educational Fund	686,957	(140,759)	546,198
Benefit of Aged in Glasgow	1,056,672	(151,119)	905,553
The Relief Fund	4,508,319	(639,838)	3,868,481
Partick Queen Victoria's Diamond Jubilee	27,179	(8,532)	18,647
Potato Trades Benevolent Society	50,342	(7,200)	43,142
Scottish Building Contractors Association	108,168	(15,469)	92,698
War Memorial Fund	128,315	(18,351)	109,964
Drapers Fund	3,257,394	(448,767)	2,808,627
VJ Cummings bequest	557,670	(79,755)	477,916
WW MacFarlane	2,376,758	(398,293)	1,978,465
Glasgow Aged Women's Society	199,653	(29,473)	170,180
Glasgow United Fleshers Society	320,269	(45,851)	274,418
ISIBAS	327,838	(51,113)	276,725
The Saint Andrew Society (Glasgow)	<u>220,185</u>	<u>(40,290)</u>	<u>179,895</u>
	<u><u>20,303,634</u></u>	<u><u>(3,004,933)</u></u>	<u><u>17,298,701</u></u>

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**16 INDIVIDUAL RESTRICTED FUNDS UNDER MANAGEMENT**

<b>b) REVENUE</b>	<b>At 1 October 2019 £</b>	<b>Income &amp; Donations £</b>	<b>Expenditure</b>	<b>Awards &amp; Donations £</b>	<b>At 30 September 2020 £</b>
Commonweal General Fund	243,231	143,752	72,646	81,235	233,102
Andrew Kerr's Trust	124,569	57,771	29,165	26,500	126,675
John Dallas Supplementary Fund	6,519	2,132	1,077	1,000	6,574
McAdam Fund	<u>33,406</u>	<u>22,520</u>	<u>11,368</u>	<u>9,952</u>	<u>34,606</u>
Total Commonweal Fund	407,725	226,175	114,256	118,687	400,957
Nurses Fund	55,325	10,369	5,235	4,738	55,721
The Educational Fund	43,050	28,110	14,074	26,905	30,181
Benefit of Aged in Glasgow	190,027	38,433	19,450	1,000	208,010
The Relief Fund	364,430	162,357	82,160	78,725	365,902
Partick Queen Victoria's Diamond Jubilee	5,557	1,044	533	1,100	4,968
Potato Trades Benevolent Society	13,966	1,835	927	350	14,525
Scottish Building Contractors Association	15,965	3,944	1,991	350	17,568
War Memorial Fund	28,352	4,678	2,362	2,200	28,468
Drapers Fund	101,941	119,524	66,454	79,108	75,903
VJ Cummings bequest	50,235	20,333	10,265	10,000	50,303
WW MacFarlane Glasgow Aged Women's Society	83,883	97,676	48,673	50,319	82,567
Glasgow United Fleshers Society	40,330	7,740	3,946	5,000	39,124
	49,871	12,549	6,397	2,500	53,523
ISIBAS	71,870	12,298	6,268	-	77,900
The Saint Andrew Society (Glasgow)	31,192	9,507	4,850	3,000	32,848
Kinship Care Initiative	<u>27,259</u>	<u>14,977</u>	<u>1,931</u>	<u>29,700</u>	<u>10,605</u>
	<u>1,580,978</u>	<u>771,549</u>	<u>389,772</u>	<u>413,682</u>	<u>1,549,073</u>

**16 TOTAL RESTRICTED FUNDS UNDER MANAGEMENT**

	<b>At 1 October 2019 £</b>	<b>At 30 September 2020 £</b>
Capital	20,303,634	17,298,701
Revenue	<u>1,580,978</u>	<u>1,549,073</u>
Total Restricted Funds	<u>21,884,612</u>	<u>18,847,774</u>



## **NOTES TO THE ACCOUNTS YEAR ENDED 30 SEPTEMBER 2020**

The purpose of each Restricted Fund is detailed below:

### **The Commonweal Fund**

The Commonweal Fund is for the advancement of 'any good and pious use' in the Commonweal of the Burgh. With reference to the heritage of this fund, the free annual income of the Commonweal Fund should be distributed for the following charitable purposes with particular focus on providing such benefit in Glasgow :-

- (a) The advancement of citizenship or community development
- (b) The advancement of education, research and educational institutions
- (c) The advancement of the arts, heritage, culture and science
- (d) The prevention and relief of poverty
- (e) The relief of those in need by reason of age and those suffering disadvantage through ill health, disability, financial hardship or other disadvantage.

### **Andrew Kerr's Fund**

Three quarters of the free annual income shall be distributed in accordance with the purposes of The Commonweal Fund and one quarter shall be distributed to the Glasgow Bute Benevolent Society, a registered Scottish charity.

### **John Dallas Supplementary Fund**

This fund's free annual income is to be distributed equally among the charities listed below, with any unallocated surplus income distributed in accordance with The Commonweal Fund –

- (a) The Glasgow Battalion Boys Brigade
- (b) The Scout Association
- (c) The Guide Association Scotland
- (d) The Girls Brigade in Scotland
- (e) Glasgow (Central) Citizens Advice Bureau.

### **Mary Helen Forrest or McAdam Fund**

This fund's free annual income shall be applied for the advancement of education through scientific medical research at the University of Glasgow as detailed in clause (a) and (b) below with any surplus income distributed equally among the charities detailed at (c) below ("the McAdam Charities"):-

- (a) This fund shall be applied to award (for one or more years) educational scholarships in connection with scientific medical research with a particular focus on the study of the nature, causation and treatment of disease and will be known as "William and Margaret Forrest Scholarships".
- (b) The House may seek the advice from a list of people within the faculty of Medicine at Glasgow University (see Deed of Appointment).
- (c) The McAdam Charities are:-
  - (i) The Earl Haig Fund
  - (ii) Royal National Life Boat Institution
  - (iii) Fairbridge in Scotland
  - (iv) The Leprosy Mission Scotland.

### **The Nurses Fund**

The Nurses Fund should be applied for the benefit of nurses and those suffering disadvantage through ill health, disability or other financial hardship.

### **The Educational Fund**

The Educational Fund should be applied for the advancement of education in Glasgow or those who have a connection with Glasgow.

### **Benefit of Aged in Glasgow Fund**

The Benefit of Aged in Glasgow Fund should be applied for the benefit of those in need by reason of age in Glasgow.

## **NOTES TO THE ACCOUNTS YEAR ENDED 30 SEPTEMBER 2020**

### **The Relief Fund**

The Relief Fund should be used for the relief of those in need by reason of financial hardship or other disadvantage in Glasgow and should ordinarily be applied to provide relief to/ for widow(er)s/ surviving partners/ surviving civil partners/ surviving cohabitants and other dependents (as selected in the sole discretion of the House).

### **Partick Queen Victoria's Diamond Jubilee Fund**

This fund should be applied for the advancement of health, the prevention and relief of poverty and for the relief of those suffering from ill health, disability, financial disability or other disadvantage in Partick.

### **Potato Trade Benevolent Society Fund**

This fund should be applied for the relief of financial hardship or other disadvantage for those connected with the Potato Trade in Scotland, whom failing any other deserving charitable cause in Scotland.

### **Scottish Building Contractors' Association Fund**

This fund's free annual income shall be applied for the advancement of education in connection with the Scottish Construction industry as detailed in clauses (1) to (3) below, with any surplus income distributed in accordance with the Educational Fund above.

- (1) This fund shall be applied to award a student in their final year of the HND in Construction Management at City of Glasgow College, or such similar course.
- (2) This fund shall be applied to award a student in their final year of the part time Construction Management BSc Degree at Glasgow Caledonian University.
- (3) This fund should be applied in connection with The Trades House Modern Apprentice of the Year Award to award the best candidate within the construction industry.

### **War Memorial Fund**

This fund should be applied for the relief of financial hardship or other disadvantage of ex-servicemen and women.

### **Glasgow United Fleshers Fund**

The purposes of the Glasgow United Fleshers Fund are as follows:-

"for such object or objects charitable for the purposes as the Trustees in their discretion may select and in particular for the assistance of those who have followed the trade of Fleshers, their widows, children and other dependents or any good other aged, distressed and disabled person, in such case of indigence, disability or otherwise as to form qualifying appropriate objects of charity".

### **Glasgow Aged Womens Society**

The purposes of the Glasgow Womens Society fund are as follows:-

"to aid widows and unmarried women of 60 years of age upwards, residing in Glasgow".

### **Victor J Cumming's Bequest**

The purposes of the Victor J Cumming Bequest are as follows:-

"that the net income from the residue of the estate should be distributed as follows:-

- One tenth to the Trades House of Glasgow to be applied for such charitable purposes as the Trades House may from time to time determine;
- One tenth to the Incorporation of Bakers;
- One tenth to the Association of Deacons of the Fourteen Incorporated Trades of Glasgow;
- One tenth to the Daughters Fund of the Association of Deacons;
- One tenth to the Weavers Society of Anderston;
- One tenth to the City of Glasgow native Benevolent Society.

In regard to the balance of the net income, the Trades House should decide this annually in such proportions as they may decide among the aforesaid beneficiaries.

### **Drapers' Fund**

The purposes of the Trades House of Glasgow Drapers Fund are as follows:-

"provide for funds to be expended on firstly, general charitable purposes and secondly, should be given to people of any rank who have adopted others, the essential qualification being that adopted and adopter have lived together in family in the same condition and station of life for a period of no less than five years and that the grace and hospitality shall appear to be the motive for the adoptive being received and kept in the family by the adopter".

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**WWM & M Macfarlane Trust**

The purposes of the WW Macfarlane and Mrs Mary Macfarlane Trust are as follows:-  
"giving grants and/or pensions primarily to such deserving widows, relatives or dependents of persons who have been Directors of or in the employment of Macfarlane Lang and Company Limited (whether in Scotland, England or elsewhere) and subsidiarily to such deserving citizens of Glasgow, and the deserving widows, dependents and families of such citizens all as the trustees in their absolute discretion shall select".

**ISIBAS**

The purpose of this fund is to provide relief to necessitous and deserving individuals concerned with the Iron and Steel Merchants Trades in Scotland, their widows, widowers or dependents.

**Kinship Care Initiative Fund**

The Kinship Care Initiative Fund is designed to provide opportunities to children being supported by their extended family, to reach their full potential and become active citizens in Glasgow.

Funds raised may be used for awards of grants for the purpose of sending young people to participate in outdoor activities and educational programmes which will build their characters and enhance their employment opportunities.

**The Saint Andrew Society (Glasgow) Fund**

The aims of the Trust are to encourage participation in and stimulate appreciation of the history, literature, music, drama, arts and crafts and languages of Scotland, to cooperate with other Societies or Trusts which may advance any of the foregoing objects, to make contributions to hospitals, convalescent homes or any associations that have as their object the relief of suffering whether in Scotland or elsewhere, and to support the advancement of education.

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

<b>Consolidated</b>	<b>Fixed Assets</b>	<b>Investments</b>	<b>Other Net Assets</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	2,131,778	955,280	(973,190)	2,113,868	2,399,100
Designated Funds (Note 24)	-	-	160,460	160,460	153,666
	<u>2,131,778</u>	<u>955,280</u>	<u>(812,730)</u>	<u>2,274,328</u>	<u>2,552,766</u>
Restricted Funds	<u>1,736,639</u>	<u>15,430,544</u>	<u>1,680,591</u>	<u>18,847,774</u>	<u>21,884,612</u>
	<u><u>3,868,417</u></u>	<u><u>16,385,824</u></u>	<u><u>867,861</u></u>	<u><u>21,122,102</u></u>	<u><u>24,437,378</u></u>

  

<b>Trades House</b>	<b>Fixed Assets</b>	<b>Investments</b>	<b>Other Net Assets</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	2,131,778	955,280	(925,239)	2,161,819	2,393,938
Designated Funds (Note 24)	-	-	160,460	160,460	153,666
	<u>2,131,778</u>	<u>955,280</u>	<u>(764,779)</u>	<u>2,322,279</u>	<u>2,547,604</u>
Restricted Funds	<u>1,736,639</u>	<u>15,430,544</u>	<u>1,680,591</u>	<u>18,847,774</u>	<u>21,884,612</u>
	<u><u>3,868,417</u></u>	<u><u>16,385,824</u></u>	<u><u>915,812</u></u>	<u><u>21,170,053</u></u>	<u><u>24,436,216</u></u>

Fixed Assets includes the Net Book Value of Plant & Equipment expenditure which was incurred for the purpose of enhancing and ensuring the continued operation of Trades Hall. This has been split between Unrestricted and Restricted Funds in the same ratio as the value of the building is allocated between Funds.

**18. INTEREST PAID BY UNRESTRICTED FUNDS**

In September 2011 a loan of £300,000, at an annual interest rate of 5%, was agreed from Restricted Funds to Unrestricted Funds to assist reducing bank borrowings of Trades House.

**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 30 SEPTEMBER 2020**

**19. CAPITAL COMMITMENTS**

	<b>Consolidated</b>	<b>Trades House</b>	<b>Consolidated</b>	<b>Trades House</b>
	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Approved Capital Commitments	-	-	24,571	24,571

The above capital expenditure commitments are exclusive of any VAT.

**20. GUARANTEES**

Trades House of Glasgow has granted a Standard Security over the property at Trades Hall, 85 Glassford Street, Glasgow to the Bank of Scotland in respect of a bank loan for £250,000 (see Note 15) and an available overdraft facility of £100,000.

**21. RELATED PARTY/TRUSTEE TRANSACTIONS**

Donations of £5,722 (2019: £28,580) have been received from the 14 Incorporated Crafts for the support of Educational Projects, Kinship Care Initiative, and contributions to assist with the cleaning of portraits within Trades Hall.

**22. RELATED PARTY TRANSACTIONS**

Trades House of Glasgow has related party transactions of £62,736 (2019: £55,859) with its trading subsidiary Trades House of Glasgow (Services) Limited in respect of hall rental costs £26,000, management fee £16,099, hall keeper services £16,766 and a donation of £3,871.

At 30 September 2020 the amount due by Trades House of Glasgow (Services) Limited was £38,079 (2019:£891).

**23. INVESTMENT IN SUBSIDIARY COMPANY**

Trades House of Glasgow has a 100% shareholding in Trades House of Glasgow (Services) Limited, company number SC471792.

As at 30 September 2020 Trades House of Glasgow (Services) Limited had total assets of £22,548 (2019: £37,584) liabilities of £70,498 (2019: £32,693) and Shareholder Funds of £(47,950) (2019: £5,161). Turnover for the year to 30 September 2020 was £101,124 (2019: £205,670), other income of £41,946 (2019: £Nil) and expenditure totalled £65,491(2019: £201,799) and the loss was £(49,227) (2019: profit £3,871).

A letter of financial support has been given by Trades House of Glasgow to Trades House of Glasgow (Services) Limited.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

**24. DESIGNATED FUNDS**

	<b>Brought Forward</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Carried Forward</b>	<b>2019</b>
	£	£	£	£	£
Modern Apprentice Awards	4,481	-	-	4,481	4,481
Burns Competition	1,031	3,499	1,805	2,725	1,031
Craftex	24,328	5,160	-	29,488	24,328
School Craft & Citizenship	6,184	900	-	7,084	6,184
London Dinner	1,594	367	-	1,961	1,594
Glasgow's Next Generation	10,233	-	-	10,233	10,233
Heritage Fund	4,985	1,222	2,549	3,658	4,985
Lawton Bequest	100,830	-	-	100,830	100,830
	<u>153,666</u>	<u>11,148</u>	<u>4,354</u>	<u>160,460</u>	<u>153,666</u>

The Designated Funds are held for the following purposes:-

Modern Apprentice Award – this fund is used to meet the cost of operating and awards for the Modern Apprentice Award competition which takes place in June each year.

Burns Competition - this fund is used to meet the cost of operating and awards for the Burns Competition which takes place in January each year.

Craftex - this fund is used to meet the cost of operating and awards for the Craftex competition which takes place in June each year.

London Dinner – this fund is used to meet the cost of the Trades House of Glasgow London Dinner.

School Craft & Citizenship - this fund is used to meet the cost of operating and awards for the School Craft and Citizenship competitions which takes place in June each year.

Glasgow's Next generation – this fund is used to finance two young people from deprived backgrounds on courses managed by The Outward Bound Trust.

Heritage Fund – this fund is used to finance the cleaning of portraits throughout Trades Hall.

Lawton Bequest – This fund is to be used by Trades House for its general charitable purposes.

**NOTES TO THE ACCOUNTS  
YEAR ENDED 30 SEPTEMBER 2020**

	Consolidated 2020	Trades House 2020	Consolidated 2019	Trades House 2019
	£	£	£	£
<b>25. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net Income/(Expenditure)	(3,339,851))	(3,286,738)	116,123	112,252
Adjustments for:				
Depreciation charge	70,052	70,052	58,992	58,992
Loss on Disposal of Fixed Assets	-	-	1,432	1,432
Investment Income	(789,929)	(789,929)	(967,424)	(967,424)
(Gains)/ Losses on Investments	3,191,054	3,191,054	(120,263)	(120,263)
(Increase)/Decrease in Stock	4,950	4,950	(9,736)	(9,736)
(Increase)/Decrease in debtors	27,371	16,186	(16,875)	(18,521)
(Increase)/Decrease in amount due by Subsidiary	-	(37,188)	-	7,891
Increase/(Decrease) in Creditors	602	(16)	19,329	20,580
Net Cash provided by(used in) operating activities	<u>(835,751)</u>	<u>(831,629)</u>	<u>(918,422)</u>	<u>(914,797)</u>

**26. POST BALANCE SHEET EVENT**

- Consideration has been given to the effect of the impact of Covid-19 upon the assets of Trades House and it has been assessed that there are no post Balance Sheet adjustments required in respect of their value. However, due to stock market volatility there may be some changes in the value of the Investment portfolio as the value of investments may go up as well as down. The value of Investments as at 28<sup>th</sup> February 2021 was £17,956,214.