

CHARITY NO: SC016095

**The Royal Society for the
Support of Women of Scotland**

**TRUSTEES' ANNUAL REPORT
and
FINANCIAL STATEMENTS
for the year to
31st MARCH 2023**



ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	PAGE
Reference and Administrative information	1
Chairman's Report	2
Report of the Trustees	3 – 15
Independent Auditor's Report	16 – 19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 – 35

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND**REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023****REFERENCE AND ADMINISTRATIVE INFORMATION**

The Royal Society for the Support of Women of Scotland, (Scottish Charity Number: SC016095) is represented by all individuals and organisations shown below. The members of the General Committee fulfil the role of charitable trustees.

General Committee of Management over the year**East**

Mrs Margaret Moyes (Vice-Chair) (Retired July 2022)
Mrs Maureen O'Neill OBE
Mrs Ailsa Gormly
Mr Graeme Whyte
Mrs Carol Lawson
Mrs Carolina Viola
Ms Heather Smith
Ms Sue Freeth (appointed May 2022)

West

Ms Catriona Reynolds (**Chair**)
Mr John MacLeod DL, CA (**Treasurer**)
Mr Gordon Young
Ms Gill Fairley
Dr Clare Stillman

North

Ms Bridget Mustard

The post of Vice Chair is currently vacant following Mrs Moyes retirement, but the intention is to fill it once the new Chair is recruited in October 2023).

Sub Committee Membership as at 31st March 2023

Grant Policy Sub-Committee:

Ms Bridget Mustard (**Sub-Committee Chair**)
Ms Heather Smith
Mr Graeme Whyte
Mrs Ailsa Gormly
Ms Sue Freeth
Dr Clare Stillman

Investment Sub-Committee:

Mrs Carol Lawson (**Sub-Committee Chair**)
Ms Catriona Reynolds (**Chair**)
Mr John MacLeod DL, CA (**Treasurer**)
Mr Gordon Young

Mrs Carolina Viola

Registered Office:

14 Rutland Square, Edinburgh, EH1 2BD

Chief Executive:

Mr Andrew Tweedy

Casework Team over the year

Mrs Helen Dalley (Welfare Mgr) (Retired May 2022)
Mrs Pamela Samson (Welfare Manager)
Mrs Lucy McRitchie RGN, BSc
Ms Sonia Love
Mr Dermot Dooley (Appointed April 2022)
Mrs Fiona Henderson (Appointed Sept 2022)

Administrator:

Mrs Sharon Moffat

Auditor:

Wylie & Bisset (Audit) Limited
168 Bath Street, Glasgow, G2 4TP

Bankers:

Bank of Scotland
38 St. Andrew Square, Edinburgh, EH2 2YR

Solicitors:

Anderson Strathern LLP
1 Rutland Court, Edinburgh, EH3 8EY

Investment Managers:

RBC Brewin Dolphin
144 Morrison Street, Edinburgh, EH3 8EX

Information Technology Adviser:

Mr Graeme Whyte, J7 (MIS) Ltd

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Chairman's Report for the year ended 31 March 2023

On behalf of the General Committee of the Royal Society for the Support of Women of Scotland, I am pleased to present its report together with the financial statement for the year ended 31 March 2023. The past year has been another busy one for the Society. At long last it seems that the dreadful COVID pandemic started to lift its strangle hold over our lives, and all of us have enjoyed being able to get back in the office, have in person Committee meetings, as well as get back on to the road visiting both our beneficiaries and the women applying to the Society face to face. The Society recommenced its proportional work and it is gratifying to see both the number of beneficiaries admitted, and the overall Roll increase after two years of falling numbers. In addition, we are moving forward with piloting new ways of working and much work has gone into commissioning and configuring a new beneficiary record management system which, when it comes into effect in the near future, will bring significant operational efficiencies, much more flexibility and a greatly streamlined application process making our support more accessible to women in need.

Last year the Society turned 175 years old, and we marked this remarkable anniversary with a reception in the Scottish Parliament where we were "celebrating the past and looking to the future". We were very grateful to Beatrice Wishart MSP, Siobhian Brown MSP and Maggie Chapman MSP for sponsoring this event and delighted that Christina McKelvie MSP, the then Minister for Equalities and Older People, joined us and spoke at the event. It was a wonderful evening and a great chance to meet supporters of the Society and catch up with old friends and colleagues. We also marked our anniversary by a special grant distribution of £70 to all beneficiaries timed to coincide with Her Majesty Queen Elizabeth II's diamond jubilee. Perhaps most significantly, the Society was honoured to receive a personal message from The Queen as our Patron to all those connected with the Society sending her warm wishes and congratulating the Society on reaching this milestone, and we were delighted to have this printed in a commemorative format and sent to all beneficiaries as a memento to be treasured.

Of course, like everyone in the country, we were deeply saddened at the death of The Queen, and I was very honoured indeed to represent the Society at the Service of Thanksgiving for Her Majesty's life at St Giles on 12 September 2022. We were privileged to have had Her Majesty as our Patron for many years, and her life of service was an inspiration to generations. All organisations where Her Majesty had been Patron have been asked by the Palace to be patient while they consider who may be able to take on this role in the future. We will of course be honoured if any member of the Royal Family agrees to become our Patron, but we are mindful that not all "Royal" organisations have a named Patron.

Lastly, the past year is also a significant one for me personally as it marks my final full year as Chair of the General Committee and as a Trustee (and the last time I will get to write this introduction to the Society's accounts). I joined the Society as a Trustee back in the old IGF days, and I have seen many changes over the years. It has been my honour to be the first woman to be Chair of the Society, and I would like to thank the wonderful Trustees who freely give their time and expertise to the Society and who have been so supportive to me in my role. Huge thanks too to the wonderful staff team headed by our Chief Executive, Andrew Tweedy who rise to the many challenges we face, and have made the Society the effective and forward looking organisation it is today. I will miss the Society greatly, but my term is up and now is a good time for me to pass the mantle on to a new Chair to lead the Society as it moves forward.

Catriona Reynolds

"Your support has helped in so many ways" Miss L, 61, Argyll

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

The Trustees present their annual report and financial statements of the charity for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Constitution, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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, effective 1 January 2019.

The legal and administrative information on page one and the Chairman's Report on page two form part of this report.

History and Charitable Status

The Society was established in 1847 and a Royal Charter granted in 1930 initially known as the "The Royal Society for the Relief of Indigent Gentlewomen of Scotland" but was generally known as the "Indigent Gentlewomen's Fund" or simply "IGF". On 1st May 2015, an updated Royal Charter came into effect which changed the Society's name to "The Royal Society for the Support of Women of Scotland"; revised the Society's objectives; set out aspects of the Society's governance structures including the role of its General Committee; and empowered the General Committee to form Byelaws to further govern the Charity's operations. The Society has been a Registered Scottish Charity since 1952 (number SC016095).

Governance

Objectives

The object of the Society as set out in our Royal Charter is "*[t]o provide support and aid to women who are resident in Scotland and are of good character and are single and require assistance by reason of financial hardship, age or ill health in the interest of the general public benefit*".

Structure, Governance and Management

General Committee

The General Committee comprises a Chair and up to 17 voluntary Members who are the Trustees of the Society. The General Committee currently meets four times a year to consider new applications for support and other business, policy and finance matters. The meeting in September or November is also designated as the Society's AGM.

Membership

The Society undertakes regular, open recruitment for new Trustees based on a skills audit and the strategic needs of the Committee. All new Trustees are supported with a structured induction process. During 2022/23 one new Trustee was appointed (Ms Sue Freeth), and two Trustees retired (Mrs Margaret Moyes and Mrs Maureen O'Neill). On 31st March 2023 there were 12 Trustees.

Sub-Committees

The General Committee is empowered to appoint Sub-Committees and working groups to address specific matters in more detail. Currently the Society has two Sub-Committees:

- The Investment Sub-Committee meets at least twice a year to oversee the performance of the Society's nominated investment managers (to whom discretionary powers of

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

management have been granted) and to review investment policy.

- The Grant Policy Sub-Committee meets periodically to review the Society's grant-making processes and make recommendations to the General Committee on changes as appropriate.

"Many thanks for you care and concern over the past 17 years" Mrs M, 81, Argyll

In addition, two working groups have been in place:

- The Property Working Group – this consists of four Trustees and the Chief Executive and was formed in September 2022 to progress planning for renovations of the Society's building at 14 Rutland Square and provide appropriate Trustee oversight of the project as it progresses.
- The Chair Recruitment Working Group consisting of three Trustees plus the current Chair and the Chief Executive was formed to progress the recruitment of a new Chair for the Society as Ms Reynolds will be reaching the end of her term.

Day to Day Management and Operations

Operational management and certain Casework decisions are delegated to the Chief Executive who is supported by the Society's Caseworker Team and Administrator.

Bye Laws and Guidelines for Admission

The Society's Charter empowers the General Committee to set bye laws which provide a framework for decision making and operational practice and sets the minimum age for support from the Society as 50. The Trustees have also adopted Guidelines for Admission which set out the Society's financial criteria. In particular, these Guidelines specify the process by which the Society calculates someone's "Qualifying Income" (QI) and "Savings / Capital" and sets out the areas where the Chief Executive can apply his/her discretion. The maximum levels of QI and Capital a person can have while still being eligible for the Society's support are kept under regular review.

Strategic Review and Piloting Changes

As noted in last year's report, after a strategy review, Trustees adopted a number of recommendations to develop aspects of the Society's current work and to pilot new ways of working. These include:

1. A clearer focus on supporting women in the greatest need. This was brought into effect by:
 - Reducing the Society's maximum QI limit (although this has subsequently been raised twice due to the high rate of inflation). This reduction resulted in a group of approximately 90 beneficiaries being over the new, lower QI limit and they were designated as "Transition" beneficiaries and given 2 years notice that their grant would be coming to an end. This notice period is due to expire in January 2024, but a number

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

of these Transition beneficiaries have either (a) experienced a further increase in their income and so been withdrawn already, or (b) reverted back to being a full beneficiary after follow-up reviews because their QI is now below the increased limit.

- Creating a specific budget for Supplementary Grants (as these are weighted towards those beneficiaries on the lowest incomes) rather than the previous practice of paying them on an ad hoc basis.
 - Offering more in the way of advances of grants to beneficiaries to offer a way of avoiding the “poverty premium” paid by people on low incomes trying to access credit.
 - Refining aspects of the Guidelines for Admission to make them clearer and fairer especially in the application of disregards against disability benefits when calculating Qualifying Income.
2. Only offering support for a specific, time limited period (usually between 2 to 4 years) to some beneficiaries where this is more appropriate given their circumstances. Longer term, open-ended support remains available where this is more appropriate (e.g. if retired or if they have long term debilitating health problems).
 3. Providing additional casework support where needed to help beneficiaries make the most of the opportunity offered by the Society’s financial support through the appointment of a “Financial Resilience Caseworker” in March 2022.
 4. The delegation of some decisions to admit women to the Roll of Beneficiaries to enable faster, more responsive decision making.

Development of “Partnership Grants”

Where the Society partners with other charities who are already supporting single older women in the hope that the synergy between the Society’s financial support and the other charity’s casework support will result in better outcomes for the women concerned. As yet, no such partnerships have been developed while other aspects of development are being prioritised.

All of these changes are being piloted for a 3-year period to allow Trustees an opportunity to evaluate their impact.

“Thank you so much for the help I receive from yourselves. Please know how much I appreciate it. Not all heroes wear capes!” Mrs S, 59, Stirlingshire

Support Activities

Current Criteria for Support

To be eligible for support, women must be:

- aged 50 or over
- not legally married nor cohabiting with a partner
- have been resident in Scotland for at least two years at the time of application (and remain so)
- not be resident in a care home or similar
- be “of good character”
- meet the Society’s financial criteria which currently means having:
 - a Qualifying Income of less than £14,200 (this was increased significantly during the year in light of inflation and in anticipation of the 10+% increase in the state pension and benefits with effect from April 2023).

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

- Savings / Capital of less than £16,000

Process for Admission to the Roll of Beneficiaries

All new applications are assessed by the Casework Team against the Society's criteria and the Guidelines set by the Trustees. Some applications will be declined by the Chief Executive where it is clear that they do not meet the criteria. Those applications considered to be appropriate for time limited support are decided by the delegated group who are empowered to admit to the Roll of Beneficiaries on a time limited basis (or in exceptional circumstances). The remaining applications are considered by the General Committee on a name-blind basis. In all cases, admission to the Roll of Beneficiaries (and payment of grants) is made at the discretion of the Trustees.

Once admitted, beneficiaries' circumstances are reviewed on a regular basis. Support will normally continue indefinitely provided they continue to meet the Society's criteria unless they have been admitted for a time limited period only.

Types of Support Provided

Direct Financial Support

The core of the Society's work is the payment of direct cash grants to beneficiaries including:

- Monthly grants. These were increased in 2022 and again this year and from May 2023 onwards they are £120 per month. These monthly grants account for the majority of the support the Society offers. For some beneficiaries admitted on a time limited basis, monthly grants may be paid at a higher rate (but for a shorter period of time) as part of the Society's process of greater personalisation of support. The Society also offers advances of monthly grants (up to a limit of 5 months) to offer more flexible support which is better matched to beneficiaries needs. Advances are recovered by reducing (or suspending) future payments as required.
- Hardship / emergency grants paid to relatively few beneficiaries where they are experiencing particularly urgent or exceptional circumstances.
- Supplementary grants are targeted at beneficiaries on lower incomes and so only paid to around half of all beneficiaries. These used to be paid on an ad-hoc basis to fully distribute the Society's income but are now normally paid twice a year as a strategic means of disbursing additional support to those beneficiaries in greatest need.
- Additional grants some beneficiaries (especially those only receiving time limited support) are paid additional one-off grants if these will help them achieve positive change in their lives.
- Occasion / Other grants are sometimes made by Trustees to mark particular occasions or in light of particular circumstances. These were used extensively in the past year as (a) the Society paid all beneficiaries an additional grant of £70 to mark Her Majesty Queen Elizabeth II's diamond jubilee (and the Society's 175th Anniversary) and (b) Trustees took the exceptional decision to award virtually all beneficiaries an additional grant of £50 per month over the winter to help with fuel bills as these had more than doubled but pensions and benefits were not being increased until the following April.
- Historical grants are paid to a handful of surviving beneficiaries of historical funds which have since been absorbed into the Society.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

“It was a blessing to receive the winter payment and not have to worry about keeping warm” Ms M, 64, Ayrshire

Other Forms of Support

In addition to direct financial support, the Society’s Casework Team maintains regular contact with beneficiaries. While this is partly to assess beneficiaries continued eligibility for ongoing financial support, this contact with beneficiaries (often over many years) also enables other support to be provided:

- Financial resilience support. The Society has a dedicated Caseworker providing additional casework support to those beneficiaries who need help to become more financially resilient. This can include supporting the beneficiary to address problem debts, to claim other benefits and maximise their income, as well as supporting them to better understand and reduce their outgoings and to adopt more sustainable patterns of expenditure.
- “Light touch” advice and signposting to other sources of support. While the Society does not set itself out to be an advice agency, in practice all Caseworkers end up providing information and “light touch” advice and encouragement to beneficiaries (or applicants) to access other forms of support which may be relevant for them. This can include making referrals to support services such as Home Energy Scotland, local CABs, other benevolent organisations, Carers Centres, etc, as well as encouraging beneficiaries to speak to family members or their GP about issues which are concerning them.
- Social support to promote a sense of engagement. More generally, Caseworkers try to ensure that their visits are positive social occasions which encourage beneficiaries to feel personally engaged with the Society. Beneficiaries consistently report that they look forward to these visits and the Society underlines this sense of personal engagement through an annual newsletter, cards at Christmas and sending flowers to mark milestone birthdays.

“Many thanks for the most beautiful flowers you send me on my 90th birthday. So kind and thoughtful of you all.” Mrs K, 90, Galloway

Support Activities and Performance in Year Ending 31st March 2023

Thankfully, the past year saw a gradual return to something closer to “normal life” after the COVID pandemic enabling the Society’s Caseworkers to recommence face to face visits with new applicants and existing beneficiaries. This has been widely welcomed (not least by staff who find the personal connection much more rewarding), however the Society is aware that (a) the risks from COVID have not disappeared completely and (b) doing aspects of our work by phone does bring operational efficiencies.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Key information about Applicants and Beneficiaries over the year

The Roll of Beneficiaries

	2023	2022	2021	2020	2019	2018
Roll of Beneficiaries at the start of the year	743	811	920	933	878	846
New & re-admissions during the year	98	85	68	101	138	96
Deaths & withdrawals during the year	89	153	177	114	81	64
Roll of Beneficiaries at end of year	752	743	811	920	933	878
Individuals receiving financial assistance	841	896	988	1034	1014	942

Table 1 Key Beneficiary Numbers by financial year ending 31st March - adjusted for readmissions to Roll.

The number of beneficiaries on the Roll showed a slight recovery in numbers over the past year which is welcome and was driven by:

- A small increase in the number of admissions compared to the previous 2 years. The Society recommended promotional work over the year in particular starting to network with other organisations supporting women to attract referrals. We are also working towards streamlining our application process (including allowing online applications for the first time) and anticipate this will significantly increase the number of applications received.
- A lower number of withdrawals compared to the previous 3 years. See Table 1 for details.

Support Activities and Performance

Reasons for withdrawal of beneficiaries

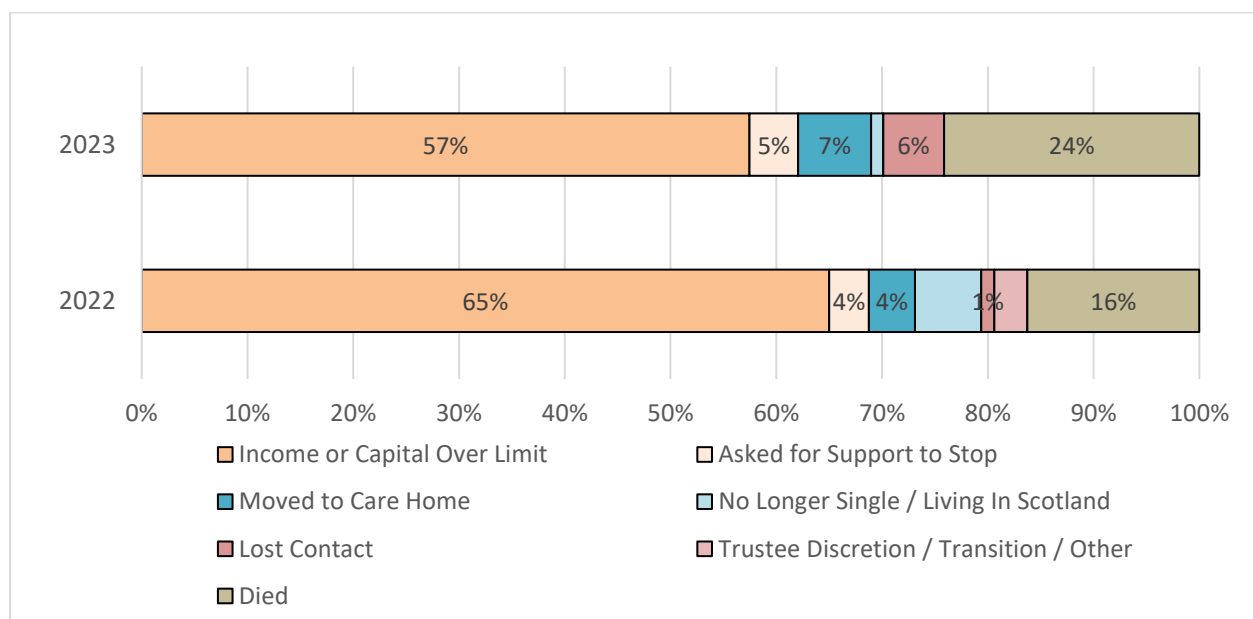


Figure 1 - Reasons for withdrawals from the Society's Roll – by year of withdrawal.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Figure 1 shows that the reasons beneficiaries were withdrawn from the Roll over the past 2 years. For a small proportion of beneficiaries, this was due to a change in their personal circumstances (shaded in blue) because they moved into a care home, started living with partner / spouse, or moved outside Scotland. However, in the majority of instances support ended because of a change in the beneficiary's financial circumstances such that their income or savings were above the Society's limits (shaded in orange) in spite of the fact that the limit for income was increased during the year. This includes a small number of cases where support stopped at the beneficiary's request (in all instances because they felt they no longer required the Society's support).

Figure 2 shows the reasons why people's income or savings increased above the Society's limits (and hence were withdrawn from the Roll):

- Over the past 2 years, approximately half of such withdrawals were due to a clear increase in the beneficiary's disposable income (shaded in green) with the main reasons for this increase being:
 - Being awarded a Disability Benefit (e.g. AA, PIP, ADP) either for the first time or at a higher rate.
 - Being paid their State Pension (e.g. where the Society has been supporting a so-called "WASPI" woman who needed support because their pension had been delayed)
 - A reduction in the beneficiary's housing costs (most commonly because they have paid off their mortgage).
- In 36% of such withdrawals over the last year, the beneficiary's "capital" increased above the Society's limit of £16,000 (shaded in purple). We do not always know the reason for this, but in the majority of cases it was because they had received a lump sum payment for a variety of reasons including on retirement, upon the sale of a property, as compensation for an injury or in the form of a bequest following a bereavement.
- However, last year 8% of such withdrawals were because the beneficiary's income "floated" above the QI limit because their pensions (or benefits) had been uprated. As such, there will have been less of a clear-cut improvement in their circumstances making the rationale for ending support less compelling. Given this, it is positive to see a significant reduction in such withdrawals from the previous years, largely because the Society started reviewing the QI limits annually.

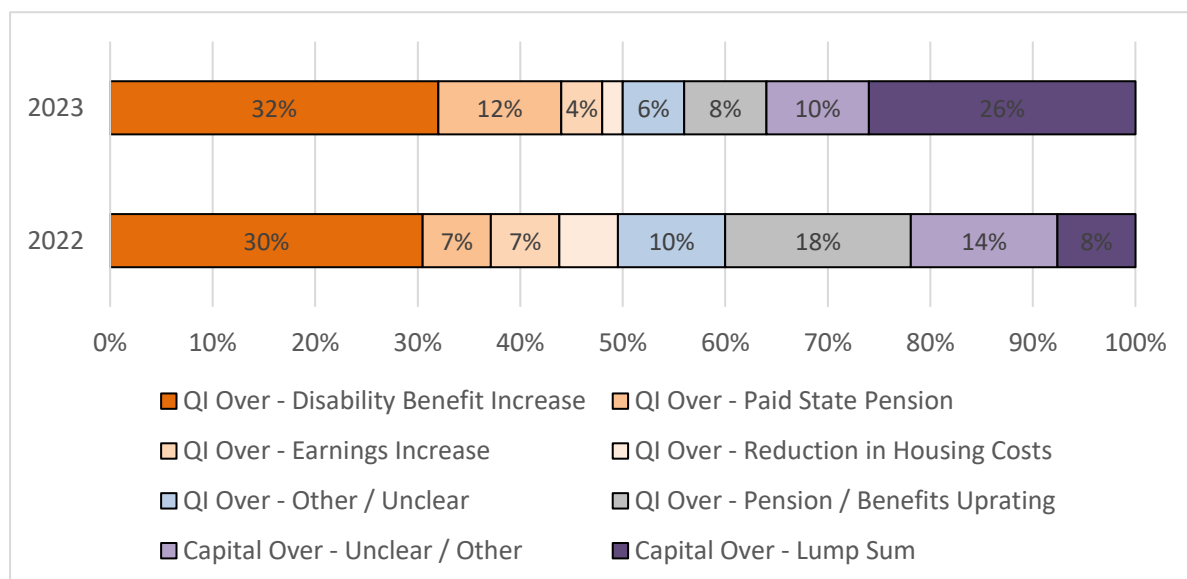


Figure 2 - Detail of withdrawals reason where income / capital over the limit – by year of withdrawal.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Support Activities and Performance (continued)

Sources of New Applications to the Society over the year

Figure 3 shows how applicants heard about the Society over the past 3 years. While the internet (especially www.turn2us.org - the best known general grant search website) remains the largest source of information, there is a trend towards more people finding out about the Society from referral agencies including Housing Associations, CAB, Maggie's Centres and MacMillan and a growing number from Job Coaches within the DWP.

"If it was not for you, I wouldn't have known anything about the extra money I should get in my pension so thank you!" Mrs D, 76, Ayrshire

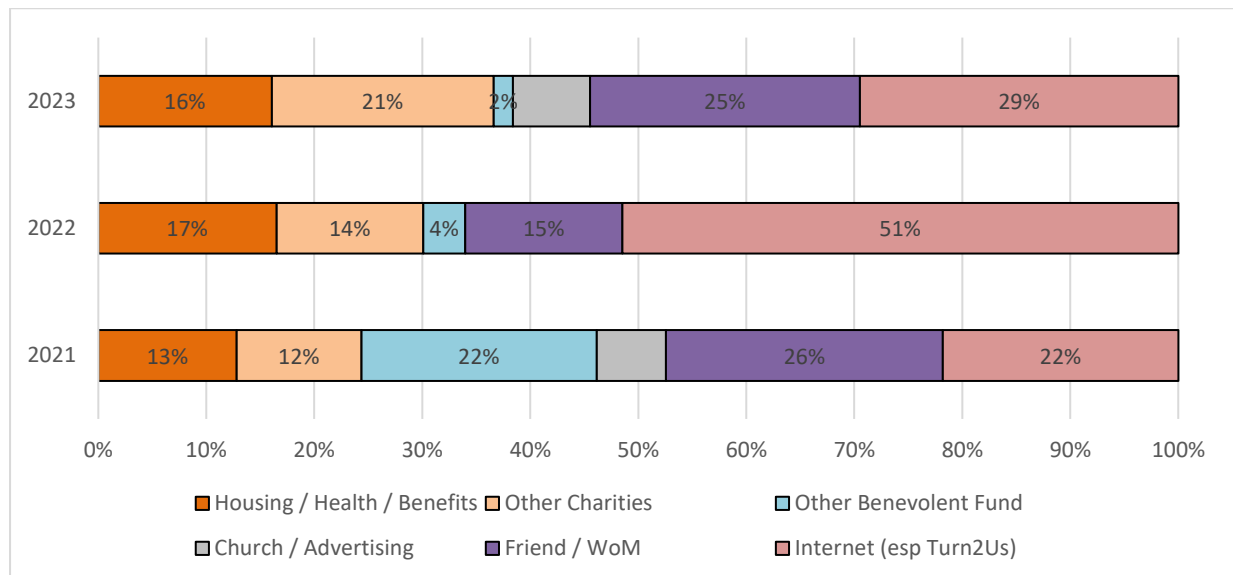


Figure 3 - Applicants' report on how they heard about the Society - by year of application.

Procurement and development of new beneficiary record management system.

As was noted last year, the Society identified the need to update our beneficiary record management system and, with the support of Adapta Consulting, conducted an open procurement and adopted Beacon CRM as our preferred provider. Since then, significant work has gone into the configuration of the system to meet the Society's specific needs, and latterly into the migration of data from our existing database into Beacon. In this respect, Mr Graeme Whyte in this role as the Society's IT adviser, has been extremely helpful and our target date for the introduction of the new system is September 2023.

"A huge help towards cost of living and enabling me to try to keep up employment" Ms A, 63, Na h-Eileanan Siar - Time Limited Support.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Finances

The Society is very fortunate to have significant investments built up over many years and which provide the vast majority of its operational income. The Society does not actively fundraise but does receive occasional bequests and donations generally from families or former beneficiaries (or their families) for which it is very grateful.

Investment Management and Objectives

The Society has granted discretionary management over its investment portfolios to professional Fund Managers, currently RBC Brewin Dolphin (BD), with oversight by the Investment Sub-Committee. The Society's investment objective is to achieve a balanced return from a broadly diversified blend of assets, with a moderate risk profile with its funds split into 2 portfolios:

- Main Portfolio managed on a long-term basis for both income and growth and held in diversified holdings with moderate investment risk (BD Risk Category 7). A new investment mandate was adopted in September 2021 which takes a "total return" approach and permits the investment managers to make direct investments in overseas. This resulted in significant trading in late 2021 to restructure the portfolio.
- Second Portfolio managed on a lower risk profile (BD Risk Category 4) in liquid funds with a view to possible medium-term realisation.

Other forms of Investments

In addition to our investment portfolios, the Society also:

- Operates a "Flagstone Cash Hub" Account through the Charities Aid Foundation which enables us to increase FSCS coverage and improve returns.
- Owns a property in Rutland Square, Edinburgh (where our offices are based) and over the past year we have been planning towards a significant renovation of this building to improve facilities, carry out prudent repairs, improve both returns and environmental performance, and provide more suitable offices for the Society (which may also allow us to offer spaces to other women's charities as a way of supporting their work and increasing our impact). We are being advised by Reid Mitchell (as project managers), Cuthbert White (as letting agents), Alistair Hawkins (architect) and TB+A (as M&E consultants). Our current tenants' lease has been extended to the end of March 2024 with a view to works starting shortly afterwards. Having said this, the final decision whether to progress with these renovations will be dependant on the outcome of the tendering of the works and will be made by the General Committee.

Procurement and development of new beneficiary record management system.

Investment Performance

This was a poor year for the Society's investments reflecting poor performance in markets more generally driven by the increase in inflation, fall in value of Gilts and the economic shock following the invasion of Ukraine. This resulted in the portfolio valuations falling back to £45,519,345 at the end of the year (2022 £48,772,442 – see Balance Sheet). Additionally, the full effect of the Main Portfolio restructuring away from a high focus on income stocks towards a broader balance between both growth and income stocks, resulted in a reduction in income from investments to £1,106,574 (2022 - £1,386,334 – see SOFA).

While this poor performance over the year is disappointing, the Society is a long-term investor and RBC Brewin Dolphin, the Investment Sub Committee and Trustees more generally remain

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

satisfied that the Society's investments are appropriate and in line with its long-term horizon and investment objectives.

"These payments will not only help me develop my business but will also ease the financial pressure I have been under" Ms F, 53, Moray - Time Limited Support.

Financial Performance Over the Year

Society operated at a headline deficit of £787,378 (2022 – deficit of £61,510 – see SOFA) over the course of the year, and made an overall loss on its investment portfolios of £2,745,823 due to market conditions (2022 – gain of £2,316,982 – see SOFA). There were a number of factors which drove this significant increase in deficit but the most significant were:

- The reduction in level of income from investments because of the restructuring towards a balance between income and growth stocks as noted above. Lower levels of income is inherent in a total return investment approach, so higher headline deficits are likely to be a feature of the Society's financial performance in future years, but these should be offset by higher levels of growth in the portfolio valuations.
- A 33% increase in the level of expenditure on charitable activities to £1,885,980 (2022 - £1,418,363 – see SOFA) in turn largely due to:
 - Significant disbursement of additional grants totalling £280,740 (2022 – £10,403 – see Note 9) because of (a) the Queen's Jubilee Grant and (b) the Winter Grants agreed by Trustees because of the exceptional pressures on beneficiaries' budgets at the time.
 - A 13% increase in principal (monthly) grant expenditure to £1,082,160 (2022 £958,390 – see Note 9) largely due to the increase in the monthly grant to £115 pm during the year and the increase in beneficiary numbers.
 - An increase in total staffing costs to £228,217 (2022 - £193,893 – see Note 10) due to (a) the creation of the new Financial Resilience Caseworker post and (b) increases in rates of pay to staff because of cost-of-living pressures.
- An increase in the level of reported investment management costs to £104,130 (2022 - £45,646 – see Note 8). These are the net fees paid to RBC Brewin Dolphin (BD) and these have fluctuated significantly over the years because of the way they have been calculated. The total fees paid to BD are based upon a percentage of the portfolio valuations, but commission charged by BD when trading formed part of these fees. Such commission was offset against the total fees meaning the net fees paid (and reported in the accounts) varied significantly depending on the level of trading (and hence commission) within any year. This arrangement was changed at the start of 2023 such that BD no longer charges commission when trading and their fees are solely based on a percentage of the portfolio valuations. This will give greater transparency and should mean less variation in the level of reported investment management costs in the future, however the fees paid in 2022 were calculated under the old arrangements.

Other notable features of the Society's financial performance over the year includes:

- Total governance costs increase to £54,774 (2022 - £40,868 – see Note 10) largely as a result of (a) the costs of consultancy support around the procurement of our new beneficiary record management system, (b) the costs of our Parliament reception to mark our 175th anniversary

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

(though we were very grateful to receive support from RBC Brewin Dolphin towards these costs), and (b) the fact that we started incurring costs for meetings again now that we have moved back to in person General Committee meetings.

- The Society was also very fortunate to have received donations totalling £7,933 (2022 - £11,625) and legacies totalling £87,594 (2021 - £3,739 – see Note 4) for which we are very grateful. The Society does not proactively fundraise and as a result income from donations and legacies vary greatly from year to year. However, over time they form a significant source of the support and indeed all of the Society's work throughout its history has been due to the generosity of past and present benefactors.

Reserves Policy

All the Society's assets and reserves are unrestricted. However, the Society differentiates between the funds held in our:

- Designated Investment Fund (DIF) which is the Society's investments that we depend on to provide both our current and future income generation. Trustees are of the view that it is necessary to maintain and, where possible, increase over the long term the value DIF so that the Society can fulfil its objectives into the future. As a matter of policy Trustees have decided that:
 - Most Legacies received will be treated as being added to the DIF (unless requested otherwise)
 - Investment Manager's fees will be allocated fully to the DIF
 - All investment gains and losses will be allocated fully to the DIF
 - Costs incurred which may be considered to be investments will be allocated to the DIF (for example the costs of renovation of our offices as these are an investment in our property)
- General Fund which is the Society's day-to-day operational funds and reserves. All other costs and income will be allocated to the general fund unless noted above.

The Society also used to designate an Undistributed Income Fund (UIF). This fund was historically used for so called "surplus" income received under the Society's previous, income focused investment, and pre-pandemic market conditions when dividends tended to be higher and special dividends more frequent. The Society's policy was to designate and distribute such "surplus" income to beneficiaries at an appropriate future point. However, the change in the Society's investment mandate to a "total return" approach means that it is now very unlikely that the Society will have such "surplus" income. As a result, Trustees were of the view that the UIF added complexity to the Society's accounts for no clear purpose. Accordingly, they decided to discontinue the UIF and transfer funds within it to the General Fund where they will continue to act as a reserve for disbursement to beneficiaries as appropriate (for example, as the exceptional Winter Payments paid over the past year).

See Note 17 for details of the makeup of these funds and the Society's reserves.

Risk Management

The General Committee reviews its Risk Management Register at regular intervals. Of the potential areas of risk considered by the Committee, the most significant are:

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

- Market Conditions. As noted above, the Society relies almost exclusively on its investments to fund its charitable activities and operating costs, and the market gyrations of the past few years with the COVID pandemic and inflation spike driven by the invasion of Ukraine has underlined these risks. However, Trustees consider that the Society is as well placed as it could be to anticipate this as:
 - The investment portfolios are well diversified across asset classes and sectors
 - The Society holds significant reserves within the General Fund in adequate liquid form
 - The Society has the option in the longer term of reducing costs through, amongst other options, reducing the overall expenditure limit for grant distribution (and consequently beneficiary numbers)
- Lone Working. A significant part of the Society's normal activities involves Caseworkers lone working visiting new applicants and existing beneficiaries in their homes, with considerable time travelling in between. However, the Society does not operate in a particularly high-risk environment and a comprehensive Lone Worker policy is in place.

Disaster Recovery / Loss of Key Personnel. The Society has in place structured back up procedures for all critical data with copies held both on and off-site. The robustness of off-site working has been demonstrated by the rapid adoption of homeworking for all staff required by the COVID-19 lockdowns.

"When your income is very low, the Society's payment makes such a difference" Mrs C, 70, West Lothian

General Committee's Responsibilities

Legislation applicable to charities in Scotland requires the General Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the relative balance of income and expenditure for that period.

In preparing those financial statements, the General Committee is required to:

- select suitable accounting policies and then apply them consistently;
- 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 Society will continue its activities.

The General Committee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose, with reasonable accuracy at any time, the financial position of the Society and to enable it to ensure that the financial statements comply with applicable accounting standards and relevant legislation.

The Committee has general responsibility for taking such steps, as are reasonably open to them, to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Report of the Trustees for the year ended 31 March 2023

Statement as to disclosure of information to the auditor

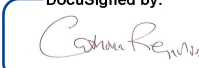
To the best of the knowledge and belief of each of the individuals, who are General Committee members, at the time the report is approved:

- so far as the General Committee member is aware, there is no relevant information of which the Society's auditor is unaware; and
- he or she has taken all steps that ought to have been taken, as a General Committee member, in order to become aware of any relevant audit information and to confirm that the Society's auditor is aware of that information.

The trustees 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.

A resolution to re-appoint Wylie & Bisset (Audit) Limited as Auditors will be put to the members at the Annual General Meeting.

Approved by the General Committee on 1st September 2023 and signed on its behalf by:

DocuSigned by:

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Name: Catriona Reynolds

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Royal Society for the Support of Women of Scotland (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the 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 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 charity's affairs as at 31 March 2023, 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 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 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 charity'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 to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees Annual Report and 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

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 this 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) requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Report of the Trustees; 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.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees are responsible for the preparation of 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

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 the 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

Extent to which 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 charity, the environment in which it operates 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 charity and the sector it operates in 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.

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 were related to;

- Posting inappropriate journal entries; and
- Managing 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;
- 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.

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.

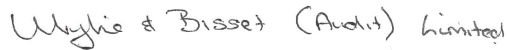
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

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 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Wylie & Bisset (Audit) Limited

Statutory auditor
Date: 1 September 2023

168 Bath Street
Glasgow
G2 4TP

Wylie & Bisset (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2023**

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £
Income and endowments from:							
Donations and legacies	4	95,527	-	95,527	15,364	-	15,364
Investments	5	1,106,574	-	1,106,574	1,386,344	-	1,386,344
Other incoming resources	6	1,250	-	1,250	1,500	-	1,500
Total Income		1,203,351	-	1,203,351	1,403,208	-	1,403,208
Expenditure on:							
Raising funds							
Raising donations and legacies	7	619	-	619	709	-	709
Investment management	8	104,130	-	104,130	45,646	-	45,646
Charitable activities	9	1,885,980	-	1,885,980	1,418,363	-	1,418,363
Total Expenditure		1,990,729	-	1,990,729	1,464,718	-	1,464,718
Net (expenditure) and net movement in funds before gains and losses on investments							
		(787,378)	-	(787,378)	(61,510)	-	(61,510)
Net (losses)/gains on investments		(2,745,823)	-	(2,745,823)	2,316,892	-	2,316,892
Net (expenditure)/income		(3,533,201)	-	(3,533,201)	2,255,382	-	2,255,382
Net movement in funds		(3,533,201)	-	(3,533,201)	2,255,382	-	2,255,382
Funds reconciliation							
Total Funds brought forward	17	49,368,005	-	49,368,005	47,112,623	-	47,112,623
Total Funds carried forward	17	45,834,804	-	45,834,804	49,368,005	-	49,368,005

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


All income and expenditure derives from continuing activities.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

BALANCE SHEET AS AT 31 MARCH 2023

	Note	2023	2022
		£	£
Fixed assets:			
Tangible assets	13	1,008,420	1,029,000
Listed investments	14	44,651,628	47,883,237
Cash held by investment managers	14	367,717	389,205
Investment property	14	500,000	500,000
Total Fixed assets		<u>46,527,765</u>	<u>49,801,442</u>
Current assets:			
Debtors	15	132,153	279,397
Cash at bank and in hand	20	270,659	344,667
Total Current assets		<u>402,812</u>	<u>624,064</u>
Liabilities:			
Creditors falling due within one year	16	<u>(1,095,773)</u>	<u>(1,057,501)</u>
Net Current (liabilities)		(692,961)	(433,437)
Net assets		<u>45,834,804</u>	<u>49,368,005</u>
The funds of the charity:			
Unrestricted funds	17	45,834,804	49,368,005
Total Charity funds		<u>45,834,804</u>	<u>49,368,005</u>

Approved and authorised for issue by the trustees on 1 September 2023 and signed on their behalf by:

DocuSigned by:

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Name: Catriona Reynolds

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2023

	Note	Total Funds 2023 £	Total Funds 2022 £
<i>Cash flows from operating activities:</i>			
Net cash (used in) operating activities	19	(1,687,856)	(1,499,969)
<i>Cash flows from investing activities:</i>			
Investment income		1,106,574	1,386,344
Purchase of investments		(10,299,454)	(20,291,773)
Proceeds from the sale of investments		10,806,728	20,142,961
Net cash provided by investing activities		<hr/> 1,613,848	<hr/> 1,237,532
Change in cash and cash equivalents in the year		(74,008)	(262,437)
Cash and cash equivalent brought forward	20	<hr/> 344,667	<hr/> 607,104
Cash and cash equivalents carried forward	20	<hr/> <hr/> 270,659	<hr/> <hr/> 344,667

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial reporting standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS102) (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS102) (effective 1 January 2019), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Society meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires Trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 1(o).

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material to the Society's financial statements unless otherwise stated.

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

(b) Going concern

The Trustees are of the opinion that the charity can continue to meet its obligations as they fall due for the foreseeable future. The Society has significant cash reserves, a substantial investment portfolio generating regular income and is able to restrict further admissions to the Roll of Beneficiaries. As a consequence, the Trustees have prepared the financial statements on a going concern basis.

(c) Recognition and allocation of income

Income is recognised when the Society becomes entitled to the income, receipt is probable and the amount can be measured reliably. Account is taken of dividends declared before the end of the financial year but not received by the Society's investment managers.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies (continued)

Donation and legacy income:

Donation and legacy income is recognised when the charity becomes entitled to the income, it is probable that it will be received and the amount can be measured reliably. Entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to the charity and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. A receipt is normally probable when there has been a grant of probate, the executors have established that there are sufficient net assets in the estate, and any conditions are within the control of the charity or have been met.

Where a legacy is subject to the interest of a life tenant, the legacy is not recognised until the death of the life tenant. Legacy income is measured at fair value (generally the cash amount receivable) and is discounted if deferred for more than 12 months. The unwinding of the discount is recognised as interest receivable.

Investment Income:

Interest is recognised using the effective interest rate applicable to the asset. Dividend income is recognised when the right to receipt is established and is measured at fair value.

(d) Recognition and allocation of expenditure

Expenditure is recognised on an accruals basis when the Society has entered into a legal or constructive obligation. Where possible, expenditure is allocated directly to the function to which it relates.

Grants payable:

Principal Grants and other grants awarded for specific needs are made at the discretion of the Society and recognised in the financial statements when paid. Current practice is that once admitted to the Roll, Beneficiaries receive Principal Grants subject to continuing review of both their own circumstances and the Society's criteria for eligibility. Although Trustees do not have a legal obligation to make future grant payments, they accept a constructive obligation to do so based on an established pattern of practice. In recognition of the approach likely to be adopted by Trustees in the event of awards being withdrawn, provision for future payment is made based on the current level of Principal Grant continuing to be paid for a period of 12 months to the number of Beneficiaries supported by the Society at 31 March.

Other resources expended:

Costs of raising funds represents the costs of promoting the Society and of managing its investments. Support costs represent the costs of the Society's caseworkers and a proportion of the costs of administrative and management staff as this supports grant-making and casework. The remaining proportion of the costs of administrative and management staff are allocated to governance costs as these support the management of the Society's assets, organisational administration, and compliance with constitutional and statutory requirements.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****1. Accounting Policies (continued)***(e) Taxation*

The Society is recognised by HM Revenue and Customs as a charity for the purposes of Section 478 of the Income and Corporation Taxes Act 2010 and is entitled under Section 7 of the Charities & Trustee Investment (Scotland) Act 2005 to describe itself as a Scottish charity. As a result, the Society is exempt from taxation on its charitable activities. As the Society is not registered for Value Added Tax, the V.A.T. element is included with the related expense.

(f) Funds

Unrestricted funds are income sources which are receivable for the objects of the charity without further specified purposes and are available as general funds.

All the Society's funds are unrestricted. Trustees consider the aggregate of the Society's main investment portfolio (including the cash held by the stockbroker within that portfolio for reinvestment) and the value of the Heritable Property should be highlighted in a Designated Investment Fund. The liability for future Principal Grant payments falls upon this Fund, but otherwise these funds are not normally available for distribution.

The General Committee may, from time to time, designate further funds which have been earmarked for a specific future purpose.

(g) Fixed assets and depreciation

The Heritable property was revalued at 31st March 2021 and is stated as such. Depreciation is charged on heritable property used by the Society at 2% per annum reducing balance.

Other fixed assets are stated at cost less accumulated depreciation and impairment losses. Depreciation was charged on the motor car so as to write off the anticipated reduction in value over the expected three-year period of ownership, but this was disposed of during the year.

Most equipment is included within resources expended in the year of acquisition.

(h) Impairment of fixed assets

At each reporting date, the Society reviews the carrying amounts of its tangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****1. Accounting Policies (continued)***(i) Investments*

Investments include the Society's investment portfolios, cash held by the stockbroker within these portfolios and the portion of Heritable property held and let as investment property. The investments portfolios are included in the financial statements at fair value based on quoted market values at the reporting date. Gains and losses on investment assets are included either as unrealised or realised gains and losses for the period in which they arise.

The investment property is held at its fair value at the reporting date based on the last external independent valuation being carried out on 31 March 2021.

(j) Debtors

Debtors are amounts identified as due to the Society including prepayments, legacies and donations notified but not yet received, and as dividend income due but not yet received at year end. Debtors are recognised at the undiscounted amount of cash receivable, less any allowances for doubtful debts.

(k) Creditors

Sundry creditors include outstanding amounts due to suppliers and provision for grants payable to beneficiaries in the following twelve months.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and are measured at fair value.

(m) Financial assets and financial liabilities

Financial instruments are recognised in the statements of financial activities when the Society becomes a party to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are accounted for as set out below. A financing transaction is measured at the present value of the future payments discounted at the market rate of interest for similar debt instrument.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

At the end of each reporting period, basic financial instruments are measured at amortised cost using the effective rate method. All financial instruments not classified as basic are measured at fair value at the end of the reporting period with the resulting changes recognised in income or expenditure. Where the fair value cannot be reliably measured, they are recognised at cost less impairment.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Society has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies (continued)

(n) Pensions

The Society does not administer a pension plan but instead contributes to money purchase pension plans on behalf of all employees

(o) Critical judgements and estimates

In preparing the financial statements Trustees make estimates and assumptions which affect reported results, financial position and disclosure of contingencies. Use of available information and application of judgement are inherent in the formation of the 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 such estimates.

The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Legacy income is measured at fair value, but where part of a legacy left to the charity includes property or shares to be sold, judgement is used to estimate the amount receivable

The Society's provisions for future grants to beneficiaries, relies on the Roll at the end of the current year. The actual level will depend on the number of deaths and withdrawals and the number of new admissions. New admissions are under the control of trustees, and the Society now operates a cap on the number of beneficiaries it will support.

2. Legal status

The Society is an unincorporated charity, recognised as a charity for tax purposes by HMRC and registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC016095. Details of the principal address can be found on page 1 of this Annual Report and Financial Statements.

3. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses are reimbursed, but as all committee meetings were held virtually last year, no Trustees received travelling expenses (2022: £nil). Training may be provided for Trustees to support their role, but none was during 2023 (2022: none). Token gifts may be given to Trustees, usually at the point of their retirement after long or significant service, with token gifts given to one Trustee worth £67 during 2023 (2022: £nil). Indemnity insurance is in place to protect the interests of Trustees costing £1,128 (2022: £868).

The Society receives IT and Database support from Mr. Graeme A. Whyte (trading as J7 (MIS) Ltd) who is a Trustee. A formal remuneration agreement is in place under the terms of the s67 of the Charities and Investments (Scotland) Act 2005. Fees of £18,616 were paid in respect of his services during the year (2022 - £14,588). In addition, a further £8,266 of equipment and supplies were purchased through J7 (MIS) Ltd (2022 - £7,882). No other Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2022: £nil).

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

3. Related party transactions and Trustees' expenses and remuneration (continued)

The sister of a Trustee was admitted to the Roll of Beneficiaries in November 2015. The application was considered on a name-blind basis in the same way as all other applications, and the related Trustee took no part in consideration of this applicant.

4. Income from donations and legacies

	2023	2022
	£	£
Donations	7,933	11,625
Legacies	87,594	3,739
	<u>95,527</u>	<u>15,364</u>

5. Investment income

	2023	2022
	£	£
Fixed interest and convertible stocks	60,038	168,171
Equities	1,019,312	1,195,571
Investment manager interest	2,006	-
Bank interest	4,718	302
Rental income	20,500	22,300
	<u>1,106,574</u>	<u>1,386,344</u>

6. Other incoming resources

	2023	2022
	£	£
Other income	1,250	1,500
	<u>1,250</u>	<u>1,500</u>

7. Raising donations and legacies

	Direct Costs	Support Costs	Total
	2023	2023	2023
	£	£	£
Advertising for legacies	619	-	619
	<u>619</u>	<u>-</u>	<u>619</u>
	Direct Costs	Support Costs	Total
	2022	2022	2022
	£	£	£
Advertising for legacies	709	-	709
	<u>709</u>	<u>-</u>	<u>709</u>

8. Investment management costs

	2023	2022
	£	£
Investment manager fees	104,130	45,646
	<u>104,130</u>	<u>45,646</u>

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

9. Analysis of expenditure on charitable activities

2023:	Charitable Activities	Total
	£	£
<i>Grants paid to beneficiaries:</i>		
Principal monthly grants	1,082,160	1,082,160
Additional/emergency grants	284,835	284,835
Supplementary grants	122,300	122,300
Gifts, flowers, cards etc for beneficiaries	2,119	2,119
Grants paid from other notional funds	1,600	1,600
	<hr/>	<hr/>
	1,493,014	1,493,014
Casework and support costs (note 10)	338,192	338,192
	<hr/>	<hr/>
	1,831,206	1,831,206
Governance costs (note 10)	54,774	54,774
	<hr/>	<hr/>
	1,885,980	1,885,980

2022:	Charitable Activities	Total
	£	£
<i>Grants paid to beneficiaries:</i>		
Principal monthly grants	958,390	958,390
Additional/emergency grants	10,403	10,403
Supplementary grants	125,025	125,025
Gifts, flowers, cards etc for beneficiaries	1,285	1,285
Grants paid from other notional funds	1,600	1,600
	<hr/>	<hr/>
	1,096,703	1,096,703
Casework and support costs (note 10)	280,792	280,792
	<hr/>	<hr/>
	1,377,495	1,377,495
Governance costs (note 10)	40,868	40,868
	<hr/>	<hr/>
	1,418,363	1,418,363

10. Allocation of governance and casework 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:

2023:	Total	Casework	Governance	Basis of
Cost type	Allocated	and	£	apportionment
	2023	support		
	£	costs		
		£		
Staff costs	228,217	206,673	21,544	Staff time
Admin costs	68,166	68,166	-	Staff time
Office costs	34,432	34,432	-	Usage
Travel costs	8,341	8,341	-	
Depreciation	20,580	20,580	-	Usage
Total	<hr/>	<hr/>	<hr/>	
	359,736	338,192	21,544	

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

10. Allocation of governance and casework and support costs (continued)

2022:

Cost type	Total Allocated 2022 £	Casework and support costs £	Governance £	Basis of apportionment
Staff costs	193,383	178,053	15,330	Staff time
Admin costs	42,145	42,145	-	Staff time
Office costs	39,084	39,084	-	Usage
Travel costs	510	510	-	
Depreciation	21,000	21,000	-	Usage
Total	296,112	280,792	15,330	

Governance costs:

	2023 £	2022 £
Legal, professional and consultancy fees	5,895	9,035
Trustee indemnity insurance	1,128	835
Committee & trustee expenses	2,171	-
Audit fee	11,337	13,452
Other governance	12,699	2,216
Staffing costs supporting governance	21,544	15,330
	54,774	40,868

Breakdown of governance and support costs by activity:

2023:

	Casework and support costs £	Governance £	2023 £
Charitable activities	338,192	54,774	392,966
	338,192	54,774	392,966

2022:

	Casework and support costs £	Governance £	2022 £
Charitable activities	280,792	40,868	321,660
	280,792	40,868	321,660

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023****11. Analysis of staff costs and remuneration of key management personnel**

	2023	2022
	£	£
Salaries and wages	192,100	163,801
Social security costs	13,769	10,879
Other pension costs	14,647	12,725
Total staff costs and employee benefits	<u>220,516</u>	<u>187,405</u>

	2023	2022
	£	£
Key management personnel remuneration	<u>47,829</u>	<u>44,267</u>

There are no employees remunerated more than £60,000 (2022: £nil).

	2023	2022
	No.	No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>8</u>	<u>7</u>

12. Net income/(expenditure) for the year

	2023	2022
	£	£
This is stated after charging/(crediting):		
Depreciation	20,580	21,000
Auditor's remuneration:		
Audit fees	<u>11,337</u>	<u>13,452</u>

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible Fixed Assets

	Heritable Property £	Total £
Cost or valuation		
At 1 April 2022	1,050,000	1,050,000
Additions	-	-
At 31 March 2023	<u>1,050,000</u>	<u>1,050,000</u>
Depreciation		
At 1 April 2022	21,000	21,000
Charge for the year	20,580	20,580
At 31 March 2023	<u>41,580</u>	<u>41,580</u>
Net book value		
At 31 March 2022	<u>1,029,000</u>	<u>1,029,000</u>
At 31 March 2023	<u><u>1,008,420</u></u>	<u><u>1,008,420</u></u>

14. Fixed Asset Investments

	2023 £	2022 £
Investment property at start of year	500,000	500,000
Change in value on revaluation at 31 st March	-	-
Investment Property as at 31 st March	<u>500,000</u>	<u>500,000</u>
Listed investments	44,651,628	47,883,239
Cash held by Stockbroker	367,717	389,203
	<u><u>45,519,345</u></u>	<u><u>48,772,442</u></u>

	2023 £	2022 £
Listed Investments		
Market Value at start of year	47,883,239	45,625,449
Additions	10,320,940	20,083,859
Disposals	(10,887,451)	(19,238,219)
Net unrealised gains/(losses) on revaluation	(2,665,100)	1,412,150
Market Value at 31st March 2023	<u><u>44,651,628</u></u>	<u><u>47,883,239</u></u>
Historical Cost at 31 st March	<u><u>41,355,109</u></u>	<u><u>38,378,164</u></u>

The Government Securities, Fixed Interest and Convertible Stocks have been valued including accrued interest.

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

15. Debtors

	2023	2022
	£	£
Trade debtors	-	907
Tax recoverable	140	-
Notified legacies	2,000	-
Accrued dividends	120,358	169,849
Other debtors	9,655	108,641
	<u>132,153</u>	<u>279,397</u>

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Provision to pay grants	1,080,000	1,021,200
Sundry creditors and accruals	13,515	33,843
Pension contributions	2,258	2,458
	<u>1,095,773</u>	<u>1,057,501</u>

17. Analysis of charitable funds

Analysis of Fund movements

	As at 1 April 2022	Income	Expenditure	Transfers	Gains/ (Losses)	As at 31 March 2023
	£	£	£	£	£	£
Unrestricted funds						
Designated Investment Fund	48,035,626	87,594	104,130	(538,644)	(2,745,823)	44,734,623
Undistributed Income Fund	1,038,055	-	-	(1,038,055)	-	-
Total designated funds	<u>49,073,681</u>	<u>87,594</u>	<u>104,130</u>	<u>(1,576,699)</u>	<u>(2,745,823)</u>	<u>44,734,623</u>
General Fund	294,324	1,115,757	1,886,599	1,576,699	-	1,100,181
Total unrestricted funds	<u>49,368,005</u>	<u>1,203,351</u>	<u>1,990,729</u>	<u>-</u>	<u>(2,745,823)</u>	<u>45,834,804</u>

Analysis of Fund movements

	As at 1 April 2021	Income	Expenditure	Transfers	Gains/ (Losses)	As at 31 March 2022
	£	£	£	£	£	£
Unrestricted funds						
Designated Investment Fund	45,768,517	3,739	71,606	-	2,334,976	48,035,626
Undistributed Income Fund	1,021,179	-	-	-	16,876	1,038,055
Total designated funds	<u>46,789,696</u>	<u>3,739</u>	<u>71,606</u>	<u>-</u>	<u>2,351,852</u>	<u>49,073,681</u>
General Fund	322,927	1,399,469	1,393,112	-	(34,960)	294,324
Total unrestricted funds	<u>47,112,623</u>	<u>1,403,208</u>	<u>(1,464,718)</u>	<u>-</u>	<u>2,316,892</u>	<u>49,368,005</u>

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

17. Analysis of charitable funds (continued)

All the Society's funds are unrestricted. The following Funds are designated for the purposes indicated, and their composition at 31st March 2023 is shown in the table below.

The Designated Investment Fund (DIF) comprises the aggregate of the Society's investment portfolio, the value of the Heritable Property and cash held by the stockbroker for reinvestment. These funds are not available for distribution, but the General Committee considers that the liability for future grants should fall upon this Fund as it is the source from which incomes derives to meet this obligation.

The Undistributed Income Fund (UIF) was created in March 2018 by transfer of cash from the General Fund. It represents historically undistributed surplus income, now identified as available for future distribution to beneficiaries at a time of the General Committee's choosing, as described in the charity's Reserves Policy (see above).

The General Fund (Gen.) comprises the charity's working funds.

18. Net assets over funds

At 31 March 2023	Unrestricted Funds £	Restricted Funds £	Total 2023 £
Tangible fixed assets	1,008,420	-	1,008,420
Investments	45,519,345	-	45,519,345
Debtors	132,153	-	132,153
Bank & Cash	270,659	-	270,659
Creditors	(1,095,773)	-	(1,095,773)
	45,834,804	-	45,834,804

At 31 March 2022	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Tangible fixed assets	1,029,000	-	1,029,000
Investments	48,772,442	-	48,772,442
Debtors	279,397	-	279,397
Bank & Cash	344,667	-	344,667
Creditors	(1,057,501)	-	(1,057,501)
	49,368,005	-	49,368,005

ROYAL SOCIETY FOR THE SUPPORT OF WOMEN OF SCOTLAND

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Net (expenditure)/income for the year per the Statement of Financial Activities	(3,533,201)	2,255,382
Adjustments for:		
Losses/(Gains) on investments	2,745,823	(2,316,892)
Depreciation charges	20,580	21,000
Investment income	(1,106,574)	(1,386,344)
Decrease/(Increase) in debtors	147,244	(31,454)
Increase/(decrease) in creditors	38,272	(41,661)
Net cash (used in) operating activities	<u>(1,687,856)</u>	<u>(1,499,969)</u>

20. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	270,659	344,667
Total cash and cash equivalents	<u>270,659</u>	<u>344,667</u>

21. Contingent assets

The society will ultimately benefit from 2 estates which are subject of life-rent to third party. The first of these may not be received for some time but was valued in April 2021 in the region of £2 million. The second may be received sooner, with the size of this estate unknown, but is not understood to be large.

22. Commitments – Operating Leases

	2023 £	2022 £
Payable within one year	98	-
Payable between two and five years	4,961	-
	<u>5,059</u>	<u>-</u>