

Registered Charity Number: 244472

THE HIGHLAND SOCIETY OF LONDON

FINANCIAL STATEMENTS

30 September 2021

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THE HIGHLAND SOCIETY OF LONDON

TRUSTEES' REPORT

for the year ended 30 September 2021

The Trustees present their report and financial statements for the year ended 30 September 2021

1 REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	The Highland Society of London
Charity registration number	244472
Registered address	Hope House Basingstoke Road Ramsdell Tadley Hampshire RG26 5RB
Bankers	The Royal Bank of Scotland plc London Drummonds Branch 49 Charing Cross Road London SW1A 2DX
Independent examiner	S Lawrence Hazlewoods LLP Staverton Court Staverton Cheltenham Gloucestershire GL51 0UX

Committee of Management

The members of the Committee of Management (who act as Trustees) serving during the year and since the year end were as follows:

President	Duncan Byatt
Hon. Secretary	Fiona Macpherson
Hon. Treasurers	Alex Ogilvie Colin Fraser-Mackenzie (resigned with effect from 10 March 2021) Nat Hone Tom Macpherson (appointed with effect from 10 March 2021)
Directors	The Captain of Clanranald (resigned with effect from 10 March 2021) Alasdair Findlay-Shirras Lord Calum Graham Neill Mulvie Harry Nickerson The Viscount Younger of Leckie

THE HIGHLAND SOCIETY OF LONDON

TRUSTEES' REPORT (continued)

for the year ended 30 September 2021

2 STRUCTURE, GOVERNANCE AND MANAGEMENT

The Highland Society of London was founded in 1778 and is governed by an Act of Incorporation dated 21 May 1816. The Society was registered by the Charity Commission as a charitable organisation on 7 September 1965. The provisions of the Act are contained in the Rules and Byelaws of the Society which have been amended from time to time.

The Committee of Management (whose members act as Trustees) is appointed annually by the Members at the General Court. The General Court meets at least twice a year and delegates the management of the affairs of the Society to the Committee of Management, which meets at least three times a year. The General Court has the power to appoint members of the Committee of Management should an office become vacant by death, resignation or otherwise during the year.

Together with the Rules and Byelaws of the Society, the Committee of Management operates in accordance with the Society's Governance Guidelines, which set out the responsibilities and accountability of the Committee of Management (acting as Trustees). None of the Committee of Management receives a fee or any other form of remuneration from the Society.

3 OBJECTIVES AND ACTIVITIES

The objectives of the Society as set out in the Act of Incorporation dated 21 May 1816 are:

- (i) to support schools in the Highlands and northern parts of Great Britain
- (ii) to relieve distressed Highlanders at a distance from their native homes
- (iii) to preserve the antiquities and valuable remains of Celtic culture
- (iv) to promote the improvement and general welfare of the northern parts of Great Britain

The Society looks to achieve its objectives by promoting and supporting the traditions and culture of the Highlands of Scotland (primarily through making grants to organisations and individuals that the Committee of Management determines are contributing to the Society's objectives), whilst maintaining a Membership of individuals to support the Society's activities.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Society's aims and objectives and in planning future activities and setting the grant making policy for the year.

4 ACHIEVEMENTS AND PERFORMANCE

The primary focus of the Society during the year was to fund prizes and grants aimed at increasing the participation and public enjoyment of cultural activities related to the Highlands of Scotland, both traditional and contemporary.

The ongoing pandemic had a significant impact on the activities of some of the organisations that the Society regularly supports, due to the restrictions on physical gatherings. Fortunately, a number of these organisations were able to take their activities online; and the expectation is that this will continue to be the case to some extent during the coming year. As a result, there was a significant increase in public engagement with Highland culture online (particularly for literature and music) as a result of the pandemic.

In relation to piping, the Society supported the Argyllshire Gathering's decision to run the MacGregor Memorial Piobaireachd competition as an online event for the second year running, with an encouraging level of both entrants and viewers. However, the Gold Medal competitions at the Argyllshire Gathering and the Northern Meeting were once again both cancelled, as were the piping competitions at the Skye Games and the Scottish Piping Society of London.

THE HIGHLAND SOCIETY OF LONDON

TRUSTEES' REPORT (continued)

for the year ended 30 September 2021

4 ACHIEVEMENTS AND PERFORMANCE (continued)

In conjunction with the Moniak Mhor creative writing centre and the William Grant Foundation, the Society hosted a series of live online events with the longlisted authors for the Highland Book Prize (culminating in the live online prize-giving in May 2021), which reached a significantly wider audience than in previous years. In addition, the Society once again sponsored the Fiction prize at the second Gaelic Literature Awards, hosted online in September 2021 by the Gaelic Books Council.

As in previous years, the Society gave annual prizes for art (through the Royal Scottish Academy), Gaelic singing (at the Scottish Traditional Music Awards), Highland dancing (Queen Victoria School) and dissertation writing (the University of the Highlands and Islands); but competitions at the Royal National Mod (for Gaelic singing) and the Glenfinnan Games (for Highland dancing) were again cancelled due to the pandemic. Separately, the Society makes regular awards to widows of Highland servicemen (beneficiaries of the Society's former subsidiary, the Baroness von Wilczek charity).

Over the past few years, the Society has been raising funds through donations from Members to build a new Education Room as part of the wider redevelopment of Kilmartin Museum in Argyllshire. During the course of the year, the Society reached its target of £35,000 (including £1,000 paid directly by Members to Kilmartin Museum). These funds have now been donated to the Museum and construction of the new Education Room is already in progress.

Finally, the Society made a number of specific grants in 2021, including to CiRCUS Artspace in Inverness, Nairn Arts and Books Festival, the John Rae Society on Orkney, The Piping Times, and Taigh na Teud Music Publishers (to update the Elizabeth Ross Manuscript). The Committee of Management assesses such grants on an ad hoc basis, taking into account the extent to which such support is in line with the Society's aims and objectives.

5 FINANCIAL REVIEW

During the year the Society raised unrestricted fund income (including social event income) of £29,628 (2020 - £47,982) and restricted fund income of £12,810 (2020 - £10,500); and expended £39,165 (2020 - £43,658) on charitable activities made in accordance with the Society's objectives and £5,356 (2020 - £16,822) on other costs (including social event expenses); leaving a deficit of £2,083 (2020 - £1,998), including a surplus of £30 on social events (2020 - £422); before gains on revaluation of fixed assets of £nil (2020 - £59,250) and gains on investments of £74,182 (2020 - losses of £91,736).

Reserves policy

The unrestricted income derived from investments, donations and other sources, together with half the Life Membership fees (see note 10 to the accounts), shall be available for carrying out the objectives of the Society. With the consent of the Members of the Society, the unrestricted capital assets of the Society may be used to fund special projects if the unrestricted income of the Society is insufficient. The restricted income derived from donations shall be available for carrying out the objectives of the Society, subject to the particular purpose stipulated by each respective donor.

At 30 September 2021 the Society held total unrestricted funds of £446,201 and total restricted funds of £7,502.

Approved by the Board of Trustees on 17 January 2022

.....
Duncan Byatt
President

THE HIGHLAND SOCIETY OF LONDON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to Charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Society's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- use stated 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 in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society, and enables them to ensure that the financial statements comply with the Charities SORP (FRS 102). They are also responsible for safeguarding the assets of the Society, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE HIGHLAND SOCIETY OF LONDON

Independent Examiner's Report to the Trustees of The Highland Society of London

I report on the accounts of the Trust for the year ended 30 September 2021 which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under s. 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under s. 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S LAWRENCE FCA DChA

HAZLEWOODS LLP

Staverton, Cheltenham

Chartered Accountants and Registered Auditors

14 March 2022

THE HIGHLAND SOCIETY OF LONDON

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 30 September 2021

	Note	Unrestricted funds 2021	Restricted income funds 2021	Total funds 2021	Total funds 2020
Income from					
<i>Donations and legacies</i>					
Life Membership fees	10	2,062	-	2,062	2,750
Other voluntary donations		12,340	12,810	25,150	23,346
<i>Other trading activities</i>					
Social event income		180	-	180	12,755
<i>Investments</i>					
Investment income		15,046	-	15,046	19,631
Total income	2	29,628	12,810	42,438	58,482
Expenditure on					
<i>Raising funds</i>					
Cost of generating donations		216	-	216	216
Social event costs		150	-	150	12,333
<i>Charitable activities</i>					
Grants and awards	3	26,265	12,900	39,165	43,658
<i>Other</i>					
Governance costs	4	4,990	-	4,990	4,273
Total expenditure		31,621	12,900	44,521	60,480
Net income		(1,993)	(90)	(2,083)	(1,998)
Net gains/(losses) on revaluation of of fixed assets					
		-	-	-	59,250
Net gains/(losses) on investments	7	74,182	-	74,182	(91,736)
Net movement in funds		72,189	(90)	72,099	(34,484)
Fund balances brought forward at 1 October 2020		374,012	7,592	381,604	416,088
Fund balances carried forward at 30 September 2021	10	£ 446,201	£ 7,502	£ 453,703	£ 381,604

THE HIGHLAND SOCIETY OF LONDON

BALANCE SHEET

30 September 2021

	Note	Unrestricted funds 2021	Restricted income funds 2021	Total funds 2021	Total funds 2020
Fixed assets					
Tangible assets	5	2,453	-	2,453	2,453
Heritage assets	6	59,250	-	59,250	59,250
Investments	7	378,568	-	378,568	300,502
		<hr/>	<hr/>	<hr/>	<hr/>
Total fixed assets		440,271	-	440,271	362,205
		<hr/>	<hr/>	<hr/>	<hr/>
Current assets					
Cash at bank and in hand		7,460	7,502	14,962	20,269
Trade and other receivables	8	1,000	-	1,000	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total current assets		8,460	7,502	15,962	20,269
		<hr/>	<hr/>	<hr/>	<hr/>
Liabilities					
Creditors: amounts falling due within one year	9	(2,530)	-	(2,530)	(870)
		<hr/>	<hr/>	<hr/>	<hr/>
Net current assets		5,930	7,502	13,432	19,399
		<hr/>	<hr/>	<hr/>	<hr/>
Total net assets		£ 446,201	£ 7,502	£ 453,703	£ 381,604
		<hr/>	<hr/>	<hr/>	<hr/>
The funds of the charity					
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds	10	£ 446,201	£ 7,502	£ 453,703	£ 381,604
		<hr/>	<hr/>	<hr/>	<hr/>

The financial statements were approved by the Committee of Management on 17 January 2022

.....
Duncan Byatt
 President

.....
Alex Ogilvie
 Joint Hon. Treasurer

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

1 ACCOUNTING POLICIES

Basis of preparation and assessment of going concern

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 (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The presentational currency of the accounts is UK £, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these accounts are rounded to the nearest £.

The Highland Society of London meets the definition of a public benefit entity under 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 trustees consider that there are no material uncertainties about the company's ability to continue as a going concern.

Income and expenditure

These financial statements have been prepared on an accruals basis.

Investment income

Income distributions from equity investments and unit trusts are credited to the income and expenditure account when they are received.

Resources expended

Expenditure is included on an accruals basis and has been classified under headings that aggregate all costs to the category.

Charitable activities

Grants and awards payable are charged in the year when conditions attaching are fulfilled. Grants and awards offered subject to conditions which have not been met at the year end are noted as a commitment but not accrued as expenditure.

Governance costs

Governance costs include those incurred in the governance of the Society and its assets and are primarily associated with constitutional and statutory requirements.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Heritage assets

Heritage assets comprise the tartan collection loaned by the Society to National Museums Scotland, publicly displayed for its contribution to knowledge and culture. Heritage assets are included at fair market value, determined by a professional valuer paid for by National Museums Scotland.

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

1 ACCOUNTING POLICIES (cont'd)

Investments

Assets held for investment purposes are stated at their market value at the balance sheet date. 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 date if later). Unrealised gains and losses are calculated on the difference between market value at the year end and opening market value (or purchase date if later).

Funds structure

The Society holds unrestricted funds which include the general fund, the income fund, the Baroness von Wilczek fund and the revaluation reserve fund. The income fund is available for carrying out the objectives of the Society. The Society also holds restricted funds which include the partnership fund. The Society currently does not apportion its governance or other general costs between restricted and unrestricted funds, but allocates all such costs against unrestricted funds (which account for the majority of the ongoing activities of the Society).

2 DONATIONS AND LEGACIES

Of the income received of £42,438 in 2021 (2020: £58,482), £29,628 (2020: £47,982) was unrestricted funds and £12,810 (2020: £10,500) was restricted funds.

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

3 CHARITABLE ACTIVITIES

	Unrestricted funds 2021	Restricted income funds 2021	Total funds 2021	Total funds 2020
Grants and awards to institutions	25,415	12,900	38,315	42,808
Grants and awards to individuals	850	-	850	850
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 26,265	£ 12,900	£ 39,165	£ 43,658
	<hr/>	<hr/>	<hr/>	<hr/>

Of the expenditure made of £39,165 in 2021 (2020: £43,658), £26,265 (2020: £32,765) was from unrestricted funds and £12,900 (2020: £10,893) was from restricted funds.

During the year the Society made the following grants and awards to institutions from unrestricted funds:

Kilmartin Museum	10,000	19,000
Moniack Mhor/2020 Highland Book Prize Expenses	3,100	3,100
Argyllshire Gathering Piping Trust & Instrument Scheme	1,500	1,500
Gaelic Books Council	1,500	1,500
Northern Meeting Piping Trust & Instrument Scheme	1,500	1,500
MacGregor Piobaireachd Competition Expenses	1,365	1,365
2020 Highland Book Prize Award	1,000	1,000
Hands Up for Trad	1,000	-
Taigh na Teud Music Publishers/Elizabeth Ross Manuscript	1,000	-
University of the Highlands and Islands	750	750
CiRCUS Artspace	600	600
Nairn Arts and Book Festival	500	-
Royal Scottish Academy	500	500
The John Rae Society	500	-
The Piping Times	500	-
Queen Victoria School Annual Prize	100	100
Highland Hospice	-	1,000
	<hr/>	<hr/>
	£ 25,415	£ 31,915
	<hr/>	<hr/>

In addition, during the year the Society made the following grants and awards to institutions from restricted funds:

Highland Book Prize Public Engagement	12,900	10,893
	<hr/>	<hr/>
	£ 12,900	£ 10,893
	<hr/>	<hr/>

The grants and awards to individuals made by the Society during the year from unrestricted funds comprise £850 (2020 - £850) paid to two former beneficiaries of the Baroness von Wilczek charity.

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

4 GOVERNANCE COSTS

	Unrestricted funds 2021	Restricted income funds 2021	Total funds 2021	Total funds 2020
Secretarial	370	-	370	1,692
Independent examination fee	900	-	900	870
Room hire for General Courts	-	-	-	750
Website maintenance costs	312	-	312	552
Trustees' liability insurance	408	-	408	409
Legal advice on incorporation status	3,000	-	3,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 4,990	£ -	£ 4,990	£ 4,273
	<hr/>	<hr/>	<hr/>	<hr/>

None of the Trustees received remuneration or expense payments in the year.

5 TANGIBLE ASSETS (all unrestricted funds)

	Chattels	Medals	Total
Historical cost at 1 October 2020	1,202	1,251	2,453
Disposal	-	-	-
	<hr/>	<hr/>	<hr/>
Historical cost at 30 September 2021	£ 1,202	£ 1,251	£ 2,453
	<hr/>	<hr/>	<hr/>

The Trustees are of the opinion that the current value of the tangible assets is at least equivalent to the historical cost, and therefore no depreciation is charged. During the course of the year, the Society confirmed the inventory of chattels currently on loan to the Armadale Museum of the Isles, which is included in the total above at an insurance valuation of £750.

6 HERITAGE ASSETS (all unrestricted funds)

	Chattels
Valuation at 1 October 2020	59,250
Revaluation	-
	<hr/>
Valuation at 30 September 2021	£ 59,250
	<hr/>

Heritage assets comprise the Society's tartan collection loaned to National Museums Scotland, which is maintained, inventoried and insured by National Museums Scotland. As part of the renewal of the loan covering the period to 30 September 2029, National Museums Scotland paid for a valuation of the tartan collection by Bonhams in 2019, which came to a total of £59,250.

The Trustees are of the opinion that the heritage assets have indefinite lives, and therefore no depreciation is charged.

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

7 INVESTMENTS (all unrestricted funds)	Listed investments
Market value at 1 October 2020	300,502
Disposals during the year	(166,116)
Acquisition during the year	170,000
Gain on revaluation	74,182
	<hr/>
Market value at 30 September 2021	£ 378,568
	<hr/>

The Society held 23,919 income units in M&G Equities Investment Fund for Charities on 1 October 2020, sold 11,960 units on 2 February 2021 for £166,116, and held 11,959 units on 30 September 2021. In addition, the Society held 734 income units in CCLA Charities Investment Fund on 1 October 2020 and on 30 September 2021; and held 305,481 income units in Cazenove Responsible Multi-Asset Fund on 30 September 2021, acquired on 11 February 2021 for £170,000.

8 TRADE AND OTHER RECEIVABLES (all unrestricted funds)	2021	2020
Amounts due within one year		
Deposit for room hire, paid in advance	1,000	-
	<hr/>	<hr/>
	£ 1,000	£ -
	<hr/>	<hr/>
 9 CREDITORS (all unrestricted funds)	 2021	 2020
Amounts falling due within one year		
Accrual for independent examination fee	900	870
Accrual for secretarial costs	180	-
Social event income received in advance	1,450	-
	<hr/>	<hr/>
	£ 2,530	£ 870
	<hr/>	<hr/>

THE HIGHLAND SOCIETY OF LONDON

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

10 FUNDS

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objectives. The unrestricted funds are analysed as follows:

	General fund	Income fund	Baroness von Wilczek fund	Revaluation reserve fund	Total unrestricted funds
At 1 October 2020	70,319	77,839	-	225,854	374,012
Incoming resources					
Life Membership fees	1,031	1,031	-	-	2,062
Other incoming resources	-	27,566	-	-	27,566
Resources expended	-	(30,771)	(850)	-	(31,621)
Transfer between funds	-	(850)	850	-	-
Unrealised gains/(losses) on revaluation of investments	-	-	-	74,182	74,182
Accumulated gains on disposal of investments	156,042	-	-	(156,042)	-
At 30 September 2021	£ 227,392	£ 74,815	£ -	£ 143,994	£ 446,201

The Trustees are of the opinion that the accumulated gains on the disposal of investments (when compared to the original purchase price) should be recorded within the general fund. Accumulated gains for the year ended 30 September 2021 comprise a gain of £154,779 on the sale during the year of part of the Society's holding of M&G Equities Investment Fund for Charities, plus a gain of £1,263 on the sale of investments during 2004 which had not been correctly recorded in prior years.

The rules of the Society require that 50% of Life Membership fees are invested (the general fund) and 50% made available for general purposes (the income fund). With the consent of the Members of the Society, the general fund can be used for special projects if the income fund is insufficient.

The Baroness von Wilczek Charity was a subsidiary charity of the Highland Society of London. All of the assets and ongoing obligations were transferred to the Highland Society of London and ongoing payments to war widows are made from this fund. As this fund proved insufficient to meet these payments during the year, an amount of £850 (2020 - £850) was transferred from the income fund as approved by the Members at the General Court.

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2021

10 FUNDS (cont'd)

Restricted income funds are those funds whose use by the Trustees is restricted to a specific purpose. The restricted income funds are analysed as follows:

	Partnership fund	Total restricted income funds
At 1 October 2020	7,592	7,592
Incoming resources	12,810	12,810
Resources expended	(12,900)	(12,900)
	<hr/>	<hr/>
At 30 September 2021	£ 7,502	£ 7,502
	<hr/>	<hr/>

Incoming resources during the year for the partnership fund included £10,000 (2020 - £10,000) from the William Grant Foundation, specifically to support wider public engagement in relation to the 2021 Highland Book Prize.