

REGISTERED CHARITY NUMBER: 1172919

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
THE GOWER SOCIETY**

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THE GOWER SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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THE GOWER SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020

TRUSTEES

A R Kirby (resigned 24/10/20)
M E Ridge (appointed 24/10/20)
V S Batcup (appointed 24/10/20)
J McLellan (appointed 24/10/20)
G R ap.Gwent
J E Burgess
P J Padley
G R Howe
E K Harris
R I Bevan-Jones
A L Frank (resigned 24/10/20)
T R M Methuen-Campbell
J V Tucker

PRINCIPAL ADDRESS

4 Longfields
Bethany Lane
West Cross
Swansea
SA3 5UB

REGISTERED CHARITY NUMBER 1172919

INDEPENDENT EXAMINER

Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

BANKERS

Lloyds Bank Plc
Market Branch
802 Oxford Street
Swansea
SA1 3AP

SOLICITORS

Edward Harris Solicitor
Tredegar Fawr
Llangyfelach
Swansea
SA5 7LS

INVESTMENT ADVISORS

Estate Capital Financial Management
Limited
10 Uplands Crescent
Uplands
Swansea
SA3 0PB

THE GOWER SOCIETY

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

2020 was an unusual year throughout the UK and, indeed, through much of the world. The Gower Society, of course, did not escape the restrictions necessarily imposed to tackle the Covid-19 virus. The Trustees, Main Committee and sub-committees had to learn to meet via Zoom. While this is never more than second-best, it did allow much of the important business of the Society to continue, and in spite of the restrictions, we have still managed to meet our aims for Gower and also maintain a healthy financial position. The more social part of our activities, however, suffered considerably. Guto ap Gwent will report from the Main Committee at the AGM giving you fuller details all our activities. The date of the last AGM was postponed in the hope, unrealised, that we might be able to meet in person. This year's AGM returns to its 'normal' (and constitutional) timing, but must still be via Zoom.

The constitution of the new Charitable Incorporated Organisation had come into effect on 20th August 2019 and 2020 was largely a year of consolidation and settling in to the new structure. The constitution (paragraph 19.1) allowed the trustees to delegate any of their powers or functions to a committee. The terms of reference of this committee, called the Main Committee were agreed by the trustees on 25th February 2020. These terms of reference made it clear that the Main Committee was as important as the board of trustees and that it was 'responsible for most of the vital day-to-day affairs of the Society and for projecting most of the activities normally associated with its public image'. In other words, it is in all but name the 'old' Gower Society committee. While constitutionally the Chairman of the Gower Society is the chairman of the trustees, in practice the role of Chairman is now shared between the Chairs of the Trustees and of the Main Committee; 'they operate as co-Chairmen of the Gower Society'. For more than six months, however, the Main Committee continued to function, but without a Chairman.

The delayed AGM of 2020, held at the end of October, signalled the full emergence of the new structure. Two trustees retired: Audrey, Lady Frank, a former secretary of the Society, who had done sterling work during her period in office but had now moved away from Gower; and Robin Kirby, who had chaired the Society for six of the previous seven years and had steered it through the sometimes complicated transition to a Charitable Incorporated Organisation. Although no longer a trustee or committee member, he continues as a member of the Planning subcommittee.

Edward Harris retired by rotation but was re-elected and three new trustees were elected: Jeannette McLellan, a former treasurer of the Society; Stuart Batcup, a judge, well known for his involvement in many local organisations and Malcolm Ridge, a former chairman and president of the Society. The officers elected were: President Byron Davies, Chairman Malcolm Ridge, Vice-chairmen Jill Burgess and Guto ap Gwent, Secretary Sarah Samuel and Treasurer Steven Williams. We have a Board of Trustees that combines a solid background in law and finance as well as long experience of the work of the Society.

Six of the Main Committee members also serve as trustees, so there is continual dialogue and interaction between the two arms of the Society. We were delighted when Guto ap Gwent agreed to resume his role as Chairman of the Main Committee (and co-chairman of the Society). His understanding of the history and purposes of the Society is unrivalled. There can be few societies over 70 years old that have two offspring of the original committee members as active committee members today. This continuity helps us to remain grounded in the original ideals and vision of the founding fathers, while the addition of new members helps to interpret that vision in a way relevant to the third decade of the 21st century. We all owe a great debt to the continuing work, time and effort put in by the Trustees, the Main Committee, the sub-committees and those are on none of these, but still work with us. Thank you everyone.

As we move towards our 75th year, I am confident that we are in a very strong position to carry on our work in all its variety for the achievement of the objects enshrined in our constitution and for the benefit of the whole of Gower.

Malcolm Ridge M.B.E.
Chairman of the Board of Trustees

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Society's objectives are for the public benefit, as required by the Charities Act 2011, and are focussed on the encouragement of an appreciation and love of the Lordship of Gower and the preservation and promotion of its character, traditions, countryside and architecture, as well as its amenities. The objectives are set out in full in the Constitution which is on the Society's website and for the public benefit are:

- (a) To promote the preservation, conservation and enhancement of the physical and natural environment of the area known as Gower by promoting:
 - The natural beauty of Gower;
The preservation, protection and development, improvement and care of the land, buildings, antiquities,
 - architecture, traditions and features of the historic or public interest;
 - High standards of planning in, or affecting, Gower;
The encouragement of the inhabitants of Gower and the surrounding area and the public at large to take
 - an active interest in the enjoyment and protection of Gower and its heritage.
- (b) To promote and further the study and recording of Gower's antiquities, traditions, history, geography and natural history and to further the education of the public in respect of the same, and
- (c) To preserve, protect and promote rights of way and access to Gower's open spaces.

On 9 May 2017, the Charity Commission approved the application for status as a Charitable Incorporated Organisation ('CIO'). The existing objects of the Society were reviewed and duly revised with the approval of the Charity Commission, and were duly incorporated in the new constitution of the CIO.

During the prior year, the new CIO was linked with the unincorporated charity. This linking took place on 24 June 2019.

The linking of the two charities has the following implications for the accounts:

- (1) The charities will be registered under a single registration number;
- (2) The trustees will be required to prepare a single set of accounts for the reporting charity and the linked charity, within which the individual funds of the linked charity or charities are reported as restricted funds and/or endowment, as appropriate.

The linking applies for the whole of the current and prior financial year for reporting purposes.

The linking of the charities does not change the separate legal status of the charities, or the nature of restricted funds or endowment, and it does not constitute a merger. The trustees are under a duty to ensure that the funds of each charity are still applied solely in accordance with the respective trusts.

Public benefit

In compliance with their duty under section 17(5) of the Charities Act 2011, the Trustees have had due regard to the guidance published by the Charity Commission regarding public benefit and they and the Society are ever mindful of the legal requirement that its purposes, i.e. its objects, must be for the public benefit pursuant to the Act, so that the public, whether local, national or international, and members and non-members of the Society benefit generally.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Charitable activities

The Society promotes and protects Gower, namely the Lordship of Gower that includes, but extends beyond, the area that was designated for its natural beauty in 1956.

In furtherance of its aims, the Society carries out and organises a variety of pursuits and activities including participating in the work of the Local Authority, responding to consultations, scrutinising applications for planning permission for development, giving financial assistance to local or community projects and causes, organising outdoor activities for the young, leading walks, helping to maintain rights of way and pathways, issuing publications, organising folk dancing and arranging talks, all relevant to the Lordship of Gower. Its monthly talks, after a somewhat lean period, had been revived and were well attended, taking place on Friday evenings. However the pandemic restrictions, inevitably, seriously curtailed these walks and talks during much of the year, but continued when Covid 19 restrictions allowed.

The giving of grants by the Society for projects and courses has continued, and details are given below and in the financial statements. Grants awarded to churches, schools, and other societies and groups (£45,575), as well as individuals, have decreased from the previous year (£71,201). Two projects had to be put on hold due to the pandemic restrictions, in addition two grants in relation to Festivals had to be cancelled.

All grant applications are processed through a set procedure and have to satisfy stated criteria. No grant money is released until satisfactory completion of the object. The Society encourages, usually as a condition of the grant, the recipient to display or otherwise make public an acknowledgement of the grant from the Society.

The Planning Sub Committee examined the list of approximately 2600 of the applications submitted to the City and County of Swansea and identified some 200 for a more detailed examination (mainly within and close to the AONB). This involved accessing the application data on the CCS web site, checking the exact location of the proposal, seeing what it entailed, assessing its impact on the immediate and wider landscape and environment and judging whether or not it was thought to comply with current legislation. Of these 200 closely inspected applications, 36 were considered inappropriate development and were objected to, in writing, with considered and cogent reasons for our objection. Approximately 40 further applications were commented upon, suggesting possible improvements to the plans and it was considered that the remaining 60% required no further action from the Society. All of the Gower Society letters of objection and comment are available to the public on the CCS Planning Applications web site.

The committee conducts aerial photographic surveys biennially in order to maintain a historic record for future reference and to assist in public compliance with planning legislation. There continues to be unlawful developments (without permission) that can be made lawful by application after certain periods of time have elapsed unless the planning authority are made aware and intervene. The extent to which the public proceeds with development without permission and knowingly is commonplace. Assisted by the aerial surveys, the Society is able to identify potential unauthorised developments many of which cannot be seen from places accessible to the public and it notifies the planning authority, which sometimes is slow to respond. It has to be pointed out that the Auditor General for Wales issued a report in June 2019 concluding that planning services in Wales are under resourced and underperforming. The report shows that planning services have seen budget cuts of 50% in real terms over the last ten years, whilst the number of planning applications remains broadly the same. Therefore, one difficulty facing the planning authority is insufficient manpower to investigate alleged breaches. However, it remains important for the Society to report all developments that appear to be unlawful.

The Society is making increasing use of experts (counsel and consultants), because of the complicated nature of the planning cases and the consequences should they proceed unopposed. The Society is very fortunate that one of its committee members is a solicitor with considerable experience and knowledge in the law relating to commons, of which there are several in the Lordship, and are the subject of applications for permission to exchange parts of common land for unregistered land to enable the common land to be developed.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Activities

The Society makes Design Awards for special developments that are sympathetic to their environment, usually comply with the Authority's Design Guide and have been completed to a high standard.

Youth field activities continue to introduce children of both members and non-members, as well as schools, both rural and urban, to the outdoors. However, these activities were significantly disrupted during the year due to the pandemic restrictions.

The Society has representation on Gower AONB Management Committee, Gower AONB Partnership Group, Gower AONB Management and Review Group, Dark Sky Gower Working Group, Swansea Rural Development Strategy Local Action Group, HLF Landscape Partnership Board and the Alliance for Welsh Designated Landscapes. It also works closely with the National Trust and the Wildlife Trust of South and West Wales.

Grant making

The Grants Committee approved 13 rural communities grant applications worth £33,475 for projects including renovations and maintenance of churches and chapels, dry stone walling and footpath and disabled access improvements. The Committee continues to oversee larger projects, namely the continued improvements to the Gower Way footpaths (including gates). Two projects had to be put on hold due to the pandemic restrictions, in addition two grants in relation to Festivals had to be cancelled.

The Society also awarded grants for other projects, totalling £12,100; these include financing the work of the accredited organiser for the Youth Section outdoor day activities for Gower Society Young Explorers and for field trips and other work with schools. Regarding schools, it is concerned to promote the awareness of children, particularly in the urban parts of Swansea, of the environment and the countryside in Gower. These trips and activities were necessarily limited by pandemic restrictions during much of the year, but when possible, outdoor activities continued with restricted numbers of children and school field trips were re-arranged either within school grounds or within walking distance of the school in order to minimise travel complications.

The total sum awarded for renovations, footpath improvements, projects and ecological work, as well as cultural and agricultural events, and schools, was £45,575 (2019 - £71,201).

Volunteers

The Society is almost entirely reliant on volunteers for the management and conduct of activities, ranging from the work of the board of trustees to that of the main committee and cascading down through the sub committees and groups. The total estimated hours expended by them would be in the region of 4,000 to 5,000 in the year.

ACHIEVEMENT AND PERFORMANCE

Achievements

Two of the core activities of the Society have continued at levels as busy as in previous years. The work involving grants (their approval and monitoring) and planning (applications and enforcement) are the central activities. Other activities continued as previously, but were subject to varying levels of disruption because of periods of lockdown and other restrictions imposed by the need to control Covid 19.

The Society continues to support renovation and maintenance of churches and chapels, which are mainstays of many Gower communities. In addition to the postponed work, St Cenydd's, Ebenezer Chapel, Dunvant, St George's Church, Reynoldston and Llandewi Church have received grants for maintenance work or improvements.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Achievements

Work has been ongoing with footpath improvements and the Gower Way project. Additional funding was given by the Society to the dry stone walling at Rhossili when the National Trust was not able to pay its contribution. The Society has been able to support a variety of other projects, including: hydraulic gates for disabled access at Lliw Reservoir, an Edgar Evans Schools Project and the donation of Gabb's Swansea and its History to libraries in secondary schools, colleges and HMP Swansea libraries.

The Society finances the work of the accredited organiser for the Youth Section outdoor day activities for Gower Society Young Explorers and for field trips and other work with schools. These were not educational trips as part of courses, which are the responsibility of the schools, but additional 'added-value' trips outside school budgets to enhance children's understanding of Gower and of its culture and ecology. To mitigate the restrictions, videos and online activities were prepared to cover the same themes as the events that had been planned.

The Planning Sub Committee has a greater workload than the other Committees, reflecting the Society's core object of promoting the physical and natural environment of Gower. Each week, the Planning Committee examines every planning application received by the Local Planning Authority, identifies those of particular relevance or interest, and by rota reads the supporting documentation. In selecting cases for representation, it acts without fear or favour regardless of personal interest of any member. The Society cannot claim credit for planning decisions that may be consistent with its representations as it has no greater authority or expertise than any member of the public, but it is an independent and concerned voice, and planners recognise this. This is a huge task that is carried out consistently and diligently. The increasing funds of the Society now enable the Sub Committee to commission reports from experts in particular fields such as ecology and to increasingly use expert guidance and representation.

The Sub Committee also deals with enforcement, reporting perceived planning breaches to the Local Planning Authority. This work is as important as dealing with planning applications because there are many unlawful, some deliberate, developments often unseen which can automatically become lawful after statutory periods of time. A further task undertaken by the Sub Committee is to consider and comment on national and local guidance, regulations and consultations relating to planning issues.

The programmes of talks and walks were, inevitably, seriously curtailed.

Communications and publications

After the previous year's publication of the Pocket Guide to Gower, the only new publication the Publications Sub Committee produced in 2020 was the annual journal Gower volume 71. After the specially enlarged celebration of volume 70, the journal returned to its normal length of eighty pages. Discussions started on two possible new publications: a book of circular walks based on the coastal path of Gower and a 'record' publication of the Oxwich Affray. These are both at a very early stage in what is always an extended process.

The newsletter has made considerable progress over the last few years. Since its inception in 1948, it has attracted the interest of members and particularly for those members who live away from Gower and do not attend meetings or the talks. It keeps them in touch with the work of the Society as well as containing short articles of interest to do with the lordship, and other items of news. What started as a half-foolscap page news-sheet without illustrations is now regularly twelve or more A4 pages, profusely illustrated in colour throughout.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Communications and publications

The new website which went 'live' towards the end of the previous year is now well settled in. It is an attractive and detailed site, serving again to enhance the reputation of the Society and of Gower, as well as serving the Society's members. It is now possible to buy the Society's publications and to pay annual subscriptions online, which benefits members and the wider public looking to learn more about Gower.

Recognising the increasing importance of social media in communicating the work of the Society to the wider public, the Twitter account was reactivated and the Society has a presence on Instagram and Facebook. The number of followers on Instagram, Facebook and Twitter grew considerably during the year and is likely to continue at an increased pace. The Society continues to send messages to members, as well as registered non-members through the website by posts giving news of events.

Despite the Covid 19 restriction throughout much of the year, the Society continued its work (socially distanced) for Gower. Although the more social aspects of a normal year were curtailed, the objects of the Society for the public good were met in 2020 as successfully as in other years.

Investment performance

The Society's investment policy has been set and is renewed annually by the Board of Trustees with the benefit of advice from the independent financial advisor. The policy is to invest in medium risk income generating assets whilst maintaining the capital value of the funds in real terms (i.e. in line with legislation). The income and any increase in value in excess of inflation are available for direct costs, support costs and grants. Budgets for all items of expenditure are set by the board biennially.

The investments are overseen by the Board, but all disposals, movements and acquisitions are made after taking the advice from the advisor, with whom the Society has regular contact and who attends board meetings at least twice a year. Annual reports from the fund managers, Quilter Cheviot and Cazenove Capital, are presented in person by them and with the financial adviser present. The overall investment risk is at level 5 on a scale of 1 - 10.

The Society's assets comprises investments and cash at bank/building societies (£2,833,002 and £235,271 respectively on the 31 December 2020). It does not own or lease real property, i.e. land or buildings.

At 31 December 2019, its investments were placed with M&G £248,535, Quilter Cheviot £835,030, Cazenove Capital £1,374,451, Fundsmith Equity £76,968 and Lindsell Train £80,976. Cash at bank and building societies was £443,022.

During the prior year, the residual balance (£201,158) of the legacy from the widow of the late John Henry Gorvin was received, and with the advice of the adviser, the Board decided to place it with Quilters rather than with Cazenove, where the bulk of the legacy was held. As at 31 December 2019, it was held as cash in the bank and transferred to Quilters on 2nd January 2020. The value of the investment had increased by the year end to £211,126 (4.9%).

The values of the Cazenove Capital and Quilter Cheviot funds increased by the end of the year to £1,377,978 (0.3%) and £858,323 (3.1%). The value of the M&G fund decreased by the end of the year to £205,416 (31.5%), its lowest value since 31 December 2011.

The Fundsmith and Lindsell funds increased in value by £13,330 (24.5%) and £8,885 (16.3%) respectively.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Investment performance

The Society's investments are for medium term and at medium risk. Accordingly, they respond to economic changes. However, overall since inception they have maintained their value at least in line with inflation (marginally above) and provided an income for the Society to fund projects pursuant to its charitable objects.

During the year the Coronavirus pandemic has impacted upon the level of investment income and the value of the charity's investments, but this has not impacted the Trustees' assessment of going concern, given the level of reserves held. The Trustees' are expecting the value of investment assets to rise again in the future.

FINANCIAL REVIEW

Financial position

The bulk of the Society's income is derived from the funds held with Cazenove Capital, Quilter Cheviot, M&G and a 'life' interest in the Phillip Beynon Trust, the latter being created in 1998 and controlled by HSBC. These investments have been chosen for their potential for both capital growth and income production.

Other investments were with Fundsmith Equity and Lindsell Train, solely for capital growth.

During the year the Coronavirus pandemic has impacted upon the level of investment income which decreased compared to the prior year, from £72,969 to £58,776.

Some income was derived from the cash on deposit at banks/building societies and, of course, membership subscriptions. The latter (£16,215) is only marginally more than last year and reflects the fact that membership numbers, as in recent years, has increased only marginally. The Society has a far greater number of followers than members. The membership subscription is modest at £20 a year although a sizeable proportion of members have not increased their bank standing order amount from the previous sum in spite of being requested to do so.

Overall, income has decreased by £215,552 from 2019, with the main drivers of the decrease being the legacy received in the prior year and the reduced investment income as referred to above.

Expenditure has decreased by just over £45,000 from 2019. The Society's main expenditure relates to grants and costs associated with planning decisions. These activities were both impacted by the pandemic as explained in more detail in the previous section.

Also referred to previously was the gains in relation to the increase in the values of the fixed asset investments, the values increased by £15,882 during the year.

Overall, the Society has reported a surplus of £23,399 for the year.

At the balance sheet date, the Society held net assets of £3,024,388; £2,833,002 of assets were held in long or medium term investments.

Principal funding sources

Having been well blessed with legacies in number and amounts in recent years, the Society did not receive any new legacies during the year.

Of course, membership subscriptions are a regular annual source of funding, although could be higher as explained above. The Society is also fortunate to receive donations from time to time.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Reserves policy

The Trustees have taken the decision to maintain a relatively high level of investments together with a substantial amount in reserve so that the Society can carry out its primary mission of 'Guarding Gower for all its worth'. To this end, a specific reserves policy was approved by the main committee in 2013 and this outlined strategies for the short, medium and long term in relation to the assets of the Society. The policy was reviewed in November 2018, so that the sum £770,000 (Quilters) is considered to be a medium term reserve, is indexed up for inflation and the long term reserve, £340,000 (M&G and others) is for capital growth. Such growth above inflation is intended to supplement payment of expenditure. The Gorvin Fund was subsequently created with Cazenove Capital and together with the Quilter Cheviot portfolio are to generate income and maintaining their value at least in real terms. Both are at medium risk tolerance.

The Fundsmith Equity and Lindsell Train investments are also at medium risk tolerance, but the risk level of the M&G Fund which has been held for several years, is higher at 5/6. The latter is subject to volatility greater than the other investments, but over the years it has performed well and it gives a strong dividend.

With regard to the Gorvin Fund, the Board resolved a discrete further policy, namely that: 'capital can be applied to an exceptional/outstanding project in furtherance of the preservation, conservation and enhancement of the physical and natural environment of the Lordship of Gower that is either (1) for the acquisition of property in which The Gower Society has a legal interest or (2) is enduring.

The late Mrs Gorvin expressed in her will the wish that the legacy be held for general purposes and her executors have confirmed agreement with this policy.

To summarise, the Society's reserve policies are as follows:

1. The long term policy relates to the investment of £340,000 (M&G, Fundsmith and Lindsell) with the aim of capital to finance projects.
2. The medium term policy relates to the investment portfolios (Cazenove Capital and Quilter Cheviot) primarily to generate income but maintain their value in real terms.
3. The short term policy is to keep the remaining funds in liquid cash assets. These funds are in three bank/building society deposit accounts (Julian Hodge Bank, Hampshire Bank, Cambridge Building Society and Lloyds Bank) to spread the investment.

As at 31 December 2020, the Society held unrestricted reserves totalling £3,024,388 (2019 - £3,000,988). The Trustees have separately designated the reserves that relates to the Gorvin legacy, which amounted to £1,625,223 at the balance sheet date. The designation of the reserve is a ring fencing exercise, which does not change the basic nature of the reserve, as that of an unrestricted reserve.

Funds in deficit

There are no such funds.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

During the prior year, on 20 August 2019, the Society became fully operational as an incorporated charity which had been registered on the 9 May 2017 under Charity Registered Number 1172919. This occurred with the final stage in the process from an unincorporated charity (number 258372) to the charitable incorporated organisation. The fixed asset investments were transferred by deed to the new charity on that date further to an Order of the Charity Commission on the 24 April 2019 giving permission for the transfer. The unincorporated charity has remained in existence in order that any legacies left to The Gower Society in wills by reference to its old charity number be transferred over from the old to the new charity. This would avoid the need for the permission of the Court to apply the legacy for the benefit of the incorporated charity rather than the risk of the gift lapsing or being paid to some other charity with similar objects. The two charities have formally been linked by the Commission not merely by the same name, The Gower Society, but through their objects being identical and the trustees of the incorporated charity being the trustees of the old charity. This was achieved by the Society at a Special General Meeting on the 5 May 2018 approving a new constitution for the old charity and declaring it would come into effect upon the completion of the transfer of assets or when the constitution of the incorporated charity was in effect (whichever the later).

On 29 June 2019, the Commission directed that both charities be linked and with the incorporated charity being the lead charity. Upon the subsequent transfer of the fixed assets on the 20 August 2019, the new constitution of the old charity came into effect. The trustees completed the transfer of the remaining assets (such as the bank accounts) to the CIO during the year.

Governance

Until the 20 August 2019, the Society was governed and managed by the officers and Main Committee of the old charity, but during that time, the Committee and the Board of Trustees of the incorporated charity had approved papers that set out the matters reserved for the Board, and defined the structure of the Committees of the new incorporated charity and their relationship with the Board. Further to a provision in the constitution of the incorporated charity, the Board invited the members of the old Main Committee to be members of the new committee to run the day to day affairs of the Society. They duly agreed and in January 2020 the Board formally appointed them as the members of the new Main Committee and approved its terms of reference and those of all the sub committees.

The governance of The Society became vested in the Board of Trustees, who had been appointed in previous general meetings of the Society. They became responsible for regulation and control, appointment of the Main Committee, strategic and budgetary matters, policies, audit, reporting and monitoring.

The offices, namely the Chairman, two Vice Chairmen, Secretary and Treasurer, as well as the trustees, are appointed by the members in the Annual General Meeting. The Secretary and Treasurer are remunerated. The constitution requires there must be at least 6 trustees, which shall include the officers, and be elected at the Annual General Meeting to a maximum of 12. The Secretary and Treasurer have declined trusteeship so to maintain their independence. At the beginning of the year, there were ten trustees, three additional trustees were appointed, and two trustees resigned, at the Annual General Meeting on the 24 October 2020. The Board has approved a code of conduct for trustees, and all trustees attended a training seminar for trustees in the year. They also approved a conflict of interest policy.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Management

The Society is administered and managed by the new main committee in which are vested the same responsibilities as under the old charity, save for the said governance matters. These responsibilities include dealing with grants, considering planning applications and alleged breaches, publications, communications and youth activities through their respective Sub Committees. The minutes of their meetings are considered by the Board and vice versa.

The Secretary of the Society is also secretary to the Committees and is remunerated.

The constitution requires that the Committee to which the Trustees may delegate any of their powers or functions must consist of between 10 and 20 persons. Active Trustees may also be Committee members, however the maximum number of active Trustees sitting on the Committee is limited to half of the total number of active Trustees.

There are currently 12 Committee members, including 5 Trustees.

Committees

As explained above, prior to the transfer of assets on the 20 August 2019, the governance and management of the Society was vested in the officers and Main Committee of the old unincorporated charity through which the Society operated. The Board of the new incorporated charity since its inception had met on a regular basis dealing with matters of policy and finance in anticipation of the transfer, so that the new charity would be in a position to operate effectively when it had responsible for the affairs of the Society.

In January 2020 the Board of the new incorporated charity formally appointed the members of the Main Committee of the old unincorporated charity as members of the new Main Committee and approved its terms of reference and those of all the sub committees.

The Committee members who have responsibility for the management of the affairs of the Society are:

G ap Gwent	Chairman
G Howe	Vice Chairman
S Williams	Treasurer
S Samuel	Secretary
R Callaway	Committee member (appointed November 2020)
H Evans	Committee member (appointed November 2020)
T Methuen-Campbell	Committee member
J Burgess	Committee member
M Dobbins	Committee member
E Harris	Committee member
J Hellewell	Committee member
G Morgan	Committee member
P Padley	Committee member
H Roberts	Committee member
N Barrow	Committee member

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Sub-Committees

The Committee was assisted in its administrative work by the following sub-committees:

Communications	J Burgess, A Bailey.
Youth	C Jones, J Darbyshire, J Hellewell, J Sherrard-Smith, D Thomas, R Callaway.
Planning	G Howe, G ap Gwent, M Dobbins, P Padley, G Davies, P Burgess, R Kirby, S Samuel.
Grants & projects	G ap Gwent, G Howe, M Dobbins, J Hellewell, G Morgan, L Roblin, S Samuel.
Publications	R Cooper, H Roberts, M ap Gwent, A Dulley, S Samuel, P Douglas-Jones, M Ridge, R Ridge, J Sherrard-Smith.

Groups

The Committee was also assisted by the following groups:

Membership	H Roberts, M Cuthert.
Website	A Bailey, J Burgess.
Programme	J Probert (talks), A Clarkson (walks), D Thomas (youth), G Birt (folk dancing), R Probert (compilation of Programme).

Board

The Board members of the new charity having responsibility for the governance of the affairs of the Society are:

R Kirby	Chairman (resigned 24/10/20)
M E Ridge	Chairman (appointed 24/10/20)
G R ap. Gwent	Vice Chairman
J Burgess	Vice Chairman
V S Batcup	Trustee (appointed 24/10/20)
J McLellan	Trustee (appointed 24/10/20)
I Bevan-Jones	Trustee
A L Frank	Trustee (resigned 24/10/20)
E Harris	Trustee
G Howe	Trustee
T Methuen-Campbell	Trustee
P Padley	Trustee
J Tucker	Trustee

Risk management

The principal risks faced by the Society lie in the performance of investments and operational risks from grant making. The Trustees consider variability of investment returns on its invested capital (it does not hold land) to constitute its major financial risk. This is mitigated by retaining an independent financial advisor who meets the Board every six months. It is further mitigated by the two major investment funds, Cazenove Capital and Quilter Cheviot, comprising 84% of total investments, are portfolios with wide ranges of assets managed by those reputable bodies.

The Society's financial activities are undertaken in accordance with its Financial Procedures Manual which was implemented in March 2018.

In January 2017, the Main Committee of the old charity approved a revised policy relating to the short, medium and long term reserves that the annual budget must ensure preservation of its core capital comprising the initial investment of £750,000 (indexed up in line with the increases in the Retail Prices Index), an amount of £340,000 allocated for capital growth to fund future capital projects, and cash of £170,000 for working capital and grants.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

This policy is reviewed as and when the Society's capital assets increase. It was revised and supplemented in April 2019 following the receipt and investment with Cazenove Capital of the Gorvin investment which was added to the core capital. Previously, in August 2017, it was decided that the inheritance should be ring fenced and used on a specific project in which the Society retained a legal interest. In April 2019 it was resolved that the inheritance can be applied to 'an exceptional/outstanding project in furtherance of the preservation, conservation and enhancement of the physical and natural environment of the Lordship of Gower that is either (1) for the acquisition of property in which The Gower Society has a legal interest, or (2) is enduring.

The Board of the new incorporated charity held the lead role in the management of financial matters in anticipation of the transfer of assets and responsibility for the affairs of the Society, although its decisions were with the knowledge and approval of the Main Committee of the old charity. Consequent upon the transfer in August 2019 of the fixed asset investments, the Board has had the primary responsibility for financial matters. It sets annual budgets for all items of expenditure including grants. The budgets are set so as to ensure the preservation of the core capital in real terms.

Remuneration is only paid to the Secretary, Treasurer and Youth Leader. The independent financial advisor, solicitors, planning consultants and independent examiner are also paid for their professional services.

Mention must be made of the non financial risk to the management and viability of the Society in the static growth of membership and its predominant older age group. Due to other demands and priorities, younger people do not show an interest in the Society by joining or attending its walks and talks, or becoming committee members. Management is borne by the older age group, who have other life challenges. This is notwithstanding the increasing interest of younger people for and in the natural environment.

There are 903 (923 in 2019) members. Family and group members are counted as one member, so the total number of individual members is considerably more than the base figure. The Society, however, enjoys much wider support than its membership base. The majority of new members in the past joined when visiting the Society's marquee at the annual Gower Show and at the annual Local History Book Fair, both of these events were cancelled in 2020. The new website has a facility for joining as a member of the Society and it is anticipated that this will have a positive impact on membership number going forward.

Future

The strategic plan approved in 2018, recites three core objectives:

- (1) Improving communication and understanding;
- (2) Involving people in the work of the Society, and
- (3) Helping to protect Gower so it is safeguarded for present and future generations.

It explains five areas of focus:

- (1) To invest in information technology infrastructure, digital platforms and social media;
- (2) To gain a better understanding of the needs of members;
- (3) To increase the number of members and to encourage the younger generation to join;
- (4) To work in partnership for the common good of Gower, and
- (5) To plan succession of the trustees.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Future

Regarding those areas, there has been mixed progress:

- (1) A new website with more modern features has been professionally created and the Society is now on Instagram and Twitter;
- (2) Albeit they have not been invited to do so, members do not articulate their needs in relation to the Society or offer suggestions, but perhaps that is because the affairs of the Society are being run to their reasonable satisfaction;
- (3) The number of members has not increased and neither has the Society succeeded in reaching out to people. It is hoped the new website, together with its facility for joining and the Society's presence on digital platforms, will attract more and younger members;
- (4) The extent of its grants to the Local Authority for projects, such as restored walling, footpath gates and hedgerows, as well as its representations to the Local Planning Authority and participation in planning hearings, is evidence of the Society's work in partnership for the common good of Gower;
- (5) Additional new members have joined the Main and Planning Committees and two new trustees were appointed, but no candidate emerged from the Main Committee for appointment as its own chairman.

Therefore, there has been progress towards achieving the core objectives set out in the strategic plan, but mixed progress.

Apart from incorporation giving trustees protection from personal liability on behalf of the Society for any claims, it has resulted in the division of the roles of governance and management between a Board of Trustees and a Main Committee. Therefore, accountability and supervision are more secured and the workload now shared. This should also improve recruitment, giving the choice in becoming a trustee or a committee member.

Finally, mention should be made as to the impact of the Coronavirus pandemic and restrictions on activities, arising from the pandemic. Like so many other organisations, the charity had to significantly curtail activities that involved social contact during lock down. However, the Trustees and Committees have continued to carry out the activities that can be undertaken remotely and we hope that easing of social restrictions during 2021 will enable a fuller return to the charity carrying out its planned activities.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 23 April 2021 and signed on its behalf by:

M E Ridge - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE GOWER SOCIETY

Independent examiner's report to the trustees of The Gower Society

I report to the charity trustees on my examination of the accounts of The Gower Society (the Trust) for the year ended 31 December 2020.

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 section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 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.

J M Evans
Institute of Chartered Accountants in England and Wales
Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

Date: 23 April 2021

THE GOWER SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,477	-	2,477	198,942
Charitable activities	3	20,338	-	20,338	19,670
Investment income	4	82,333	-	82,333	102,088
Total income		105,148	-	105,148	320,700
EXPENDITURE ON					
Charitable activities	5	77,674	-	77,674	126,654
Raising funds (investment advice)		4,000	-	4,000	2,250
Support costs	5	15,957	-	15,957	14,110
Total expenditure		97,631	-	97,631	143,014
Net gains on investments		15,882	-	15,882	181,649
NET INCOME		23,399	-	23,399	359,335
RECONCILIATION OF FUNDS					
Total funds brought forward		3,000,989	-	3,000,989	2,641,654
TOTAL FUNDS CARRIED FORWARD		<u>3,024,388</u>	<u>-</u>	<u>3,024,388</u>	<u>3,000,989</u>

The notes form part of these financial statements

THE GOWER SOCIETY

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	12	9	-	9	255
Investments	13	<u>2,833,002</u>	<u>-</u>	<u>2,833,002</u>	<u>2,615,960</u>
		2,833,011	-	2,833,011	2,616,215
CURRENT ASSETS					
Stocks	14	4,444	-	4,444	4,329
Debtors	15	15,835	-	15,835	13,401
Investments	16	86,444	-	86,444	170,845
Cash at bank		<u>148,827</u>	<u>-</u>	<u>148,827</u>	<u>272,178</u>
		255,550	-	255,550	460,753
CREDITORS					
Amounts falling due within one year	17	(64,173)	-	(64,173)	(75,979)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>191,377</u>	<u>-</u>	<u>191,377</u>	<u>384,774</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,024,388</u>	<u>-</u>	<u>3,024,388</u>	<u>3,000,989</u>
NET ASSETS		<u><u>3,024,388</u></u>	<u><u>-</u></u>	<u><u>3,024,388</u></u>	<u><u>3,000,989</u></u>
FUNDS	18				
Unrestricted funds				<u>3,024,388</u>	<u>3,000,989</u>
TOTAL FUNDS				<u><u>3,024,388</u></u>	<u><u>3,000,989</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 April 2021 and were signed on its behalf by:

M E Ridge - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of these financial statements is the Pound Sterling (£).

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and on that basis, the financial statements are prepared on a going concern basis.

Significant judgements and estimates

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors which are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only effects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that the trustees have made in the process of applying the charity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Financial Activities.

The carrying value of stock at the year end is net of stock provisions of £15,888 (2019 - £16,416).

Provisions and contingencies

Provisions are recognised when the charity has a present obligation as a result of a past event and a reliable estimate can be made of a probable adverse outcome. Otherwise, material contingent liabilities are disclosed unless a transfer of economic benefits is considered remote. Contingent assets are only disclosed if an inflow of economic benefits is probable.

1. ACCOUNTING POLICIES - continued

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material

Gifts in kind are recognised in the Statement of Financial Activities on distribution with an equivalent amount being included as resources expended to reflect its distribution. Gifts in kind are valued based on the amount realised on sale.

Membership fees are recognised on a received basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is recognised when receivable and is included in the financial statements net of investment management fees, which are deducted at source.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Costs of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

Charitable activities

Costs of charitable activities include grants made and governance costs.

1. ACCOUNTING POLICIES - continued

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs included costs relating to examination fees, treasurer costs and legal fees.

Tangible fixed assets

Fixed assets costing £100 or more are capitalised and stated at cost less accumulated depreciation, calculated so as to write off their cost less any residual value over their expected useful lives.

Depreciation is provided at the following annual rates:

Fixtures and fittings - 25% straight line

Fixed asset investments

Investments are a form of financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

All gains and losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds ring fenced by the trustees of the charity for a specific purpose.

Donated goods and services

Donated goods or services or facilities are recognised as income and expenditure when the benefit to the charity can be reasonably quantified or measured and is considered material to the charity.

Philip Beynon Trust income

The society is a beneficiary under the above trust. It is entitled to receive one half of the income from the Trust in perpetuity given in memory of Henry and Gertrude Pine Beynon. However it has no power to direct the investment of the Trust assets which are vested in HSBC Trust Company (UK) Limited.

THE GOWER SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Cash at bank and current asset investments

Cash at bank and in hand is held to meet short-term cash commitments as they fall due and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. A cash equivalent will normally have a short maturity of, say, three months or less from the date of acquisition.

Current asset investments are investments which a charity holds for resale or pending their sale and cash or cash equivalents with a maturity date of less than one year. This heading includes cash on deposit and cash equivalents with a maturity of less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

Financial instruments

Other than fixed asset investments, the charity's other financial assets and liabilities are of a kind that qualifies as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	2,477	226
Gift aid	-	(2,509)
Legacies	-	201,225
	<u>2,477</u>	<u>198,942</u>

3. CHARITABLE ACTIVITIES

	2020	2019
	£	£
Member subscriptions	16,215	14,748
Publications	4,123	4,922
	<u>20,338</u>	<u>19,670</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Income from listed investments	58,776	72,969
Deposit account interest	1,546	3,025
P Beynon Trust Income	22,011	26,094
	<u>82,333</u>	<u>102,088</u>

THE GOWER SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Charitable activity expenditure	77,636	38	77,674
Governance costs	-	15,957	15,957
	<u>77,636</u>	<u>15,995</u>	<u>93,631</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020 £	2019 £
Telephone	85	60
Insurance	6,445	6,120
Website costs	2,777	4,993
Rent	1,461	1,597
Postage and stationery	4,057	3,848
Sundries	1,261	2,682
Publication costs	4,792	12,485
Grants awarded	45,575	71,201
Gower show expenses	-	3,808
Subscriptions	916	354
Planning permissions consultancy costs	10,021	18,870
Depreciation	246	596
	<u>77,636</u>	<u>126,614</u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Charitable activity expenditure	38	-	38
Governance costs	-	15,957	15,957
	<u>38</u>	<u>15,957</u>	<u>15,995</u>

Support costs, included in the above, are as follows:

	2020 £	2019 £
Finance costs		
Bank charges	<u>38</u>	<u>40</u>
Governance costs		
Secretary's fees	4,992	4,110
Treasurer's fees	7,965	7,000
Independent Examiner's fees	<u>3,000</u>	<u>3,000</u>
	<u>15,957</u>	<u>14,110</u>

THE GOWER SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

8. TRUSTEES' REMUNERATION AND BENEFITS

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019 - £nil).

Trustees' expenses

During the year, the trustees received £2,210 in respect of reimbursed travel and office costs incurred on behalf of the charity (2019 - £2,763). The number of trustees who claimed expenses in the year was 5 (2019 - 2).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	198,942	-	198,942
Charitable activities	19,670	-	19,670
Investment income	102,088	-	102,088
Total income	320,700	-	320,700
EXPENDITURE ON			
Charitable activities	126,654	-	126,654
Raising funds	2,250	-	2,250
Other	14,110	-	14,110
Total expenditure	143,014	-	143,014
Net gains on investments	181,649	-	181,649
NET INCOME	359,335	-	359,335
RECONCILIATION OF FUNDS			
Total funds brought forward	2,641,654	-	2,641,654
TOTAL FUNDS CARRIED FORWARD	<u>3,000,989</u>	<u>-</u>	<u>3,000,989</u>

THE GOWER SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

10. GRANTS

During the year the charity awarded grants to the following types of organisation all of which are based or operate in Gower.

	2020	2019
	£	£
Schools	2,600	11,212
Churches and parishes	11,980	5,200
Other societies and groups	21,495	46,058
Miscellaneous	<u>9,500</u>	<u>8,731</u>
	<u>45,575</u>	<u>71,201</u>

11. VOLUNTEERS

The value of volunteers' time given within the year is estimated with reference to the recorded number of volunteer hours multiplied by the estimated hourly rate that an employee would have been paid for carrying out the service. The quantified benefit to the charity for volunteers' time was in the region of £33,750 (2019 - £33,750), given that an estimated 4,500 (2019 - 4,500) hours were estimated as being spent. This amount has not been recognised in the accounts.

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Totals £
COST			
At 1 January 2020 and 31 December 2020	<u>407</u>	<u>7,050</u>	<u>7,457</u>
DEPRECIATION			
At 1 January 2020	406	6,796	7,202
Charge for year	<u>-</u>	<u>246</u>	<u>246</u>
At 31 December 2020	<u>406</u>	<u>7,042</u>	<u>7,448</u>
NET BOOK VALUE			
At 31 December 2020	<u>1</u>	<u>8</u>	<u>9</u>
At 31 December 2019	<u>1</u>	<u>254</u>	<u>255</u>

THE GOWER SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	2,615,960
Additions	201,159
Revaluations	<u>15,883</u>
At 31 December 2020	<u>2,833,002</u>
NET BOOK VALUE	
At 31 December 2020	<u>2,833,002</u>
At 31 December 2019	<u>2,615,960</u>

There were no investment assets held outside the UK.

	2020 Cost £	2020 Fair value £	2019 Cost £	2019 Fair value £
M & G Charifund	136,842	205,416	136,842	248,535
Cazenove Capital - John Henry Gorvin Fund	1,347,500	1,377,978	1,347,500	1,374,451
Fundsmith Equity Account	54,500	90,298	54,500	76,968
Lindsell Train Global Equity	54,500	89,861	54,500	80,976
Quilter Cheviot Portfolio	750,000	858,323	750,000	835,030
Quilter Cheviot - John Henry Gorvin Fund	<u>201,159</u>	<u>211,126</u>	<u>-</u>	<u>-</u>
	<u>2,544,501</u>	<u>2,833,002</u>	<u>2,343,242</u>	<u>2,615,960</u>

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

14. STOCKS

	2020 £	2019 £
Publications	<u>4,444</u>	<u>4,329</u>

THE GOWER SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	727	1,069
Accrued income	11,638	8,908
Prepayments	<u>3,470</u>	<u>3,424</u>
	<u>15,835</u>	<u>13,401</u>

16. CURRENT ASSET INVESTMENTS

	2020 £	2019 £
Cash on deposit	<u>86,444</u>	<u>170,845</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	3,435	1,518
Accruals and grants payable	<u>60,738</u>	<u>74,461</u>
	<u>64,173</u>	<u>75,979</u>

Accruals and grants payable includes grants payable of £50,615 (2019 - £65,256).

18. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	1,425,313	(26,148)	-	1,399,165
In memory of Dr J H Gorvin	<u>1,575,676</u>	<u>49,547</u>	-	<u>1,625,223</u>
TOTAL FUNDS	<u>3,000,989</u>	<u>23,399</u>	-	<u>3,024,388</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	69,095	(97,631)	2,388	(26,148)
In memory of Dr J H Gorvin	<u>36,053</u>	-	<u>13,494</u>	<u>49,547</u>
TOTAL FUNDS	<u>105,148</u>	<u>(97,631)</u>	<u>15,882</u>	<u>23,399</u>

THE GOWER SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/19 £
Unrestricted funds				
General fund	2,641,654	96,577	(1,312,918)	1,425,313
In memory of Dr J H Gorvin	-	262,758	1,312,918	1,575,676
TOTAL FUNDS	<u>2,641,654</u>	<u>359,335</u>	<u>-</u>	<u>3,000,989</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	119,475	(143,014)	120,116	96,577
In memory of Dr J H Gorvin	<u>201,225</u>	<u>-</u>	<u>61,533</u>	<u>262,758</u>
TOTAL FUNDS	<u>320,700</u>	<u>(143,014)</u>	<u>181,649</u>	<u>359,335</u>

Designated funds

The charity received a substantial legacy a number of years ago from the estate of Dr J H Gorvin. The final element of the legacy was received in the prior year. The will of Dr J H Gorvin did not set out any restrictions in relation to the legacy, but requested that the bequest be held in a separate fund in the deceased's name.

The trustees had satisfied this request by holding the legacy monies in a separately named fixed asset investment portfolio. In the prior year, the trustees decided to separately designate the funds in the statutory accounts. The prior year fund transfer represents the value of the fixed asset investment at the start of that financial year.

19. RELATED PARTY DISCLOSURES

During the year, the charity incurred £7,965 (2019 - £7,000) in relation to services provided by the Treasurer.

The charity also paid £3,630 (2019 - £7,740) to Edward Harris Law, a solicitors' firm controlled by E K Harris, trustee. £122 (2019 - £7,320) of this related to disbursements in relation to the charity's activities. The remaining £3,508 (2019 - £420) relates to legal services provided to the charity by Edward Harris Law.

THE GOWER SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2020

20. POST BALANCE SHEET EVENTS

Investment assets have increased in value since the balance sheet date. The latest investment reports show an increase in market value as at April 2021 of £21,869.

21. SPLIT OF ASSETS BETWEEN CHARITIES

During the prior financial year, the new CIO was successfully linked with the previous unincorporated charity. The funds held by each of the linked charities as at the 31 December 2019 are as follows:

	Unincorporated charity	CIO	Total
Assets			
Fixed assets	255	-	255
Investments	-	2,615,960	2,615,960
Deposit accounts	170,845	-	170,845
Bank accounts	272,178	-	272,178
Stock	4,329	-	4,329
Trade debtors	1,069	-	1,069
Prepayments	3,424	-	3,424
Other debtors	230	8,678	8,908
	<u>452,330</u>	<u>2,624,638</u>	<u>3,076,968</u>
Liabilities			
Creditors	(1,518)	-	(1,518)
Accruals	(3,955)	(5,250)	(9,205)
Grants	(65,256)	-	(65,256)
	<u>(70,729)</u>	<u>(5,250)</u>	<u>(75,979)</u>
Net assets	<u><u>381,601</u></u>	<u><u>2,619,338</u></u>	<u><u>3,000,989</u></u>

During the year the remaining assets held by the previous unincorporated charity were transferred over to the new CIO.

