

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE GOWER SOCIETY**

MHA
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
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THE GOWER SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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THE GOWER SOCIETY

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2022

TRUSTEES	G ap.Gwent J E Burgess Dr P J Padley G R Howe R I Bevan-Jones T R M Methuen-Campbell J V Tucker E Harris M E Ridge V S Batcup J McLellan
PRINCIPAL ADDRESS	4 Longfields Bethany Lane West Cross Swansea West Cross
REGISTERED CHARITY NUMBER	1172919
INDEPENDENT EXAMINER	MHA 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

THE GOWER SOCIETY

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

After the restrictions necessarily imposed to tackle the Covid-19 virus throughout much of 2020 and 2021, it was good to be able to welcome 2022 as a relatively 'normal' year. The Trustees, Main Committee and sub-committees could meet in person rather than holding virtual meetings. While Zoom did allow the business of the Society to continue, the medium tended to hide individual nuances and inhibit in-depth discussion.

The 'social' aspects of the Society's activities were ceased entirely. While 'social' activities are enjoyable, they are much more than that; they are means of cementing relationships between trustees and committee members and between the 'leadership' and the members of the Society. Walks and talks are an important part of encouraging an awareness and appreciation of Gower - one of the central aims of the Society. This work continued at a distance through our excellent newsletter, web-site and, increasingly, other social media.

In 2022, we were able at last to resume normal meetings. Members were glad of the opportunity to meet together and the attendance at walks, talks and folk-dancing was strong. One particularly pleasing aspect was the invigorating work of the Green Team, with talks, excursions and practical working-parties, reviving an aspect of the Society's work that had been in abeyance in recent years. The Team made a point of working with other groups and organisations, which provided positive publicity for the Society. They have also been successful in attracting new and younger members to their work and to the Society.

To highlight this new sub-committee should not detract from the very hard work of other sub-committees, which have continued their work in protecting, and enhancing Gower and educating members and the general public about the importance of this special area. The 75th anniversary group continued with its planning and by the time of this report many of you will have taken part in some of the celebratory activities.

While the world returned to normality (or some semblance of it), the financial world was increasingly volatile. The effects of Covid, the war in Ukraine, Brexit and some governmental self-inflicted injuries have taken their toll on the economy. The Society's finances are not immune to these economic factors, but our funds have stood up well and we have been able to continue to support Gower and the Society's activities as strongly as ever.

Unconnected with these factors, our independent financial advisor stepped down at the beginning of 2022 and we have been pleased to appoint Richard Streeter of Keen Investments to replace him. We look forward to working closely with him

At the AGM on 14th May 2022, Professor Prys Morgan was re-elected as the Society President. He has continued to be very active in the Society's affairs and is an inspiration to us all. Other officers re-elected were Malcolm Ridge as Chairman, Jill Burgess and Guto ap Gwent as Vice-Chairs, Sarah Samuel as Secretary and Steve Williams as Treasurer. Four trustees retired by rotation: Jill Burgess, Ian Bevan Jones, Gordon Howe and Peter Padley. All four agreed to be nominated for the next three years and all were re-elected. We welcome their continued service and commitment to the work of the Society.

In December, Edward Harris stepped down from the trustees, but continues to contribute strongly to the Main Committee as well as acting for us in legal matters.

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 who are on none of these, but still work with us. Thank you all.

Towards the end of the year the Society was nominated for a Queen's Award for Voluntary Service. A detailed submission was made and a group of members met the two Deputy Lord Lieutenants involved in the process to explain our work and answer some searching questions. The outcome won't be known until June 2023, but we feel honoured to have been nominated.

75 years is a notable landmark, but is only one more step to the future. I am confident that we are in a strong position to continue to carry on our work for very many more years to come; and to advance the ideas and ideals that were set out for us in 1948 and enshrined in our constitution.

Malcolm Ridge M.B.E.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. 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. The CIO is linked with the unincorporated charity with an effective date of 24 June 2019.

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 2022

OBJECTIVES AND ACTIVITIES, continued

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.

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 the Local Authority, churches and other societies and groups (£81,834), as well as individuals, have increased from the previous year (£36,152), although fewer applications were approved - 13 in 2022, compared to 31 in 2021. The Gower Seal group, the Gower Music Festival and the Gower Bovine Projects were some of the groups to benefit from the grants and projects subcommittee.

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 Society sees this branch of its activities as an important way to support the local community on Gower and at the same time to develop good relations. The protection and guardianship of Gower will in future owe much to the goodwill and support of the resident population.

The Planning Sub Committee examined the list of approximately 3,000 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), roughly the same as for 2021. 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, 30 were considered inappropriate development and were objected to, in writing, with considered and cogent reasons for our objection. Approximately 60 further applications were commented upon. All of the Gower Society letters of objection and comment were available to the public on the CCS Planning Applications web site until the late Summer of 2022. The Planning Department took the arbitrary decision to only publish formal documents submitted by the applicant that we queried. To no avail and it is a decision taken by other authorities and it is understood to reduce the workload and legal confrontation.

The committee still conducts aerial photographic surveys biennially in order to maintain a historic record for future reference and to assist in public compliance with planning legislation. Improved satellite images are making this exercise less important. 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.

OBJECTIVES AND ACTIVITIES, continued

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 has at least 35 outstanding enforcement claims that it continues to press Senior Management on. There are two serious planning infringements ongoing. The unlawful felling of trees in the woods at Carters ford and the construction of four chalets without planning permission at Landimore.

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 main 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. We have two current ongoing conflicts with encroachment onto common land.

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.

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.

Publications

A new book *Gower Coast and Country Walks* was published early in the year and *Gower 73* was published in October. Both were very well received, and publications sales were strong during the year. Work started on a new book to be published in 2023, celebrating the 75th anniversary of the Society. The twice-yearly newsletter continues to a very high standard and is warmly welcomed by members.

Communications

In the last twelve months we have focused on producing a variety of 'Posts' which are then put on the Society's different platforms. The greatest interaction is on the Instagram site and with the use of show reels, we have gained over 100 followers and our videos have been shared and watched over 20,000 times. Over 11,000 new people have been engaging with our pages, often from a wider demographic than our typical member.

Because the show reels have increased our overall engagement, upcoming events will increase using this method of communication. Our membership grew in 2022 to 1,600 members. The use of our local Newspaper is also a key feature when making specific highlights, and events.

Green Team

The Green Team has continued its focus on the natural environment of Gower, but post-Covid, with a more practical approach. It has arranged a number of talks on features of Gower's natural history and visits to habitats of particular interest in the area. Woodland has been an important focus, with cooperation with Coeden Fach nursery, encouraging tree-planting and surveying ancient woodlands. Practical work has included footpath clearance, litter-picking and beach cleans.

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.

It was pleasing to note that membership subscriptions increased to £16,900, from £15,512 in 2021 and Publication Sales to £6,150 from £4,964. 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 increased by £15,796 and expenditure by £40,848 in line with budgeted expectations. The Society's main expenditure relates to grant and costs associated with planning decisions. These activities have both been explained in more details on the previous section.

The decrease in the fixed asset investments was £294,727. In 2021 the increase was £192,019.

At the balance sheet date, the Society held net assets of £2,986,278 of which £2,730,294 were held in long term or medium term investments.

Principal funding sources

Other than membership subscriptions and returns on the investments held, the sum of £101,500 was received in legacies during 2022.

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.

Funds in deficit

There are no such funds.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Society is an incorporated charity which had been registered on the 9 May 2017 under Charity Registered Number 1172919. The unincorporated charity (number 258372) 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.

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 six 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 eight trustees, two additional trustees had been co-opted in April and were formally appointed trustees at the Annual General Meeting on the 24 October 2021. 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.

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.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT, continued

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.

The Committee members of the old charity who had responsibility for the management of the affairs of the Society were:

G ap Gwent	Chairman
G Howe	Vice Chairman
S Williams	Treasurer
S Samuel	Secretary
R Callaway	Committee member
H Evans	Committee member
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 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT, continued

Sub-Committees

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

Communications	J Burgess
Youth	C Jones, J Darbyshire, J Hellewell, J Sherrard-Smith, D Thomas
Planning	G Howe, G ap Gwent, M Dobbins, P Padley, G Davies, P Burgess, R Kirby, T Methuen Campbell, 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.
Green Team	R Callaway, J Burgess, L Roblin, S Samuel, R Ridge, M Ridge, H Roberts, J Darbyshire, J Hellewell, G ap Gwent, D Thomas

Groups

The Committee was also assisted by the following groups:

Membership:	H Roberts
Website:	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 charity having responsibility for the governance of the affairs of the Society are:

M E Ridge	Chairman
G R ap Gwent	Vice Chairman
J Burgess	Vice Chairman
R I Bevan-Jones	Trustee
V S Batcup	Trustee
E K Harris	Trustee
G R Howe	Trustee
T R M Methuen-Campbell	Trustee
Dr P J Padley	Trustee
J V Tucker	Trustee
J McLellan	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 86% 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.

An updated financial Procedures manual is currently being produced in assistance with the newly appointed IFA.

THE GOWER SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT, continued

Future

The strategic plan approved in 2021, 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.

Regarding those areas, there has been some progress:

- (1) A new website with more modern features has been professionally created and the Society is now on Facebook, 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 increased. The Society succeeded in reaching out to people and on joining are asked "why did you join". It is hoped the new website, together with its facility for joining online 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.

Approved by order of the board of trustees on 20/05/2023 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 2022.

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.

R Doyle
Institute of Chartered Accountants in England and Wales
MHA
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

Date: 20/05/2023

THE GOWER SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	101,720	-	101,720	2,040
Charitable Activities	3	23,050	-	23,050	20,476
Investment Income	4	87,711	-	87,711	74,669
Total		212,481	-	212,481	97,185
EXPENDITURE ON					
Charitable activities	5	123,968	-	123,968	79,083
Raising funds		-	-	-	3,000
Supporting costs	7	18,990	-	18,990	20,027
Total		142,958	-	142,958	102,110
Net gains/(losses) on investments	13	(294,727)	-	(294,727)	192,019
NET INCOME/(EXPENDITURE)		(225,204)	-	(225,204)	187,094
RECONCILIATION OF FUNDS					
Total funds brought forward	18	3,211,482	-	3,211,482	3,024,388
TOTAL FUNDS CARRIED FORWARD	18	<u>2,986,278</u>	<u>-</u>	<u>2,986,278</u>	<u>3,211,482</u>

THE GOWER SOCIETY

**BALANCE SHEET
31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	888	-	888	813
Investments	13	<u>2,730,294</u>	<u>-</u>	<u>2,730,294</u>	<u>3,025,020</u>
		2,731,182	-	2,731,182	3,025,833
CURRENT ASSETS					
Stocks	14	3,652	-	3,652	3,803
Debtors	15	20,387	-	20,387	14,966
Investments	16	13,347	-	13,347	13,336
Cash at bank		<u>284,068</u>	<u>-</u>	<u>284,068</u>	<u>209,450</u>
		321,454	-	321,454	241,556
CREDITORS					
Amounts falling due within one year	17	<u>(66,358)</u>	<u>-</u>	<u>(66,358)</u>	<u>(55,907)</u>
NET CURRENT ASSETS		<u>255,096</u>	<u>-</u>	<u>255,096</u>	<u>185,649</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,986,278</u>	<u>-</u>	<u>2,986,278</u>	<u>3,211,482</u>
NET ASSETS		<u>2,986,278</u>	<u>-</u>	<u>2,986,278</u>	<u>3,211,482</u>
FUNDS	18				
Unrestricted funds				<u>2,986,278</u>	<u>3,211,482</u>
TOTAL FUNDS				<u>2,986,278</u>	<u>3,211,482</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20/05/2023 and were signed on its behalf by:

M E Ridge - Trustee

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 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.

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

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 £15,830 (2021: £16,151).

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 consider 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

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

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recorded at transaction value and subsequently measured at their fair value. Changes in fair value are recognised in the statement of financial activities, net of investment management fees.

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	220	40
Legacies	<u>101,500</u>	<u>2,000</u>
	<u>101,720</u>	<u>2,040</u>

3. CHARITABLE ACTIVITIES

	2022 £	2021 £
Member subscriptions	16,900	15,512
Publications	<u>6,150</u>	<u>4,964</u>
	<u>23,050</u>	<u>20,476</u>

4. INVESTMENT INCOME

	2022 £	2021 £
Income from listed investments	70,198	59,729
Deposit account interest	20	519
P Beynon Trust Income	<u>17,492</u>	<u>14,421</u>
	<u>87,710</u>	<u>74,669</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Charitable activity expenditure	<u>123,968</u>	<u>18,990</u>	<u>142,958</u>
	<u>123,968</u>	<u>18,990</u>	<u>142,958</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Insurance	7,543	6,902
Postage and stationery	4,288	6,371
Advertising	2,816	-
Website costs	-	3,937
Rent	1,370	1,440
Sundries	6,457	1,846
Publications	13,345	7,061
Grants	81,834	36,152
Gower show expenses	3,578	-
Subscriptions	280	343
Planning permission consultancy costs	2,076	14,762
Depreciation	382	269
	<u>123,968</u>	<u>79,083</u>

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Charitable activity expenditure	<u>270</u>	<u>18,720</u>	<u>18,990</u>

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

Finance

	2022 £	2021 £
Bank charges	269	94
Loss on sale of tangible fixed assets	<u>1</u>	<u>-</u>
	<u>270</u>	<u>94</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

7. SUPPORT COSTS - continued
Governance costs

	2022	2021
	£	£
Secretary's fees	6,000	5,638
Treasurer fees	9,600	11,055
Independent Examiner's fees	<u>3,120</u>	<u>3,240</u>
	<u>18,720</u>	<u>19,933</u>

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 (2021 - £nil).

Trustees' expenses

During the year, the trustees received £978 in respect of reimbursed travel and office costs incurred on behalf of the charity (2021 - £1,036). The number of trustees who claimed expenses in the year was 3 (2021 - 4).

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,040	-	2,040
Charitable Activities	20,476	-	20,476
Investment Income	74,669	-	74,669
	<hr/>	<hr/>	<hr/>
Total	97,185	-	97,185
EXPENDITURE ON			
Charitable activities	79,083	-	79,083
Raising funds	3,000	-	3,000
Supporting costs	20,027	-	20,027
	<hr/>	<hr/>	<hr/>
Total	102,110	-	102,110
	<hr/>	<hr/>	<hr/>
Net gains on investments	192,019	-	192,019
	<hr/>	<hr/>	<hr/>
NET INCOME	187,094	-	187,094
RECONCILIATION OF FUNDS			
Total funds brought forward	3,024,388	-	3,024,388
TOTAL FUNDS CARRIED FORWARD	<u>3,211,482</u>	<u>-</u>	<u>3,211,482</u>

THE GOWER SOCIETY**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022****10. GRANTS**

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

	2022 £	2021 £
Schools	4,739	3,988
Churches and parishes	133	-
Other societies and groups	64,688	27,892
Miscellaneous	<u>12,274</u>	<u>4,272</u>
	<u><u>81,834</u></u>	<u><u>36,152</u></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 (2021 - £33,750), given that an estimated 4,500 (2021 - 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 2022	407	8,123	8,530
Additions	457	-	457
Disposals	<u>(407)</u>	<u>-</u>	<u>(407)</u>
At 31 December 2022	<u>457</u>	<u>8,123</u>	<u>8,580</u>
DEPRECIATION			
At 1 January 2022	406	7,310	7,716
Charge for year	114	268	382
Eliminated on disposal	<u>(406)</u>	<u>-</u>	<u>(406)</u>
At 31 December 2022	<u>114</u>	<u>7,578</u>	<u>7,692</u>
NET BOOK VALUE			
At 31 December 2022	<u><u>343</u></u>	<u><u>545</u></u>	<u><u>888</u></u>
At 31 December 2021	<u><u>1</u></u>	<u><u>813</u></u>	<u><u>814</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2022	3,025,020
Impairments	<u>(294,726)</u>
At 31 December 2022	<u>2,730,294</u>
NET BOOK VALUE	
At 31 December 2022	<u>2,730,294</u>
At 31 December 2021	<u>3,025,020</u>

There were no investment assets outside the UK.

	2022 Cost £	2022 Fair value £	2021 Cost £	2021 Fair value £
M & G Charifund	136,842	219,925	136,842	232,897
Cazenove capital - John Henry Gorvin Fund	1,347,500	1,372,609	1,347,500	1,462,881
Fundsmith Equity Account	54,500	96,840	54,500	106,534
Lindsell Train Global Equity	54,500	87,146	54,500	89,406
Quilter Cheviot portfolio	750,000	772,713	750,000	911,705
Quilter Cheviot – John Henry Gorvin Fund	201,159	181,062	201,159	221,598
	<u>2,544,501</u>	<u>2,730,294</u>	<u>2,544,501</u>	<u>3,025,021</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).

The change in the value of listed investments is net of any costs of that investment.

14. STOCKS

	2022 £	2021 £
Stocks	<u>3,652</u>	<u>3,803</u>

THE GOWER SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	146	447
Other debtors	16,380	11,010
Prepayments	<u>3,861</u>	<u>3,509</u>
	<u>20,387</u>	<u>14,966</u>

16. CURRENT ASSET INVESTMENTS

	2022 £	2021 £
Cash on deposit	<u>13,347</u>	<u>13,336</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	4,559	2,230
Accruals and grants payable	<u>61,800</u>	<u>53,677</u>
	<u>66,359</u>	<u>55,907</u>

Accruals and grants payable include grants payable of £51,497 (2021: £42,592).

18. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	1,456,943	(138,405)	1,318,538
In memory of Dr J H Gorvin	1,754,539	(86,800)	1,667,739
	<u>3,211,482</u>	<u>(225,204)</u>	<u>2,986,278</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	168,472	(142,958)	(163,919)	(138,405)
In memory of Dr J H Gorvin	44,008	-	(130,808)	(86,800)
	<u>212,480</u>	<u>(142,958)</u>	<u>(294,727)</u>	<u>(225,204)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	1,399,165	57,777	1,456,943
In memory of Dr J H Gorvin	<u>1,625,223</u>	<u>129,316</u>	<u>1,754,539</u>
TOTAL FUNDS	<u>3,024,388</u>	<u>187,094</u>	<u>3,211,482</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	63,244	(102,110)	192,019	153,153
In memory of Dr J H Gorvin	<u>33,941</u>	<u>-</u>	<u>-</u>	<u>33,941</u>
	<u>97,185</u>	<u>(102,110)</u>	<u>192,019</u>	<u>187,094</u>
TOTAL FUNDS	<u>97,185</u>	<u>(102,110)</u>	<u>192,019</u>	<u>187,094</u>

20. RELATED PARTY DISCLOSURES

During the year, the charity incurred £9,600 (2021 - £11,055) in relation to services provided by the Treasurer.

The charity also paid £756 (2021: £2,104) to Edward Harris Law, a solicitors' firm controlled by E K Harris, trustee.

21. POST BALANCE SHEET EVENTS

Investment assets have increased in value since the Balance Sheet date. The latest investment report shows an increase in market value of £139,521 as at 31st March 2023.

A final legacy amount from the Patricia Gorman Estate was received with a value of £47,213.

THE GOWER SOCIETY

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Member subscriptions	16,900	15,512
Donations	220	40
Legacies	<u>101,500</u>	<u>2,000</u>
	118,620	17,552
Investment income		
Income from listed investments	70,198	59,729
Deposit account interest	20	519
P Beynon Trust Income	<u>17,492</u>	<u>14,421</u>
	87,711	74,669
Charitable activities		
Publications	<u>6,150</u>	<u>4,964</u>
Total incoming resources	212,481	97,185
EXPENDITURE		
Raising donations and legacies		
Insurance	7,543	6,902
Advertising	2,816	3,937
Rent	<u>1,370</u>	<u>1,440</u>
	11,729	12,279
Charitable activities		
Postage and stationery	4,288	6,370
Sundries	6,457	1,846
Publications	13,345	7,061
Grants	38,414	20,053
Projects	43,419	16,100
Gower show expenses	3,578	-
Subscriptions	280	343
Legal fees	2,076	14,762
Fixtures and fittings	<u>382</u>	<u>269</u>
	112,239	66,804
Support costs		
Finance		
Bank charges	269	94
Loss on sale of tangible fixed assets	<u>1</u>	<u>-</u>
	270	94

THE GOWER SOCIETY**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Governance costs		
Legal fees and investment advice	6,000	8,638
Treasurer fees	9,600	11,055
Accountancy and treasury costs	<u>3,120</u>	<u>3,240</u>
	<u>18,720</u>	<u>22,933</u>
Total resources expended	<u>142,958</u>	<u>102,110</u>
Net income/(expenditure) before gains and losses	69,523	(4,925)
Recognised gains/losses		
Gains/(losses) on fixed asset investments	<u>(294,727)</u>	<u>192,019</u>
Net (expenditure)/income	<u><u>(225,204)</u></u>	<u><u>187,094</u></u>