CHARITY REGISTRATION NO. SC 008900

THE MERCHANTS HOUSE OF GLASGOW

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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THE MERCHANTS HOUSE

The Merchants House of Glasgow, although more ancient in origin, obtained its first recorded constitution in a Letter of Guildry in 1605, later ratified by an Act of the Scots Parliament in 1672. It is an Elective Incorporation, and one of the most important charitable institutions connected with the social, commercial and other interests of the City of Glasgow. Its regulations are amended from time to time in general meeting as necessary.

The Merchants House of Glasgow is a charity, registered in Scotland under the Charities and Trustee Investment (Scotland) Act 2005.

The business of the House is managed by the Lord Dean of Guild, the Vice Dean, up to three recent Ex-Deans and up to 36 Directors elected in terms of the regulations of the House. It has substantial assets in the form of property and investments, the latter being reviewed regularly.

The principal objectives are to pay benefits to beneficiaries and to provide assistance in the form of grants to charitable institutions within and around Glasgow. These matters are dealt with by the Grants Committee. In addition to committee meetings, there are quarterly meetings of Directors when the business of the House is fully reviewed, together with such other meetings as are necessary.

The Directors are also responsible for the administration of the various trust funds mentioned in the report. The House continues to receive trust funds for it to administer and legacies and bequests.

THE MERCHANTS HOUSE OF GLASGOW

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

THE MERCHANTS HOUSE OF GLASGOW

COMPANY INFORMATION

Registered Office
7 West George Street,
Glasgow,
G2 1BA

Telephone Number
0141 221 8272

Website
www.merchantshouse.org.uk

Charity Registration Number
SC 008900

Bankers
Bank of Scotland
Corporate Banking, Level 6
110 St Vincent Street
Glasgow
G2 5ER

Solicitors
Mitchells Roberton Ltd
George House
36 North Hanover Street
Glasgow
G1 2AD

External Auditors
Wbg (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

Insurance Brokers
Marsh Commercial
G1 Building
5 George Square
Glasgow
G2 1AR

Investment Managers
Rathbones Investment Management *(relationship ended 31/12/2025)*
50 George Square
Glasgow
G2 1EH

RBC Brewen Dolphin *(relationship started 01/01/2026)*
144 Morrison Street
Edinburgh
EH3 8BR

MERCHANTS HOUSE OF GLASGOW

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors of the Merchants House of Glasgow present their Annual Report for the year ended 31 December 2025 under the Charities and Trustee Investment (Scotland) Act 2005 (“the Act”), together with the audited financial statements for the year then ended. They confirm that this report and the accounts comply with the requirements of the Act, the Charity Accounts (Scotland) Regulations 2006 (as amended) and the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Merchants House of Glasgow, although more ancient in origin, obtained its first recorded constitution in a Letter of Guildry in 1605, later ratified by an Act of the Scots Parliament in 1672. It is an Elective Incorporation, and one of the most important charitable institutions connected with civic, social, commercial and other interests of the City of Glasgow. Its Regulations are amended from time to time in general meeting as necessary. The Regulations were amended most recently in May 2021.

Objectives and Activities

The principal charitable objectives of the House are the relief of poverty by payment of benefits to individuals and providing grants to charitable bodies chiefly in Glasgow and the West of Scotland. During the year, benefits amounting to £251,846 were paid to 248 beneficiaries (2024: £67,623 paid to 73 beneficiaries) and grants totalling £287,444 were paid to 49 charitable bodies (2024: £226,040 paid to 49 charitable bodies).

The House manages substantial endowment funds, many of which have specific terms on the distribution of grants.

The House aims to distribute all its available income taking one year with another. For the year ended 31 December 2025, the unrestricted and restricted funds both show a surplus for the year, primarily as a result of two substantial donations. The House continues to seek relevant charities and beneficiaries to receive grants.

Achievements and Performance

A key aim for the House has been to continue increasing the letting activity of its Grand Hall, Directors' Room, Lord Dean's Room and James McCune Smith Room. During 2025, the events and hall hire net income (after deduction of direct expenses) increased to £152,929 (2024: £125,220). The rental income generated from let units in the subsidiary company, Ship Venture Limited, has decreased to £278,298 as a result of decreased tenancies (2024: £291,641).

The investments of the House are held with the primary purpose of producing an income stream to support the grant making activities. The dividends and interest received during the year of £429,266 has increased from £327,741 received in the previous year.

The value of the investment portfolios increased during 2025 following the transfer of £514,863 of investments from the Dallas Benevolent Fund into the control of the House together with gains in global equities and fixed interest asset prices during the year. The House is able to adjust its level of giving to reflect changes in the income performance of the portfolios and those of its subsidiary company. The House could also choose to realise certain of its assets in the event income is remaining suppressed to sustain its charitable objectives given the highly liquid nature of the assets.

MERCHANTS HOUSE OF GLASGOW

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

Grant Making Strategy

There are two main strands in the House's grant making strategy:

(1) we receive and encourage applications for grant funding for a wide range of charitable activity across the social, educational, health and cultural sectors which has impact in Glasgow and the West of Scotland; and

(2) we make grants from a number of designated and restricted funds for specific purposes.

The grant programme themes continue to be food and fuel poverty, healthy living and encouraging social inclusion.

Financial Review

The financial position at 31 December 2025 remained strong with investments totalling £16,819,249 and cash balances of £1,523,191. The commercial premises let through Ship Venture Ltd had 63% occupancy at 31 December 2025.

The financial results for the year record a surplus of £681,544 before disposal and revaluation gains of the investments. The unrestricted funds had a surplus of £692,481 before taking into account the investment gains.

The investments of the House are held in accordance with the powers granted to the Directors. The Investment Policy during 2025 was to seek to maximise the income of the House while preserving the real value of the funds invested. The Policy is subject to periodic review with a detailed review being carried out each year. Following advice received from the House's investment managers a proposal to invest some of the portfolios under a total return mandate, where suitable, was approved at a meeting of Directors in November 2021. This covers approximately one quarter of the portfolios where the House is able to distribute capital as well as income. The change in approach was implemented during 2022.

The Directors delegate the management of the investment portfolios to investment managers, on a discretionary basis. The Investment Managers' performance is measured against appropriate bespoke benchmarks as follows:

Fund	**Actual %**	**Benchmark %**
Endowment Pool	11.1	16.5
Growth Pool	7.6	8.8
General Pool	10.5	8.8
Underwood	7.9	8.2

During 2025, equity markets experienced stark divergences with a number of market shocks including "independence day" and US Government Shut downs. The year has been one of aggressive tariff threats from the USA and subsequent climb downs. This has caused some volatility but hasn't kept global equities from posting solid returns.

The Growth Pool produced a lower return than the Endowment and General portfolio as a result of the incorporation of the ARI fund in December 2024 and the realignment of shares against a lower risk level than the transferred portfolio had been operating with.

The composition of the investment portfolio of the Underwood fund reflects the expected timescale within which this fund will be expended in accordance with the original wishes of the donors.

The heritable property owned by the House together with the investment in Ship Venture Limited is a designated fund.

The financial performance and position in future periods are particularly sensitive to vacant accommodation within the commercial property and a reduction in hall lets, fluctuations in the value of investments which are traded on the Stock Exchange and the dividends declared by the companies in which the House has invested.

At 31 December 2025 the House held a high cash balance compared to the normal historical position. This is a conscious decision to reduce investment risk in readiness to support potential refurbishment of the heritable property owned by the House.

Structure, Governance and Management

The Directors of the Merchants House of Glasgow are the Trustees for the purposes of charity legislation in Scotland.

There are up to 41 Directors of the House comprising The Lord Dean of Guild, the Vice Dean, the Immediate Past Dean and the two immediate predecessors (all ex officio) together with up to 36 elected Directors who are appointed for a maximum of nine years.

Directors who are ex officio with effect from the annual meeting in May 2025 are:

Tony McElroy	Lord Dean of Guild
Frances McMenamin	Vice Dean
Andrew McFarlane	Immediate Past Dean
Alasdair R J Ronald	Past Dean

MERCHANTS HOUSE OF GLASGOW

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

The elected Directors during the year and to the date of signing the financial statements were:

Gayle Adnyana (1)
Nick Allan (2)
Campbell Armour (3)
David A R Ballantine (4)
Grant Barclay
Phyllis Brown (5)
Shabir Beg OBE
Philip Braat (6)
Donald Carmichael (7)
Joel Conn (2)
Paul Connelly (5)
Vivien Currie MBE (8)
Ben Douglass-Lee
James Dundas (9)
Iain Monteith (5)
Zoe Gillespie (4)
Andrew Gotts (2)
Virginia Hewitt
Alan Horn
Matt Horton (10)
Seith Ireland (5)
Ronald Inglis (3)
Elizabeth Kennedy
Douglas Lapsley
Geoff Leask (1)
Gordon Lennox
Kenneth McGown (5)
John Mason
Graham Mitchell
Philip Morrice (2)
Steven Morris
Julie Otto (2)
Christopher Rowe (5)
Christina Sandu (2)
Stephanie Savage (2)
Peter Siviter (2)
Charles Smith
Lady Valerie Stacey (2)
Ben Stark (2)
John Taylor (8)
Ezra Wilson (2)
Karen Waugh (3)
Salma Gardee (5)

(1) Resigned 20/5/25
(2) Appointed 20/5/25
(3) Retired 20/5/25
(4) Retired 19/5/26
(5) Appointed 19/5/26
(6) Resigned 31/7/25
(7) Resigned 28/2/25
(8) Resigned 19/5/26
(9) Resigned 22/10/25
(10) Resigned 25/9/25

Where the number of Directors proposed at an Annual General Meeting exceeds the number of vacancies, a vote of the members is held to determine who is appointed.

All new Directors are given access to guidance as to Trustees' duties and to statements of good practice in terms conforming to the requirements of the Charities and Trustee Investment (Scotland) Act 2005. A copy of Governance and Regulations of the Merchants House of Glasgow is also provided.

The Merchants House of Glasgow holds Directors' Liability Insurance for all Directors. The Directors are not employees and receive no remuneration.

Membership
There were 15 new members and the resignations and deaths of 5 members have been reported. It should be noted that a person does not rank as a voting member of the House until he or she has signed the Matriculation Roll. The active roll at 31/12/25 stood at 836.

Organisational Structure
The Directors meet quarterly to review the affairs of the House and additionally, as required.

MERCHANTS HOUSE OF GLASGOW

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

For effective conduct of business of the House there are eight main committees of Directors:

Audit Committee	Legacy and Philanthropy Committee
Employment & Remuneration Committee	Membership Development Committee
Finance Committee	Nominations Committee
Grants Committee	Property and Capital Projects Committee

The Committees meet according to their Terms of Reference. Each Committee makes recommendations for approval at the Directors' Quarterly Meeting except that the Grants Committee has the authority, without such approval, to award grants up to £10,000.

The day to day running of The House is delegated to the Chief Executive and his staff. Their remuneration is set by the Employment and Remuneration Committee in conjunction with the Lord Dean and the Chair of the Finance Committee. The key management personnel during the year are considered to be the Chief Executive and Collector and the Events Manager.

Reserves Policy
The reserves policy of the House is to ensure there are sufficient levels of cash and immediately realisable funds to meet the expected financial commitments of the House for the next twelve months. This includes the amounts expected to be disbursed by way of grants and payments to beneficiaries. The Directors are committed to distributing as much of the net incoming unrestricted resources as possible subject to ensuring the real value of the capital funds is maintained. The Directors may take a longer-term view into account when considering the expected costs and benefits of capital projects.

The balance held in unrestricted funds at 31 December 2025 was £9,468,234 of which £8,783,920 is regarded as free reserves, after allowing for funds of £684,314 tied up in tangible fixed assets including the premises of the House.

Future Plans
The Directors intend to continue the work of the House over the coming years in a way which will enable it to maintain or increase its charitable giving in real terms and to enhance the impact of its giving. The Directors continue to offer to other charities the ability to merge or manage other funds with those of the House with a view to improving the management and efficiency of these funds in achieving their own objectives.

The Directors are examining potential future property investments within the House premises to secure its long term value and attractiveness for rental and hall lettings.

Subsidiary Company
The commercial letting of available space in the building is carried out within the wholly owned subsidiary Ship Venture Limited. The sole purpose of letting the available accommodation is to generate income for the House. The Directors do not wish to incur undue expense in obtaining a current valuation of the property as there is no present intention to dispose of it and the commercial property is integral to the building from which the House operates.

Ship Venture Limited makes a gift aid payment each year to the House in an amount equal to its taxable profits or, if lower, distributable profits, in accordance with established practice. For the year ended 31 December 2025, Ship Venture has undertaken to make a payment of £159,320 (2024: £149,606).

Risk Management

A Risk Register is maintained which is reviewed annually by the Audit Committee and is approved by the Directors. The Register identifies mitigating factors, further planned actions and allocates who is responsible for each risk. The major risks include:

The risk that the building is not properly maintained and available accommodation is not let to suitable tenants. This is mitigated by the appointment of professional property agents to manage and market the building.

The risk of making inappropriate investments which either do not produce sufficient income or are subject to excessive reductions in value. This is mitigated by the appointment of professional investment managers who manage the portfolios on a discretionary basis thus allowing them to respond promptly to any changes in market sentiment.

The risk that funds are disbursed to inappropriate recipients. Grants are only awarded after the standard application form has been completed and a copy of the recipient's most recent accounts have been provided to the House. For beneficiaries, payments are only made by direct transfer to confirmed bank accounts.

The risk of disbursing restricted funds to ineligible charities. This is mitigated by ensuring that the Grants Committee has received details of the purposes of each restricted fund and awards are only made in accordance with the relevant conditions.

The risk that there is inadequate control over the finances leading to an unsustainable position. This is mitigated by budgets being prepared in advance of each year, regular Management Accounts being reviewed by the Finance Committee and Directors.

In the opinion of the Directors, sufficient controls have been established to ensure that all relevant major risks have been adequately mitigated.

Related Parties

Details of Directors' expenses and any related party transactions are disclosed in Note 4 to the accounts. Directors are required to disclose at each meeting if they have any conflicts of interest, and these conflicts of interest are noted in the minutes of the Board or of the Committee to which they relate. Directors are also required to complete a Declaration of Interest Form which they are asked to review each year.

Statement of Directors' Responsibilities

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

The law applicable in Scotland requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The Directors are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors
A resolution will be proposed at the Annual General Meeting that Wbg (Audit) Limited be reappointed as auditors to the House for the ensuing year.

Statement of Disclosure to the Auditor
So far as the Directors are aware, there is no relevant audit information of which the Charity's Auditors are unaware. Additionally, the Directors have taken all necessary steps that they ought to have taken as Directors, in order to make themselves aware of all the relevant audit information and to establish that the Charity's Auditors are aware of that information.

Approved by the Directors on 10th July 2026 and signed on their behalf by:

Signed by:
Tony McElroy
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Tony McElroy
Lord Dean of Guild

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE MERCHANTS HOUSE OF GLASGOW

Opinion

We have audited the financial statements of The Merchants House of Glasgow (the 'parent charity') and its subsidiary (the 'group') for the year ended 31st December 2025 which comprise the Group and Parent Charity's Statement of Financial Activities (incorporating income and expenditure accounts), the Group and Parent Charity's Balance Sheet, the Group and Parent Charity's Cash Flow Statements and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31st December 2025, and of their incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE MERCHANTS HOUSE OF GLASGOW

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of Council of Management (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 10 & 11, the trustees (who are also the directors of the parent charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE MERCHANTS HOUSE OF GLASGOW

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered capable of detecting irregularities including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures response to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing the risks or material misstatements in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following;

- The nature of the charity, the environment in which it operates and the control procedures implemented by management and the trustees; and
- Our enquiries of management and trustees about their identification and assessment of the risks of irregularities.

Based on our understanding of the charity and the sector we identified that the principal risks of non-compliance with laws and regulations related to, but were not limited to;

- Regulations and legislation pertinent to the charity's operations; and
- Submission of gift aid claims.

We considered the extent to which non-compliance might have a material impact on the financial statements. We also considered those laws and regulations which have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006. We evaluated management and trustees' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to;

- Posting inappropriate journal entries.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE MERCHANTS HOUSE OF GLASGOW

- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance;
- Substantive testing of gift aid claims;
- We scrutinised the general ledger for the following:
  - Duplicate journal entries
  - Unbalanced journal entries
  - Journals with detail included key phrases or words

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

Wbg (Audit) Limited

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Claire Dalrymple (Senior Statutory Auditor)

10th July 2026

168 Bath Street
Glasgow
G2 4TP

For and on behalf of Wbg (Audit) Limited, Statutory Auditor

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

THE MERCHANTS HOUSE OF GLASGOW
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2025
(Including an income and expenditure account)

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Endowment Fund 2025 £	Total Funds 2025 £	*Unrestricted Funds 2024 £*	*Restricted Funds 2024 £*	*Endowment Fund 2024 £*	*Total Funds 2024 £*
Income and endowments from:									
Donations and legacies	**5**	947,807	-	-	**947,807**	*5,840,016*	-	-	***5,840,016***
Other trading activities	**6**	932,029	-	-	**932,029**	*874,454*	-	-	***874,454***
Investments	**7**	93,445	236,240	99,581	**429,266**	*169,561*	*158,180*	-	***327,741***
Total income		1,973,281	236,240	99,581	**2,309,102**	*6,884,031*	*158,180*	-	***7,042,211***
Expenditure on:									
Raising funds:									
Other trading activities	**8**	(906,174)	-	-	**(906,174)**	*(857,920)*	-	-	***(857,920)***
Investment management	**9**	(34,185)	(2,142)	(41,400)	**(77,727)**	*(11,701)*	*(2,147)*	*(39,496)*	***(53,344)***
Charitable activities	**10**	(340,441)	(303,216)	-	**(643,657)**	*(163,023)*	*(244,327)*	-	***(407,350)***
Total expenditure		(1,280,800)	(305,358)	(41,400)	**(1,627,558)**	*(1,032,644)*	*(246,474)*	*(39,496)*	***(1,318,614)***
Net income/(expenditure) and net movement in funds before gains and losses on investments		692,481	(69,118)	58,181	**681,544**	*5,851,387*	*(88,294)*	*(39,496)*	***5,723,597***
Gain on investments	**17**	452,116	29,085	640,616	**1,121,817**	*40,565*	*13,574*	*255,165*	***309,304***
Net income/(expenditure) for the year		1,144,597	(40,033)	698,797	**1,803,361**	*5,891,952*	*(74,720)*	*215,669*	***6,032,901***
Transfers between funds		-	6,929	(6,929)	**-**	*9,410*	*7,906*	*(17,316)*	***-***
Net movement in funds		1,144,597	(33,104)	691,868	**1,803,361**	*5,901,362*	*(66,814)*	*198,353*	***6,032,901***
Funds reconciliation									
Total funds brought forward	**20**	8,323,637	830,616	8,113,588	**17,267,841**	*2,422,275*	*897,430*	*7,915,235*	***11,234,940***
Total funds carried forward	**20**	9,468,234	797,512	8,805,456	**19,071,202**	*8,323,637*	*830,616*	*8,113,588*	***17,267,841***

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

All income and expenditure derives from continuing activities.

THE MERCHANTS HOUSE OF GLASGOW
CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 DECEMBER 2025
(Including an income and expenditure account)

	Note	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Endowment Fund 2025 £	Total Funds 2025 £	*Unrestricted Funds 2024 £*	*Restricted Funds 2024 £*	*Endowment Fund 2024 £*	*Total Funds 2024 £*
Income and endowments from:									
Donations and legacies	**5**	947,807	-	-	**947,807**	*5,840,016*	-	-	***5,840,016***
Other trading activities	**6**	36,069	-	-	**36,069**	*36,142*	-	-	***36,142***
Investments	**7**	248,625	236,240	99,581	**584,446**	*315,989*	*158,190*	-	***474,169***
Total income		1,232,501	236,240	99,581	**1,568,322**	*6,192,147*	*158,180*	-	***6,350,327***
Expenditure on:									
Raising funds:									
Other trading activities	**8**	(146,624)	-	-	**(146,624)**	*(133,876)*	-	-	***(133,876)***
Investment management	**9**	(34,185)	(2,142)	(41,400)	**(77,727)**	*(11,701)*	*(2,147)*	*(39,496)*	***(53,344)***
Charitable activities	**10**	(340,441)	(303,216)	-	**(643,657)**	*(163,023)*	*(244,327)*	-	***(407,350)***
Total expenditure		(521,250)	(305,358)	(41,400)	**(868,008)**	*(308,600)*	*(246,474)*	*(39,496*	***(594,570)***
Net income/(expenditure) and net movement in funds before gains and losses on investments		711,251	(69,118)	58,181	**700,314**	*5,883,547*	*(88,294)*	*(39,496)*	***5,755,757***
Gain on investments	**17**	452,116	29,085	640,616	**1,121,817**	*40,565*	*13,574*	*255,165*	***309,304***
Net income/(expenditure) for the year		1,163,367	(40,033)	698,797	**1,822,131**	*5,924,112*	*(74,720)*	*215,669*	***6,065,061***
Transfers between funds		-	6,929	(6,929)	**-**	*9,410*	*7,906*	*(17,316)*	***-***
Net movement in funds		1,163,367	(33,104)	691,868	**1,822,131**	*5,933,522*	*(66,814)*	*198,353*	***6,065,061***
Funds reconciliation									
Total funds brought forward		8,368,576	830,616	8,113,588	**17,312,780**	*2,435,054*	*897,430*	*7,915,235*	***11,247,719***
Total funds carried forward		9,531,943	797,512	8,805,456	**19,134,911**	*8,368,576*	*830,616*	*8,113,588*	***17,312,780***

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

All income and expenditure derives from continuing activities

THE MERCHANTS HOUSE OF GLASGOW

CONSOLIDATED AND CHARITY BALANCE SHEETS AS AT 31 DECEMBER 2025

	Note	Group 2025 £	*Group 2024 £*	Charity 2025 £	*Charity 2024 £*
Fixed assets:					
Tangible assets	**15**	684,314	*709,199*	666,200	*666,200*
Investments	**17**	16,819,249	*15,365,294*	17,019,249	*15,565,294*
Total fixed assets		17,503,563	*16,074,493*	17,685,449	*16,231,494*
Current assets:					
Debtors	**18**	391,609	*275,165*	166,759	*159,199*
Cash at bank and in hand	**23**	1,523,191	*1,209,353*	1,370,369	*960,333*
		1,914,800	*1,484,518*	1,537,128	*1,119,532*
Liabilities:					
Creditors falling due within one year	**19**	(347,161)	*(291,170)*	(87,666)	*(38,246)*
Net current assets		1,567,639	*1,193,348*	1,449,462	*1,081,286*
Net assets		19,071,202	*17,267,841*	19,134,911	*17,312,780*
The funds of the charity:					
Unrestricted funds	**20**	9,468,234	*8,323,637*	9,531,943	*8,368,576*
Restricted funds	**20**	797,512	*830,616*	797,512	*830,616*
Endowment funds	**20**	8,805,456	*8,113,588*	8,805,456	*8,113,588*
Total charity funds		19,071,202	*17,267,841*	19,134,911	*17,312,780*

These financial statements were approved and authorised for issue by the Directors on 10th July 2026 and signed on its behalf by:

Signed by:
Tony McElroy
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Tony McElroy
Lord Dean of Guild

Company Registration No. SC 008900

THE MERCHANTS HOUSE OF GLASGOW

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 DECEMBER 2025

	Note	Group 2025 £	Charity 2025 £	*Group 2024 £*	*Charity 2024 £*
***Cash flows from operating activities*:**					
Net cash (used in)/provided by operating activities	**22**	(296,402)	(357,136)	*5,335,032*	*5,271,904*
***Cash flows from investing activities*:**					
Dividends, Interest, and rents from investments		429,266	584,446	*327,741*	*440,976*
Purchase of property, plant and equipment		(1,752)	-	*(2,744)*	-
(Increase) in cash investments		(754,686)	(754,686)	*(119,857)*	*(119,857)*
Proceeds from sale of investments		6,103,478	6,103,478	*1,105,641*	*1,105,641*
Purchase of investments		(5,166,066)	(5,166,066)	*(6,607,528)*	*(6,607,528)*
Net cash provided by/(used in) investing activities		610,240	767,172	*(5,296,747)*	*(5,180,768)*
Change in cash and cash equivalents in the year		313,838	410,036	*38,285*	*91,136*
Cash and cash equivalents brought forward	**23**	1,209,353	960,333	*1,171,068*	*869,197*
Cash and cash equivalents carried forward	**23**	1,523,191	1,370,369	*1,209,353*	*960,333*

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Accounting Policies

(a) **Basis of preparation and assessment of going concern**
The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements consolidate the results of the House and its wholly owned subsidiary, Ship Venture Ltd, on a line by line basis.

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

(b)**Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

(c) **Funds structure**
Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed, or through the terms of an appeal.

Further details of each fund are disclosed in note 20.

(d) **Financial instruments**
The House only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(e) **Income recognition**
Income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

1. Accounting Policies (continued)

Legacy gifts are recognised on a case-by-case basis following the granting of confirmation/probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

(f) **Expenditure recognition**
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 settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

Costs of raising funds comprise the costs of commercial trading including investment management costs and certain legal fees and their associated support costs.

Expenditure on charitable activities includes Grants and Benefits Payable and other activities undertaken to further the purposes of the charity and their associated support costs.

Grants payable are payments made to third parties in the further care of the charitable objects of the House. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. 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 House.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the House that would permit the House to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the Trustees as providing the best current available estimate of the opportunity cost of money reflecting the time value of money to the House.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.Accounting Policies (continued)

(g) **Donated services and facilities**
Donated professional services and donated facilities are recognised as income when the House has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the House of the item probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the House which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(h) **Tangible fixed assets and depreciation**
Heritable property is accounted for at historic cost and not at valuation as the property is let out to a wholly owned subsidiary.

No depreciation is provided on heritable property as it is the policy of the House to maintain the property in such condition that its value taken as a whole is not impaired with the passage of time. Consequently, any element of depreciation would, in the opinion of the Lord Dean and Directors, be immaterial.

The cost of furniture and fittings and expenditure on repairs and renewals is charged in the year in which it is incurred. All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life:

Building Improvements	10% per annum on additions prior to 1/1/19, 20% on additions thereafter
Equipment	10% and 33.33% per annum on additions prior to 1/1/19, 20% on additions thereafter

(i) **Heritage assets**
The House has a collection of heritage assets which includes antique furniture, fine artwork, 20th century decorative furniture, statues & sculptures and silver. Due to the lack of comparable market values for the collection and the expense of obtaining reliable valuations, the assets are not recognised in the Balance Sheet.

(j) **Fixed asset investments**
Investments are a form of basic 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. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

(k) **Debtors**
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

1.Accounting Policies (continued)

(l) **Cash at bank and in hand**
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(m) **Creditors and provisions**
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(n) **Realised gains and losses**
All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(i) **Employee Benefits**
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(o) **Contingent liabilities**
A contingent liability is identified and disclosed for those grants resulting from:

- A possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the Trustees' control; or
- A present obligation following a grant offer where settlement is either considered probable; or
- The amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

(p) **Allocation of investment management fees across the funds**
Investment management fees are incurred quarterly and are calculated with reference to the investment valuation during the quarter. The gains and losses arising from investment sales and the revaluation gains or losses are allocated to the endowment funds (or a restricted fund where there is no associated endowment). The Trustees consider that the investment management fees are directly related to the investment gains and losses and, therefore, should be allocated in the same way as the gains or losses i.e across the endowment funds (or restricted fund where there is no associated endowment).

1.Accounting Policies (continued)

(q) **Judgements in applying accounting policies and key sources of estimates uncertainty**
In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 that 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 affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Depreciation
Fixed assets are depreciated over the useful life of assets. The useful life of the fixed assets are based on the knowledge of senior management, with reference to the assets expected useful life.

Bad debt provision
Trade debtors are reviewed by appropriate experienced senior management on a case by case basis with the balance outstanding and the ageing of the debtor taken into consideration.

Allocation of expenditure between activities
Support costs are allocated between charitable activities and governance based on the time spent by senior management on undertaking the charity's activities.

2. Legal status

The House is a charity registered in Scotland under the Charities and Trustee Investment (Scotland) Act 2005.

3. Financial activities of the subsidiary

The wholly owned trading subsidiary Ship Venture Limited is incorporated in the United Kingdom (company number SC166242) and pays all its taxable profits to the House under the gift aid scheme. Ship Venture Limited's core business is that if management and rental of property and all commercial trading operations carried on at its Glasgow premises.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

3. Financial activities of the subsidiary (continued)

A summary of the financial activities undertaken by the subsidiary is set out below:

	2025	2024
	£	£
Turnover	890,250	835,662
Cost of sales	(652,528)	(633,703)
Gross profit	237,722	201,959
Other operating income	5,710	2,650
Administrative expenditure	(107,022)	(90,344)
Operating profit	136,410	114,265
Interest receivable	4,140	3,178
Profit	140,550	117,443

The assets and liabilities of the subsidiary were:

	2025	2024
Fixed assets	18,114	42,995
Current assets	579,812	519,735
Current liabilities	(461,640)	(407,674)
Total net assets	136,286	155,056
Aggregate share capital and reserves	136,286	155,056

4. Related party transactions and trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). Expenses paid to the Trustees in the year totalled £nil (2024: £nil).

During the year the following related party transactions took place:

The House paid Directors Liability Insurance premiums of £952 (2024: £517).

Donations of £118,085 were received from directors during the year (2024: £4,014).

Ronald Inglis is a director of Mitchells Roberton Ltd who provided legal services during the year costing £nil (2024: £11,942).

Ben Douglass-Lee and Stephanie Savage are employees of Rathbones who provided investment services during the year costing £77,727 (2024: £53,344).

Alasdair Ronald is a trustee of the Association for the Relief of Infirmity in the West of Scotland. Shares valued at £5,699,372 were received from this charity in the prior year.

Andrew McFarlane, Donald Carmichael and Alasdair Ronald are trustees of both Hutcheson's Hospital and the Glasgow Dean of Guild Court Trust. Administration charges were received from this charity of £8,600 (2024: £13,000).

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

4. Related party transactions and trustees' expenses and remuneration (continued)

The House awarded grants to the following organisations in which a trustee(s) of the House has/have and interest:

High School of Glasgow Educational Trust £4,400 (2024: £4,400) (Alan Horn).

Presbytery of Glasgow £5,435 (2024: £5,041) and Lodging House Mission £7,000 (2024: £5,000) (Grant Barclay).

Barmulloch Community Trust £nil (2024: £3,250) (Tony McElroy).

North United Communities £nil (2024: £2,500) (Andrew McFarlane).

The Wild Olive Café £nil (2024: £7,500), Faith in the Community £nil (2024: £4,000) and Church House Bridgeton £nil (2024: £5,000) (Donald Carmichael and Grant Barclay).

Family Mediation West of Scotland £nil (2024: £3,000) (Harry Small).

The Occasional Cabaret £nil (2024: £2,200) (Ross Galbraith).

Alan Horn, Karen Waugh and Valerie Stacey are trustees of the Glasgow Educational & Marshall Trust. Administration charges were received from this charity of £13,000 (2024: £13,000)

5. Income from donations and legacies

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Donations	947,807	947,807	5,840,016	5,840,016
	947,807	947,087	5,840,016	5,840,016

6. Income from other trading activities

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Rental Income:				
Serviced Units	274,798	-	291,641	-
Hall and room hire and events	312,578	-	266,968	-
Service charge income	302,874	-	275,853	-
Government and other grants	-	-	2,650	-
Administrative income	41,779	36,069	37,342	36,142
	932,029	36,069	874,454	36,142

7. Investment income

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Dividends and interest – equities and bonds	392,669	392,669	291,994	291,994
Interest on cash deposits	36,597	32,457	35,747	32,569
Gift aid donation from subsidiary	-	159,320	-	149,606
	429,266	584,446	327,741	474,169

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

8. Raising funds – expenditure on other trading activities (Group)

	Direct Costs	Support Costs	Total Group 2025
	£	£	£
Ship Venture direct costs	759,550	-	759,550
House support costs	-	146,624	146,624
	759,550	146,624	906,174

	Direct Costs	Support Costs	Total Group 2024
	£	£	£
Ship Venture direct costs	724,044	-	724,044
House support costs	-	133,876	133,876
	724,044	133,876	857,920

9. Investment management costs (Group and Charity)

	2025	2024
	£	£
Investment management fees	77,727	53,344
	77,727	53,344

10. Analysis of expenditure on charitable activities (Group and Charity)

2025:

	Grants Payable	Benefits Payable	Total 2025
	£	£	£
Grants payable (note 12)	287,444	-	287,444
Benefits payable to individuals	-	251,846	251,846
Staff costs	-	-	-
Government and support costs (note 11)	83,004	21,363	104,367
	370,448	273,209	643,657

2024:

	Grants Payable	Benefits Payable	Total 2024
	£	£	£
Grants payable (note 12)	226,040	-	226,040
Benefits payable to individuals	-	67,623	67,623
Staff costs	12,600	1,575	14,175
Government and support costs (note 11)	79,163	20,349	99,512
	317,803	89,547	407,350

11. Allocation of governance and support costs (Group)

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

2025:

Cost type	Total allocated £	Governance related £	Other support costs £	Basis of apportionment
Staff costs	215,799	12,948	202,851	Staff time
Office costs	35,192	1,715	33,477	Staff time
Total	250,991	14,663	236,328	

2024:

Cost type	Total allocated £	Governance related £	Other support costs £	Basis of apportionment
Staff costs	204,072	13,725	190,347	Staff time
Office costs	20,627	1,238	19,389	Staff time
Total	224,699	14,963	209,736	

Governance costs:	2025 £	2024 £
Auditor's remuneration	6,615	8,688
Support costs (see above)	14,663	14,963
	21,278	23,651

Allocation of governance and support costs:

2025:

	2025 £	2024 £
Grants payable	83,004	79,163
Benefits payable	21,363	20,349
	104,367	99,512

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

12. Analysis of grants

	Unrestricted £	Restricted £	Total 2025 £	2024 £
Grants to institutions				
St Mirren FC Charitable Trust	-	20,000	20,000	20,000
Jubilee House	-	16,208	16,208	-
Glasgow School of Art	-	14,000	14,000	-
Scottish Nautical Welfare Society	-	10,000	10,000	10,000
Renfrew Town Sea	-	10,000	10,000	-
Ocean Youth Trust	-	10,000	10,000	10,000
The Royal Liverpool Seamen's Orphan Institute				10,000
Lord Provost's & International Office	-	10,000	10,000	-
New Tannahill Centre	-	10,000	10,000	10,000
Pachedu	-	9,824	9,824	-
Lochwinnoch Community	-	7,200	7,200	-
Royal Liverpool	-	6,000	6,000	-
Children's Health	-	5,500	5,500	-
Church of Scotland	-	5,435	5,435	-
Skills Exchange	-	5,000	5,000	-
Shopmobility Paisley		-	-	10,000
Central and West	-	5,000	5,000	-
Achieve More Scotland	-	5,000	5,000	-
8th Paisley Boys	-	5,000	5,000	-
NHS gifts	-	-	-	8,000
Wild Olive Café	-	-	-	7,500
Church of Scotland	-	-	-	5,041
Sunshine Wishes	-	-	-	5,005
Lodging House Mission	-	-	-	5,000
University of Glasgow	-	14,000	14,000	5,000
Star Project	-	-	-	5,000
Glasgow Barons	-	-	-	5,000
SupportED	-	-	-	5,000
Loud N Proud	-	-	-	5,000
Homeless Project Scotland	-	-	-	5,000
Clyde Shop Mobility	-	-	-	5,000
Church House Bridgeton	-	-	-	5,000
Boston Seafarer's Friend Society	-	-	-	5,000
Analysis between £3,001 and £5,000	61,986	8,059	70,045	34,880
Analysis between £2,001 and £3,000	26,520	11,292	37,812	29,714
Analysis between £1,001 and £2,000	3,560	7,860	11,420	14,900
Awards of £1,000 or less	-			1,000
	92,066	195,378	287,444	226,040
Governance, staff and support costs	-	83,004	83,004	91,763
Total	92,066	278,382	370,448	317,803

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

13. Analysis of staff costs and remuneration of key management personnel

	Group 2025 £	Group 2024 £
Salaries and wages	198,443	192,799
Social security costs	13,282	13,770
Pension Contributions	13,290	10,424
Total staff costs and employee benefits	225,015	216,993

	2025 £	2024 £
Key management personnel remuneration	158,409	140,765

One employee had total employee benefits (excluding pension costs) in excess of £60,000 this year (2024: one)

	2025 No.	2024 No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	5	5

14. Net income for the year - Group

This is stated after charging:	2025 £	2024 £
Depreciation	26,637	38,033
External auditor's remuneration:		
- Audit fees	12,240	13,309
- Non-audit fees	876	834

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

15. Tangible fixed assets – Group and Charity

Group	Heritable Property £	Equipment £	Total £
Cost or valuation			
At 1 January 2025	952,512	138,503	1,091,015
Additions	-	1,751	1,751
At 31 December 2025	952,512	140,254	1,092,766
Depreciation			
At 1 December 2025	254,260	127,556	381,816
Charge for the year	20,818	5,818	26,636
At 31 December 2025	275,078	133,374	408,452
Net book value			
At 31 December 2025	677,434	6,880	684,314
At 31 December 2024	698,252	10,947	709,199

At 31 December 2025 all fixed assets were held for mixed use.

Charity	Heritable Property £
Cost or valuation	
At 1 January 2025 and At 31 December 2025	666,200
Depreciation	
At 1 January and At 31 December 2025	-
Net book value	
At 31 December 2025 and 31 December 2024	666,200

16. Heritage Assets

The house holds a collection of antique furniture, fine artwork, 20th century decorative furniture, statues & sculptures, silver and the Chains of the Office of the Lord Dean and Vice-Dean. The collection is not capitalised in the balance sheet as the Trustees consider that the benefit of valuing the collection does not justify the costs that would be incurred. In March 2019, the collection was valued for insurance purposes at £272,300.

Antique Furniture/ 20th Century decorative furniture
The collection includes various furniture items which are situated throughout the House in the Grand Hall, the Directors' Room, the Lord Dean's Room, the Vestibule and the James McCune Smith Room. The items include Victorian chairs, 19th Century chandeliers, mahogany chairs, side tables, mahogany and panel boards, a model tobacco ship, a Steinway grand piano and the door of the old Merchants House in the Bridgegate.

Fine Artwork
The art collection contains portraits of past Deans of Guild as well as several people of importance to the House along with paintings of local landmarks. The artwork is on display in the Grand Hall, the Directors' Room, the Lord Dean's Room and the James McCune Smith Room.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

16. Heritage Assets (continued)

Statues and Sculptures
The House has a carved white marble bust of both James Ewing of Strathleven and James Buchananan, together with a marble statue of Kirkman Findlay.

17. Investments – Group and Charity

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Investments	16,819,249	16,819,249	15,365,294	15,365,294
Subsidiary undertaking	-	200,000	-	200,000
Total cash and cash equivalents	16,819,249	17,019,249	15,365,294	15,565,294

Movement in fixed asset listed investments - Group	**2025 £**	**2024 £**
Market value brought forward at 1 January	15,365,294	9,434,246
Add: additions to investments at cost	5,166,066	6,607,528
Add: donated investment	514,864	-
Increase in cash investments	754,681	119,857
Disposals at carrying value	(6,110,893)	(1,143,970)
Add net gain on revaluation	1,129,237	347,633
Market value as at 31 December	16,819,249	15,365,294

Net cash released from investments in the year was £560,624 (2024: £737,043).

Investments at fair value Comprised:	**2025 £**	**2024 £**
Equities	15,850,992	15,151,723
Cash held within the investment portfolio	968,257	213,571
Total	16,819,249	15,365,294

Net gain on investments comprise:	**2025 £**	**2024 £**
Realised (losses) on investment	(7,420)	(38,329)
Net gain on revaluation	1,129,237	347,633
Total	1,121,817	309,304

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted 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 significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performance sections of the Report of the Directors.

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

17. Investments – Group and Charity (continued)

The House manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The House does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

Subsidiary
The house holds 50,000 shares of £1 each in its wholly owned trading subsidiary company Ship Venture Limited which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised in Note 3.

18. Debtors

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade Debtors	194,462	-	78,595	-
Other debtors	197,147	7,439	196,570	4,450
Due from group undertaking	-	159,320	-	154,749
	391,609	166,759	275,165	159,199

19. Creditors: amounts falling due within one year

	Group 2025 £	Charity 2025 £	Group 2024 £	Charity 2024 £
Trade creditors	77,731	1,253	52,856	494
Accrual for grants payable	-	-	8,798	8,798
Other creditors and accruals	269,430	86,413	220,495	28,954
Taxation and social security	-	-	9,021	-
	347,161	87,666	291,170	38,246

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

20. Analysis of charitable funds – Group

Analysis of Fund movements	As at 1 January 2025 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 December 2025 £
Unrestricted funds:						
Designated funds:						
Property fund	866,200	-	-	-	-	866,200
ARI fund	5,692,216	407,840	(179,372)	-	376,666	6,297,350
Carol Richmond Charitable Trust	2,080	1,575	(2,638)	-	-	1,017
Dallas Fund	-	536,215	(7,192)	-	-	529,023
Total designated funds	6,560,496	945,630	(189,202)	-	376,666	7,693,590
General funds	1,763,141	1,027,651	(1,091,598)	-	75,450	1,774,644
Total unrestricted funds	8,323,637	1,973,281	(1,280,800)	-	452,116	9,468,234
Endowment funds :						
Historical Endowments	3,499,986	99,581	(17,477)	-	277,780	3,859,870
Benjamin MacKay Trust	232,648	-	(1,349)	(1,154)	15,839	245,984
Bogles of Gilmorehill Bursaries	117,662	-	(876)	-	13,915	130,701
Buchanan & Ewing Bequests	182,914	-	(958)	-	15,232	197,188
Carol Richmond Charitable Trust	63,887	-	-	-	3,736	67,623
Commercial Travellers of Scotland	173,569	-	(930)	-	14,782	187,421
George Craig Trust	424,293	-	(2,177)	-	34,586	456,702
Glasgow Nursing & Medical Relief	568,539	-	(2,796)	(4,641)	32,836	593,938
Inverclyde Bequest	1,789,680	-	(9,355)	-	148,694	1,929,019
MacPherson Charitable Trust	109,918	-	(549)	-	8,724	118,093
Morgan Mortification	504,321	-	(2,617)	-	41,589	543,293
RNVR Club (Scot) Memorial Trust	189,215	-	(946)	(1,134)	11,104	198,239
Ure Elder Trust	256,956	-	(1,370)	-	21,799	277,385
Total endowment funds	8,113,588	99,581	(41,400)	(6,929)	640,616	8,805,456

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

20. Analysis of charitable funds – Group (continued)

Restricted funds:	As at 1 January 2025 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 December 2025 £
Benjamin MacKay Trust	47,002	6,674	(4,750)	1,154	-	50,080
Bogles of Gilmorehill Bursaries	57,670	4,784	(9,750)	-	-	52,704
Buchanan & Ewing Bequest	8,998	5,290	(5,750)	-	-	8,538
Commercial Trvellers of Scotland	12,695	5,113	(3,600)	-	-	14,208
Dr James Black's Trust	27,664	756	(389)	-	2,195	30,226
George Craig Trust	11,502	11,896	(16,530)	-	-	6,868
Glasgow Nursing & Medical Relief	11,204	13,837	(23,300)	4,641	-	6,382
Inverclyde Bequest	83,835	51,450	(39,453)	-	-	95,832
Keir Trust	115,301	3,208	(7,466)	-	9,150	120,193
Kennedy Fund	93,559	102,233	(23,051)	-	5,298	178,039
Morgan Mortification	19,707	14,534	(6,185)	-	-	28,056
RNVR Club (Scot) Memorial Trust	6,845	4,679	(10,500)	1,134	-	2,158
Underwood Trust	316,916	4,262	(150,834)	-	12,442	182,786
Ure Elder Trust	17,718	7,524	(3,800)	-	-	21,442
Total restricted funds	830,616	236,240	(305,358)	6,929	29,085	797,512
TOTAL FUNDS	17,267,841	2,309,102	(1,627,558)	-	1,121,817	19,071,202

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

20. Analysis of charitable funds – Group (continued)

Analysis of Fund movements	As at 1 January 2024 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 December 2024 £
Unrestricted Funds:						
Designated Funds:						
Property fund	866,200	-	-	-	-	866,200
ARI fund	-	5,699,372	(7,156)	-	-	5,692,216
Carol Richmond Charitable Trust	2,014	1,316	(2,264)	1,014	-	2,080
Total designated funds	868,214	5,700,688	(9,420)	1,014	-	6,560,496
General funds	1,554,061	1,187,022	(1,026,903)	8,396	40,565	1,763,141
Total Unrestricted funds	2,422,275	6,887,710	(1,036,323)	9,410	40,565	8,323,637
Endowment funds						
Historical Endowments	3,424,030	-	(16,347)	-	92,303	3,499,986
Benjamin MacKay Trust	222,547	-	(1,395)	(4,228)	15,724	232,648
Bogles of Gilmorehill Bursaries	113,959	-	(797)	-	4,500	117,662
Buchanan & Ewing Bequests	178,759	-	(895)	-	5,050	182,914
Carol Richmond Charitable Trust	61,463	-	(334)	(1,014)	3,772	63,887
Commercial Travellers of Scotland	169,578	-	(860)	-	4,851	173,569
George Craig Trust	415,083	-	(1,982)	-	11,192	424,293
Glasgow Nursing & Medical Relief	547,031	-	(2,969)	(9,003)	33,480	568,539
Inverclyde Bequest	1,749,480	-	(8,652)	-	48,852	1,789,680
MacPherson Charitable Trust	107,533	-	(513)	-	2,898	109,918
Morgan Mortification	492,794	-	(2,480)	-	14,007	504,321
RNVR Club (Scot) Memorial Trust	181,877	-	(1,012)	(3,071)	11,421	189,215
Ure Elder Trust	251,101	-	(1,260)	-	7,115	256,956
Total endowment funds	7,915,235	-	(39,496)	(17,316)	255,165	8,113,588

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

20. Analysis of charitable funds – Group (continued)

Restricted funds

	As at 1 January 2024 £	Income £	Expenditure £	Transfers £	Gains/(Losses) £	As at 31 December 2024 £
Benjamin MacKay Trust	42,038	5,486	(4,750)	4,228	-	47,002
Bogles of Gilmorehill Bursaries	52,942	5,478	(750)	-	-	57,670
Buchanan & Ewing Bequest	8,598	6,150	(5,750)	-	-	8,998
Commercial Trvellers of Scotland	10,388	5,907	(3,600)	-	-	12,695
Dr James Black's Trust	26,459	868	(377)	-	714	27,664
George Craig Trust	125	13,628	(12,251)	10,000	-	11,502
Glasgow Nursing & Medical Relief	16,321	11,680	(25,800)	9,003	-	11,204
Inverclyde Bequest	62,829	59,486	(38,480)	-	-	83,835
Keir Trust	115,214	3,782	(6,800)	-	3,105	115,301
Kennedy Fund	96,808	2,008	(11,011)	-	5,754	93,559
Morgan Mortification	26,838	17,056	(5,791)	(18,396)	-	19,707
RNVR Club (Scot) Memorial Trust	10,289	3,985	(10,500)	3,071	-	6,845
Underwood Trust	415,727	14,002	(116,814)	-	4,001	316,916
Ure Elder Trust	12,854	8,664	(3,800)	-	-	17,718
Total restricted funds	897,430	158,180	(246,474)	7,906	13,574	830,616
TOTAL FUNDS	11,234,940	7,045,890	(1,322,293)	-	309,304	17,267,841

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

20. Analysis of charitable funds – Group (continued)

The unrestricted funds are available to be spent for any of the purposes of the charity.

Designated Funds – The Trustees have created the following designated funds:

Heritable Property
The property held to generate rental income which the House can then use with its charitable objectives and activities. The fund covers both the property and the related investment in Ship Venture Limited.

ARI Fund
The investments from the Association of the Relief of Infirmity in the West of Scotland were donated to the House in December 2025. The income is to be applied to the beneficiaries of the original ARI charity. £32,472 was paid out in the year in investment and professional fees.

The Carol Richmond Charitable Trust
The income is applied for the benefit of Giffnock South Parish Church. £2,638 was paid out in the year.

Dallas Fund
The trust was received by the House in 2025. The House has undertaken to continue to support the existing beneficiaries of the fund at the time of its transfer for their lifetime. The Dallas Fund is to give financial support to beneficiaries who are at least 50 years old, and born, or have had ten years' continuous residence in the city of Glasgow.

Restricted funds and Endowment funds comprise:

Historical Endowments (Endowment fund)
These endowment funds comprise individual endowment funds where the original purpose of the fund has been extinguished or there are no remaining beneficiaries. Under the terms of the endowments the House can use the income as the Trustees see fit. The funds included within the balance are as follows: Ridge Beedle, Simon Dallas, Daniel Duncan, Rebecca Edgar, John Farquhar, Gardiner, Lawrence Glen, James Grant, Dr James McCallum, Sir George Mitchell, Marjory Shanks Schaw, Johnstone Smith, Templeton, Waugh's Bequest, Stephen Bicentenary Trust, Glasgow Corn Trade and Scottish Retail Credit Trust.

The Benjamin MacKay Trust (Endowment fund and Restricted fund)
This trust was received by the House in July 2013. The House has undertaken to distribute at least one/seventh of the income generated each year to charitable organisations within the Lenzie/Kirkintilloch area. This fund permits the House to distribute capital as well as income. Awards of £4,000 were made during the year.

The Bogles of Gilmorehill Bursaries (Endowment fund and Restricted fund)
The Bogles of Gilmorehill Bursaries were established in 1992 by a gift of £50,000 from Ellen Bogle and Robert Bogle, descendants of the family which owned the Gilmorehill land on which the University of Glasgow is built. Awarded annually to home based graduate students undertaking Masters Degree course in the Faculties of Divinity or Social Sciences and recommended to us by the University, the Bursaries are intended to benefit students whose financial needs are not met from public funds. Awards of £9,000 were made during the year.

The Buchanan and Ewing Bequest (Endowment fund and Restricted fund)
These grants are made specifically to Education Institutions to aid study. Awards of £5,000 were made during the year.

20. Analysis of charitable funds – Group (continued)

Carol Richmond Charitable Trust (Endowment fund and Restricted fund)
Funds were transferred to the House in July 2006. This fund permits the House to distribute capital as well as income.

Commercial Travellers of Scotland Benevolent Fund for Widows and Orphans (Endowment fund and Restricted fund)
On the 30th September 2009, the whole funds of the Commercial Travellers of Scotland Benevolent Fund for Widows and Orphans were transferred to the House on the understanding that the House would thereafter administer the funds in accordance with the objects of the House. There are now 2 beneficiaries and payments of £3,000 were made during the year.

The James Black's Trust (Restricted fund)
This small Trust was transferred to the House in August 2012 with a value of £17,981. It was principally for the benefit of retired domestic servants, but the House can also use it to disburse for other purposes. No awards were made in the year.

George Craig Trust (Endowment fund and Restricted fund)
Grants awarded by the George Craig Trust Committee amounted to £15,280.

The Glasgow Nursing and Medical Relief Association (Endowment fund and Restricted fund)
The whole funds of The Glasgow Nursing and Medical Relief Association were transferred to the House in 2006, on the understanding, incorporated into a formal undertaking, that the House would thereafter administer the fund in accordance with the wishes of the directors as expressed by them, prior to the dissolution and winding up of the Association. This fund permits the House to distribute capital as well as income. The fund is now managed by The Glasgow Nursing and Medical Relief Association committee. In accordance with its brief, awards of £23,300 have been made to certain medical and nursing related charitable organisations in Glasgow and one retired member.

Inverclyde Bequest (Endowment fund and Restricted fund)
The Inverclyde Bequest Fund was founded in 1906. During the past year the sum of £37,453 has been distributed in accordance with the terms of the bequest for the relief of seamen belonging to the Mercantile Marine of the Commonwealth and the United States, their wives, widows, children and family dependants. The funds are distributed directly to charities in Scotland, England and to Missions in the New York and Boston Districts.

The Kerr Trust (Restricted fund)
This trust was originally set up by Mrs Helen Pottage, who had a lifelong interest in the arts. The Trust was transferred to the House in March 2012, with the Investment value of £92,808 at the time. together with a residual cash balance of £3,298. This Trust must be used to benefit the greater good, rather than pensioners. Awards of £6,640 were made in the year.

MacPherson Charitable Trust (Endowment fund)
Funds of £58,065 were transferred to the House in February 2005. Income generated from this fund is treated as unrestricted.

The Morgan Mortification (Endowment fund and Restricted fund)
1/3 of the income generated form this fund is paid as a grant to the Presbytery of Glasgow. Awards of £5,435 were made in the year.

20. Analysis of charitable funds – Group (continued)

RNVR Club (Scotland) Memorial Trust (Endowment fund and Restricted fund)
The whole funds of RNVR Club (Scotland) Memorial Trust were transferred to the House in 2006, on the understanding that the House would thereafter administer the fund in accordance with the objects of the Trust. This fund permits the House to distribute capital as well as income. Awards of £10,000 were made in the year.

The Underwood Trust (Restricted fund)
A substantial donation was received by the House from the Underwood Trust in June 2013. The purpose of the Fund is to assist financially the deprived people of Glasgow and its surrounding environs (50%) and Paisley and its environs (50%). The disbursements are capital and interest over the period between 10 to 15 years. During the year awards totalling £110,855 were distributed to 22 charities. Awards are made in accordance with the House's own guidelines:

- Organisations providing care and assistance to groups of or concerned with disabled, elderly or terminally ill, and socially deprived
- Organisations providing care, advancement and rehabilitation of youth
- Universities, colleges of further education and schools.

The Ure Elder Trust (Endowment fund and Restricted fund)
The Ure Elder Trust was transferred to the House in 2018. This fund is to be applied for the prevention or relief of poverty , the advancement of health, the advancement of education, the advancement of heritage and culture (including maintaining and keeping in good order and condition the burial ground in the Glasgow Necropolis forming Compartment Epsilon No.278 and the Monument erected thereon), the relief of those in need or for any other charitable purpose. Focus is placed on the Greater Glasgow and Govan areas. Awards and beneficiary payments of £2,400 were made in the year.

Kennedy Fund (Restricted)
This fund was set up during 2023 with a donation of £100,000. The Fund must be used for the primary purposes of the Merchants House and must be expended in full during a period not exceeding 10 years. An additional donation of £100,000 was received in 2025. This additional donation is required to be expended in full during the 10 years to 2035.

Management Fee
The expenditure shown against each fund indicates a proportion of the administration costs of the House.

21. Net assets over funds – Group

As at 31 December 2025:	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2025 £
Fixed assets	684,314	-	-	684,314
Investments	8,013,793	-	8,805,456	16,819,249
Current assets	1,117,288	797,512	-	1,914,800
Current liabilities	(347,161)	-	-	(347,161)
	9,468,234	797,512	8,805,456	19,071,202

THE MERCHANTS HOUSE OF GLASGOW

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2025

21. Net assets over funds – Group (continued)

As at 31 December 2024:	**Unrestricted Funds £**	**Restricted Funds £**	**Endowment Funds £**	**Total 2024 £**
Fixed assets	709,199	-	-	709,199
Investments	992,462	6,248,980	8,123,852	15,365,294
Current assets	6,893,842	(5,409,324)	-	1,484,518
Current liabilities	(271,866)	(9,040)	(10,264)	(291,170)
	8,323,638	830,616	8,113,588	17,267,841

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

	Group 2025 £	**Charity 2025 £**	**Group 2024 £**	**Charity 2024 £**
Net income/(expenditure) for the year per the statement of financial activities	1,803,361	1,822,131	6,032,901	6,065,061
Adjustments for:				
Depreciation charges	26,637	-	38,033	-
Gain on disposal of fixed assets	-	-	7,705	-
Dividends and Interest	(429,266)	(584,446)	(327,741)	(474,169)
Donated investments	(514,864)	(514,864)	-	-
(Gains) on investment	(1,121,817)	(1,121,817)	(309,304)	(309,304)
(Increase) in debtors	(116,444)	(7,560)	(103,353)	(3,446)
Increase/(decrease) in creditors	55,991	49,420	(3,209)	(6,238)
Net cash (used in)/provided by operating activities	(296,402)	(357,136)	5,335,032	5,271,904

23. Analysis of cash and cash equivalents

	Group 2025 £	**Charity 2025 £**	**Group 2024 £**	**Charity 2024 £**
Cash at bank and in hand	1,523,191	1,370,369	1,209,353	960,333
Total cash and cash equivalents	1,523,191	1,370,369	1,209,353	960,333