

THE SCOTWEST LOTTERY
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE SCOTWEST LOTTERY

LOTTERY INFORMATION

Promoter	John Magill
Secretary	Daniel Salah
Treasurer	Ashley McCrone
Registered office	13 Elmbank Street Glasgow G2 4PB
Independent auditor	Johnston Carmichael LLP 7 – 11 Melville Street Edinburgh EH3 7PE

THE SCOTWEST LOTTERY

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THE SCOTWEST LOTTERY

REPORT OF THE COMMITTEE

TO THE MEMBERS OF THE SCOTWEST LOTTERY

The Committee present their report and the audited financial statements of The Scotwest Lottery ('the Lottery') for the year ended 30 September 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 7 and comply with the Lottery's constitution and applicable law.

Constitution and objects

The Lottery is governed by its constitution. The object of the Lottery is to promote a lottery and distribute the proceeds to Scotwest Credit Union Limited.

Committee

The members of the Executive Committee during the year under review were:

John Magill
Daniel Salah
Ashley McCrone

Covid-19

The committee members acknowledge that the Lottery is exposed to the Covid-19 risk as a result of the inherent uncertainty around the ongoing impact of the pandemic on the UK society and economy. The committee members have considered the impact of Covid-19 and are satisfied that it will not impact the Lottery's ability to meet its liabilities as they fall due over the next twelve months.

Statement of committee members' responsibilities

The committee members are responsible for preparing the Report of the Committee and the financial statements in accordance with applicable law and regulations.

Committee members are required to prepare financial statements for each financial year. Under that law the committee members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under that law the committee members must not approve financial statements unless they are satisfied that they give a true and fair view of the state of affairs on the Lottery and of the surplus or deficit of the Lottery for that period. In preparing these financial statements the committee are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Lottery will continue in business.

The committee members are responsible for keeping adequate accounting records that are sufficient to show and explain the Lottery's transactions and disclose with reasonable accuracy at any time the financial position of the Lottery and to enable them to ensure that the financial statements comply with the accounting policies. They are also responsible for safeguarding the assets of the Lottery and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Committee:

John Magill

.....
J Magill
Promoter

A. McCrone

.....
A McCrone
Treasurer

Date 25 / 11 / 2021

THE SCOTWEST LOTTERY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SCOTWEST LOTTERY

Opinion

We have audited the financial statements of The Scotwest Lottery (the 'Lottery') for the year ended 30 September 2021 which comprise the income and expenditure account, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 Lottery's affairs as at 30 September 2021 and of its surplus 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 Code of Practice as applied by the Gambling Act 2005.

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 Lottery 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 committee members' 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 Lottery's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the committee members 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 annual report, other than the financial statements and our auditor's report thereon. The committee members are responsible for the other information contained within the annual report. 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. 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.

THE SCOTWEST LOTTERY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SCOTWEST LOTTERY (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Lottery and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Committee.

We have nothing to report in respect of the following matters where the Gambling Act 2005 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of committee members

As explained more fully in the committee members' responsibilities statement on page 1, the committee members 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 committee members 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 committee members are responsible for assessing the Lottery'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 committee members either intend to liquidate the Lottery or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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

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

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Lottery, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- the Lottery's constitution;
- the Gambling Act 2005; and
- UK Generally Accepted Accounting Practice.

THE SCOTWEST LOTTERY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SCOTWEST LOTTERY (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit is considered capable of detecting irregularities, including fraud (continued)

We gained an understanding of how the Lottery is complying with these laws and regulations by making enquiries of management.

We assessed the susceptibility of the Lottery's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management oversee the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

The following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias; and
- Reviewing latest available post year-end management accounts for any unexpected activity that may indicate management override in the Lottery's financial statements.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Lottery's members, as a body, in accordance with the Code of Practice as applied by the Gambling Act 2005. Our audit work has been undertaken so that we might state to the Lottery's members 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 Lottery and the Lottery's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP.

Johnston Carmichael LLP, Statutory Auditor

25 / 11 / 2021

7-11 Melville Street
Edinburgh
EH3 7PE

THE SCOTWEST LOTTERY

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	£	2021 £	£	2020 £
Income					
Proceeds from Lottery ticket sales	2		191,764		103,658
Expenses					
Bank charges		-		(30)	
Data Protection registration		(35)		(35)	
Lottery registration fee		(20)		(40)	
Auditor's remuneration		(2,398)		(1,914)	
			(2,453)		(2,019)
			189,311		101,639
Prizes			(100,800)		(57,600)
			88,511		44,039
Distributions to beneficiary			(86,447)		(46,621)
Surplus/(deficit) for the year			2,064		(2,582)

The notes on pages 7 to 8 form part of these financial statements.

THE SCOTWEST LOTTERY

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
Fixed assets	3	-	-
Current assets			
Cash at bank and in hand		5,545	3,481
Creditors due within one year	4	(2,000)	(2,000)
Net current assets		3,545	1,481
Net assets		3,545	1,481
Reserves			
Balance brought forward		1,481	4,063
Surplus/(deficit) for the year		2,064	(2,582)
Net assets		3,545	1,481

The financial statements were approved by the Executive Committee and authorised for issue on 25 / 11 / 2021 and are signed on its behalf by:

John Magill

.....
J Magill
Promoter

A. McCrone

.....
A McCrone
Treasurer

The notes on pages 7 to 8 form part of these financial statements.

THE SCOTWEST LOTTERY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

General information

The Lottery is incorporated in the UK and domiciled in Scotland. The address of its registered office is 13 Elmbank Street, Glasgow, G2 4PB.

The Lottery's activity during the year continued to be that as defined in its constitution which is to promote a lottery and distribute the proceeds to Scotwest Credit Union Limited.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The disclosure requirements of Section 1A have been applied, other than where additional disclosures is required to show a true and fair view.

The financial statements are prepared in Sterling, which is the Lottery's functional currency. Monetary amounts in the financial statements are rounded to the nearest £. The principal accounting policies are set out below.

Going concern

These financial statements have been prepared on a going concern basis.

The Lottery has a positive cash position and predictable on-going costs, thus the committee members are satisfied that there are sufficient resources in place to continue operating for the foreseeable future. The committee members therefore continue to adopt the going concern basis of accounting in the preparation of these financial statements.

In assessing the Lottery's ability to continue as a going concern the committee members have considered the impact of Covid-19 as described in the Report of the Committee.

Tangible fixed assets

Depreciation is provided on all fixed assets at rates calculated to write-off the full cost less estimated residual value over its estimated useful life. The principal rates in use are:

Computer equipment	33.33% straight line
Computer software	33.33 % straight line

2 Turnover and other revenue

The income is derived from the sale of lottery tickets to the members of Scotwest Credit Union Limited.

3 Tangible fixed assets

	Computer equipment £	Computer software £	Total £
Cost			
At 1 October 2020 and 30 September 2021	534	4,089	4,623
Depreciation			
At 1 October 2020 and 30 September 2021	534	4,089	4,623
Carrying amount			
At 30 September 2021	-	-	-
At 30 September 2020	-	-	-

THE SCOTWEST LOTTERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	2,000	2,000

5 Related party transactions

Transactions with related parties

During the year the Lottery distributed £86,447 (2020: £46,621) to Scotwest Credit Union Limited.

At the year-end £nil (2020: £nil) was outstanding.

Johnston Carmichael LLP
Chartered Accountants &
Registered Auditor
7-11 Melville Street
Edinburgh
EH3 7PE

The Scotwest Lottery
13 Elmbank Street
Glasgow
G2 4PB

Dear Sirs

We confirm that the following representations in connection with your audit of the financial statements for the year ended 30 September 2021 are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the following representations to you. In addition, we confirm the representations are to the best of our knowledge and belief, true and fair, bearing in mind our legal responsibilities as directors.

General

- 1** We acknowledge as members of the Executive Committee our responsibility for preparing financial statements in accordance with the Code of Practice as applied by the Gambling Act 2005 and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) which give a true and fair view and for making accurate representations to you.
- 2** All the accounting records have been made available to you for the purpose of your audit. We have provided you with unrestricted access to all appropriate persons within the Lottery. All other records and related information, including minutes of all management and members' meetings, have been made available to you.
- 3** All the transactions undertaken by the Lottery have been properly reflected and recorded in the accounting records.
- 4** The financial statements are free of material misstatements, including omissions.
- 5** We acknowledge that differences below £480 have not been reported to us unless you believed it was warranted on qualitative grounds.

Internal control and fraud

- 6** We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud and error. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud.
- 7** We have disclosed to you all instances of known or suspected fraud affecting the entity involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

- 8 We have also disclosed to you all information in relation to allegations of fraud or suspected fraud affecting the entity's financial statements communicated by current or former employees, analysts, regulators or other.

Assets and liabilities

- 9 The Lottery has satisfactory title to all assets and there are no liens or encumbrances on the Lottery's assets, except for those that are disclosed in the notes to the financial statements.
- 10 All actual liabilities, contingent liabilities and guarantees given to third parties have been recorded or disclosed as appropriate.
- 11 We have no plans or intentions that may materially alter the carrying value, and where relevant, the fair value measurement or classification of assets and liabilities reflected in the financial statements.

Accounting estimates

- 12 Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Loans and arrangements

- 13 The Lottery has not granted any advances or credits to, or made guarantees on behalf of, members of the executive committee other than those disclosed in the financial statements.

Post balance sheet events

- 14 No events have occurred between 30 September 2021 and the date of this letter which either require revision of the figures within the financial statements or require to be disclosed on the basis they would change the reader's interpretation of the accounts.

Related party transactions (including transactions with directors)

- 15 We have disclosed to you the identity of all of the Lottery's related parties, the related party relationships and the related party transactions of which we are aware. Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements and we are not aware of any other matters which require disclosure in order to comply with the requirements of applicable law or accounting standards.

Legal claims

- 16 We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

Laws and regulations

- 17 We are not aware of any irregularities, including fraud, involving management or employees of the Lottery. In addition we are not aware of any breaches or possible breaches of statute, regulations, contracts or agreements which might prejudice the Lottery's going concern status or that might result in the Lottery suffering significant

penalties or other loss. No allegations of such irregularities, including fraud, or such breaches have come to our notice.

Going concern

- 18** We believe that the Lottery's financial statements should be prepared on a going concern basis on the grounds of current and future sources of funding or support will be more than adequate for the Lottery's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the Lottery's ability to continue as a going concern need to be made in the financial statements.

Coronavirus

- 19** We have considered the impact of Coronavirus and based on our risk assessment we are satisfied that it will not directly impact the Lottery's ability to meet its liabilities as they fall due over the next 12 months.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditor and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

John Magill

J Magill
Promoter
Date: 25 / 11 / 2021
On behalf of the Executive Committee

A. McCrone

A McCrone
Treasurer
Date: 25 / 11 / 2021
On behalf of the Executive Committee

TITLE	The Scotwest Lottery Final Accounts + LoR for Signing
FILE NAME	The Scotwes...09.2021.pdf and 1 other
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AUDIT TRAIL DATE FORMAT	DD / MM / YYYY
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SENT

25 / 11 / 2021

09:58:32 UTC

Sent for signature to J Magill (jmagill@scotwest.co.uk), A McCrone (amccrone@scotwest.co.uk) and Johnston Carmichael LLP (scott.holmes@jcca.co.uk) from jackie.delima@jcca.co.uk
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VIEWED

25 / 11 / 2021

10:01:10 UTC

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SIGNED

25 / 11 / 2021

10:02:17 UTC

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25 / 11 / 2021

10:04:11 UTC

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SIGNED

25 / 11 / 2021

10:05:00 UTC

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The document has been completed.