

THE SCOTWEST LOTTERY
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

THE SCOTWEST LOTTERY

LOTTERY INFORMATION

Promoter	John Magill
Secretary	Daniel Salah
Interim Treasurer	Scott Craig
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 2023. The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice 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 net proceeds to Scotwest Credit Union Limited.

Committee

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

John Magill (Promoter)
Daniel Salah (Secretary)
Scott Craig (Interim Treasurer)

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

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John Magill
Promoter

D. Salah

.....
Daniel Salah
Secretary

Date 29 / 11 / 2023
.....

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 2023 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 2023 and of its surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;

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)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent the audit was 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.

We gained an understanding of how the Lottery is complying with these laws and regulations by making enquiries of management. We corroborated these enquiries through our review of relevant correspondence and relevant meeting minutes.

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 the audit was considered capable of detecting irregularities, including fraud (continued)

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. We identified a heightened fraud risk in relation to:

- Management override of controls
- Income recognition

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

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims; and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- 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;
- Reconciling payments of lottery subscriptions in the credit union bank account to the receipt of income in the lottery bank account; and
- Agreement of the financial statement disclosures to supporting documentation

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 terms of our engagement. 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, Statutory Auditor

29 / 11 / 2023
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7-11 Melville Street
Edinburgh
EH3 7PE

THE SCOTWEST LOTTERY
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	£	2023 £	£	2022 £
Income					
Proceeds from Lottery ticket sales	2		207,161		202,937
Expenses					
Bank charges		(1)		(22)	
Sundry expenses		(55)		(55)	
Auditor's remuneration		(3,402)		(2,400)	
			(3,458)		(2,477)
			203,704		200,460
Prizes			(106,800)		(105,800)
			96,904		94,660
Distributions to beneficiary			(97,899)		(94,669)
Deficit for the year			(995)		(9)

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

THE SCOTWEST LOTTERY
STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	Notes	2023 £	2022 £
Fixed assets	3	-	-
Current assets			
Cash at bank and in hand		5,543	5,536
Creditors due within one year	4	(3,000)	(1,998)
Net current assets		2,543	3,538
Net assets		2,543	3,538
Reserves			
Balance brought forward		3,538	3,547
Deficit for the year		(995)	(9)
Net assets		2,543	3,538

29 / 11 / 2023

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

John Magill

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John Magill
 Promoter

D. Salah

.....
Daniel Salah
 Secretary

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 2023

1 Accounting policies

1.1 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.

1.2 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.

1.3 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 as a going concern for a period of at least 12 months from the date of signing. The committee members therefore continue to adopt the going concern basis of accounting in the preparation of these financial statements.

1.4 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

1.5 Revenue Recognition

Revenue is recognised at the fair value of proceeds of lottery ticket sales received in the normal course of business. The amount recognised is £1 in respect of each lottery ticket sold. Revenue is recognised at the point Proceeds from sales of lottery tickets are paid and payable from Scotwest Credit Union.

1.6 Financial Instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Trade Creditors.

Trade creditors are recognised at transaction price as there are no additional transaction costs to be recognised.

Cash at bank

Cash at bank and in hand include all cash and cash equivalents.

2 Turnover and other revenue

The income is derived from the sale of lottery tickets to the members of Scotwest Credit Union Limited. There are no other sources of revenue.

THE SCOTWEST LOTTERY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3 Tangible fixed assets	Computer equipment £	Computer software £	Total £
Cost			
At 1 October 2022 and 30 September 2023	534	4,089	4,623
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 October 2022 and 30 September 2023	534	4,089	4,623
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 30 September 2023	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 September 2022	-	-	-
	<hr/>	<hr/>	<hr/>
4 Creditors: amounts falling due within one year		2023	2022
		£	£
Creditors		3,000	2,000
		<hr/>	<hr/>

The creditors balance at year end is entirely comprised of the audit fee for the period which is payable on demand,

5 Related party transactions

Transactions with related parties

During the year the Lottery distributed £97,899 (2022: £94,669) to Scotwest Credit Union Limited.

At the year-end £nil (2022: £nil) was outstanding.

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