



Accounts

2016 / 2017

The SOC is a Scottish Charitable Incorporated Organisation SC 009859

THE SCOTTISH ORNITHOLOGISTS' CLUB

Accounts

For the year to 31 March 2017

Independent Examiner's Report to the Trustees of the Scottish Ornithologists' Club on the accounts of the Charity for the year to 31 March 2017, which are set out on pages 3-17.

Respective responsibilities of the Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Charity Trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**AW SCOTLAND
10 Craighall Crescent
Edinburgh
EH6 4RY**

Date: _____

THE SCOTTISH ORNITHOLOGISTS' CLUB

Statement of Financial Activities

For the period 1 April 2016 to 31 March 2017

	Notes	Restricted Funds	Unrestricted Funds	2017 Total	2016 Total
		£	£	£	£
Incoming resources					
Incoming resources from generated funds	2		147,303	147,303	144,573
Incoming resources from charitable activities	3		118,992	118,992	128,653
Total incoming resources			266,295	266,295	273,226
Resources expended					
Costs of generating funds	5				
- cost of generating charitable funds			19,579	19,579	21,014
- fund raising, trading costs			53,599	53,599	54,690
			73,178	73,178	75,704
Charitable activities	5	6,119	185,701	191,820	227,263
Governance costs	5		2,744	2,744	3,805
Total resources expended		6,119	261,623	267,742	306,772
Net incoming resources before transfers and revaluations	11	(6,119)	4,672	(1,447)	(33,546)
Net incoming resources before revaluations		(6,119)	4,672	(1,447)	(33,546)
Gains on revaluations of investment assets	7	34,284	16,134	50,418	(11,558)
Net movement in funds		28,165	20,806	48,971	(45,104)
Total funds brought forward		587,097	962,158	1,549,256	
Total funds carried forward		615,262	982,965	1,598,227	

The notes on pages 5 to 17 form part of these financial statements

THE SCOTTISH ORNITHOLOGISTS' CLUB

Balance Sheet

As at 31 March 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	6		881,117		890,526
Investments	7		<u>375,417</u>		<u>346,789</u>
			<u>1,256,534</u>		<u>1,237,316</u>
Current assets					
Stock		8,119		9,523	
Debtors	8	35,253		18,253	
Cash at bank and in hand		<u>315,323</u>		<u>307,343</u>	
		358,695		335,119	
Creditors: amounts falling due within one year	9	<u>(13,194)</u>		<u>(16,515)</u>	
Net current assets		345,501		318,604	
Creditors: amounts falling due after more than one year	10	(3,808)	<u>341,693</u>	(6,664)	<u>311,940</u>
Net assets			<u><u>1,598,227</u></u>		<u><u>1,549,256</u></u>
			-		
Funds					
Unrestricted funds	11		982,965		962,158
Restricted funds	12		<u>615,262</u>		<u>587,097</u>
			<u><u>1,598,227</u></u>		<u><u>1,549,256</u></u>
			-		-

The financial statements were approved by Council on 13 August 2017

And signed on their behalf by **James Main** (President)

The notes on pages 5 to 17 form part of these financial statements

THE SCOTTISH ORNITHOLOGISTS' CLUB

Notes to the Financial Activities

For the year to 31 March 2017

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments and are in accordance with applicable accounting standards in the United Kingdom, with Charities Accounts (Scotland) Regulations 2006 - Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards for Smaller Entities published 16/07/2014, the Financial Reporting Standard for Smaller Entities (effective January 2015).

Fixed assets

Fixed assets are included in the balance sheet at cost or at market value at the date of the gift.

Depreciation

Depreciation is charged to write off the cost less estimated residual value of assets using the reducing balance method at the following rates:

- heritable properties land	0%
- buildings	1% of building cost each year
- furniture and fittings	20%
- computer equipment	50%
- solar panels	4% of initial purchase cost each year

Heritable property – land – is not depreciated as it is considered to be increasing in value.

Investments

Under the Statement of Recommended Practice (SORP 2015) investments are shown at market value. Unrealised gains are recognised in the statement of financial activities in the year in which they arise. Purchases are recorded at cost and disposals at their realised value.

Investment income

Income from investments is credited in the year in which it is received.

Stock

Stock is stated at the lower of cost and net realisable value.

Income

Grant income is credited in the year to which it relates. Legacies and donations receivable are credited in the statement of financial activities when there is sufficient certainty of their receipt and the value of incoming resources can be measured with sufficient reliability. Legacies receivable without conditions are credited to unrestricted funds; legacies receivable with the condition that they be invested and the income spent for the benefit of the club are credited to the Endowment Capital Fund and the income from this fund is credited to unrestricted funds. Sales, membership and other income are recognised as the invoiced value of goods and services provided during the period to which they relate. All income is stated net of value added tax.

Allocation of expenditure

Wherever possible, expenses are attributed directly to the category to which they relate. Where this is not possible expenses are allocated on the basis of time spent by staff on each activity.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements – continued
For the year to 31 March 2017

Operating leases

Lease payments under operating leases are charged as expenses in the periods in which they are incurred.

Definition of Funds

Unrestricted funds comprise designated funds which have been set aside by the Council to fund specific future projects in the furtherance of the Club's objectives, and the general reserve. Restricted funds are funds which are subject to specific restrictions imposed by the income provider in relation to how the income can be spent.

Period of Account

The accounts cover the year ended 31 March 2017. The comparative figure covers the period from 29 March 2015 (date of formation of the present charity) to 31 March 2016. The charity took over the assets and liabilities of its predecessor charities on 31 March 2015.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements – continued
For the year to 31 March 2017

2. Incoming resources from generated funds

	Restricted funds	Unrestricted funds	Total 2017	Total 2016
	£	£	£	£
Voluntary income				
Membership subscriptions		98,095	98,095	95,241
Donations – general		12,669	12,669	15,067
Legacies		21,500	21,500	1,030
		<u>132,264</u>	<u>132,264</u>	<u>111,338</u>
Activities for generating funds				
Grants received				17,922
Hire of lecture room		1,160	1,160	1,561
		<u>1,160</u>	<u>1,160</u>	<u>19,483</u>
Investment income				
Investments listed on UK stock exchange		12,807	12,807	12,411
Interest from cash held as part of the portfolio		523	523	895
Royalties		549	549	446
		<u>13,879</u>	<u>13,879</u>	<u>13,753</u>
Total incoming resources from generated funds		<u><u>147,303</u></u>	<u><u>147,303</u></u>	<u><u>144,573</u></u>
		-	-	

The SOC is especially grateful for legacies, donations and bequests.

During the year legacies were received totaling £21,500. This included one legacy of £20,000 from the estate of Duncan Watt and one of £1,500 from the estate of Thomas Fairless.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

3. Incoming resources from charitable activities

	Restricted funds	Unrestricted funds	Total 2017	Total 2016
	£	£	£	£
Sales of goods, except art		71,165	71,165	73,737
Commission on art sales		22,573	22,573	27,682
Conferences and events		22,111	22,111	24,294
Solar panel Feed-in-tariffs		2,938	2,938	2,621
Birds of Scotland 3		205	205	318
		<u>118,992</u>	<u>118,992</u>	<u>128,653</u>

4. Staff numbers and costs

	2017	2016
	£	£
Wages and salaries	83,072	82,119
Social security costs	2,434	3,328
Pension costs	219	
	<u>85,725</u>	<u>85,448</u>
	Number	Number
Average weekly number of employees	<u>6</u>	<u>6</u>

There were no employees with emoluments above £60,000.

Council members were reimbursed expenses and paid honoraria in lieu of expenses totalling £4,555 (2016: £3,236).

There were no transactions with related parties.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

5. Resources expended

	Costs of generating voluntary income	Charitable Activities	Fund raising and trading	Governance costs	Total 2017	Total 2016
	£	£	£	£	£	£
Club						
Unrestricted						
Staff costs and honoraria	8,000	74,760	8,000		90,760	89,960
Library		2138			2,138	1,655
Subscriptions and publications	1,619	26,548			28,167	28,081
Merchandise			45,099		45,099	46,190
Material purchases		30			30	226
Mailing	3,946	3,947			7,893	8,995
Conferences		23,452			23,452	24,064
Branches		2,426			2,426	4,086
Administration	500	7,647	500		8,647	9,028
Audit				1,400	1,400	1,400
Legal fees						1,168
Photocopies		2,741			2,741	2,636
Council & committee expenses				1,344	1,344	1,236
Depreciation		13,072			13,072	13,142
Promoting the club	5,514				5,514	6,692
Research Grants		4,000			4,000	3,400
Premises,						
- insurance		7,209			7,209	6,747
- utilities		(269)			(269)	5,020
-						
maintenance		7,714			7,714	5,592
- other						810
Miscellaneous		216			216	395
Total Club						
Unrestricted	19,579	175,631	53,599	2,744	251,553	260,524

Notes to the Financial Statements - continued

For the year to 31 March 2017

5 Resources expended (continued)

	Costs of generating voluntary income	Charitable Activities	Fund raising and trading	Governance costs	Total 2017	Total 2016
	£	£	£	£	£	£
Designated Funds (Part of Unrestricted Funds)						
Endowment Fund (unrestricted)						
Management Fees		873			873	890
Total Endowment Fund		873			873	890
BS3 Fund						
Publication and mailing costs		110			110	166
Grants and funding		(2,300)			(2,300)	3,000
Total BS3 Fund		(2,190)			(2,190)	3,166
Unrestricted branch funds						
Total unrestricted branch funds expended		6,632			6,632	5,675
Total Expended from Designated Funds		4,755			4,755	8,731
Total Expended from Unrestricted Funds	19,579	185,701	53,599	2,744	261,625	270,255
Restricted Funds						
Property Endowment Revenue Fund						
Property maintenance		4,265			4,265	11,134
Total Property Endowment Fund		4,265			4,265	11,134
Endowment Fund (Restricted)						
Management Fees		1,854			1,854	1,892
Total Endowment Fund		1,854			1,854	1,892
Restricted branch funds						
Total unrestricted branch funds expended						23,492
Total Expended from Restricted Funds		6,119			6,119	30,518
Total Resources Expended	<u>19,579</u>	<u>191,820</u>	<u>53,599</u>	<u>2,744</u>	<u>267,742</u>	<u>306,772</u>

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

6. Tangible assets

	Land	Building	Furniture and fittings	Computers	Solar Panels	Total
	£	£	£	£	£	£
Cost						
Balance at 31 March 2016	88,125	872,347	29,413	45,677	22,900	1,058,462
Additions in year			1,856	1,807		3,663
Disposals in year						
Balance at 31 March 2017	<u>88,125</u>	<u>872,347</u>	<u>31,269</u>	<u>47,484</u>	<u>22,900</u>	<u>1,062,125</u>
Depreciation						
Balance at 31 March 2016		95,838	23,985	43,532	4,580	167,935
Charged in the year		8,724	1,457	1,976	916	13,142
Depreciation on disposals						
Balance at 31 March 2017	<u>0</u>	<u>104,562</u>	<u>25,442</u>	<u>45,508</u>	<u>5,496</u>	<u>181,008</u>
Net book value						
At 31 March 2017	<u>88,125</u>	<u>767,785</u>	<u>5,827</u>	<u>1,976</u>	<u>17,404</u>	<u>881,117</u>
At 29 March 2016	<u>88,125</u>	<u>776,509</u>	<u>5,427</u>	<u>2,146</u>	<u>18,320</u>	<u>890,526</u>

Library

The club maintains a library of books and periodicals relating to ornithology. This library has been acquired by purchase and by donation over the lifetime of the club and is recognised as a significant asset for the study of ornithology in Scotland.

During the year £2,138 was spent on purchases, journal subscriptions and binding, this has been charged as expenditure in the accounts.

Due to the difficulty in valuing gifts and of ascertaining expenditure in past years the library is not capitalised in the accounts. It is treated as a heritage asset.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

7. Investments

	2017	2016
	£	£
Market value at 1 April 2016	346,789	
Transferred in from SOC 1 April 2015		358,876
Additions at cost	15,464	32,616
Disposal proceeds	(37,254)	(33,145)
Net gains on revaluation at financial year end	<u>50,418</u>	<u>(11,558)</u>
Market value at financial year end	<u><u>375,417</u></u>	<u><u>346,789</u></u>
Historical cost as at financial year end	284,999	294,816

Investment holdings which are over 5% of portfolio by value as at 31 March 2017:

	Market value £
AVIVA INVESTORS UK US EQUITY INC II 2 INC NAV	27,935
JPMORGAN AM UK LTD US EQUITY INCOME C INC NAV	27,726
CAPITA FINANCIAL TROJAN INCOME S INC	23,609
THREADNEEDLE INV UK EQTY INCOME ZNI INC NAV	23,086
M&G SECURITIES CHARIFUND	22,452
ARTEMIS FD MNGRS INCOME INSTITUTIONAL INC	22,349

All investments are listed on the UK stock exchange

8. Debtors

	2017	2016
	£	£
Trade debtors	528	2,459
Legacies receivable	20,000	1,000
Other debtors	<u>14,724</u>	<u>14,794</u>
	<u><u>35,252</u></u>	<u><u>18,253</u></u>

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

9. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	10,338	13,659
Solar panel loan repayment due within one year	2,856	2,856
	<u>13,194</u>	<u>16,515</u>

A loan has been received from the Energy Saving Trust to finance the purchase of solar panels. The loan is interest free and is repayable over 8 years. Loan received: £22,900. Repayments made so far £16,238. Balance £6,664. Whereof repayable within 12 months £2856, repayable after 12 months £3,808 (see note 10).

10. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Loan for solar panels	3,808	6,664
	<u>3,808</u>	<u>6,664</u>

11. Unrestricted funds	Balance at 31 March 2016	Incoming Resources	Resources Expended	Transfers	Balance at 31 March 2017
General Fund	717,459	250,462	(251,553)	3,022	719,390
Endowment Fund (unrestricted)	111,781	16,134	(873)		127,042
Birds of Scotland 3 Fund	76,304	205	2,190		78,699
Unrestricted Funds held by branches	<u>56,615</u>	<u>15,628</u>	<u>(11,387)</u>	<u>(3,022)</u>	<u>57,834</u>
	<u>962,159</u>	<u>282,429</u>	<u>(261,623)</u>	<u></u>	<u>982,965</u>

Unrestricted funds are:

1. General Fund
2. Endowment Fund which has been established mostly by legacies received. Of the total, 32% (£127,042) is unrestricted.
3. Birds of Scotland fund is a designated fund for spending on publications.
4. Other unrestricted funds are held by Branches. Total branch funds include restricted funds listed in Note 12.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements - continued
For the year to 31 March 2017

12. Restricted funds	Balance at 31 March 2016	Incoming resources	Resources expended	Balance at 31 March 2017
	£	£	£	£
Property Endowment Fund	340,761		(4,265)	336,496
Endowment Fund (restricted)	237,534	34,284	(1,854)	269,964
Restricted Funds held by branches	<u>8,802</u>	<u> </u>	<u> </u>	<u>8,802</u>
	<u>587,097</u>	<u>34,284</u>	<u>(6,119)</u>	<u>615,262</u>

Restricted funds are:

1. Property Endowment Capital Fund which was established by a donation of property is used to provide and maintain a centre for ornithology in Scotland
2. Endowment Fund which has been established mostly by legacies received. Of the total, £269,964 (68%) is capital endowment with conditions allowing only the income to be spent so is listed here in restricted funds, the remaining £127,042 has been reserved by Council to be spent at their discretion and forms part of the reserves of the club and list in unrestricted funds (Note 11).
3. Other restricted funds, received for specific projects, are held by Branches. Total Branch funds include Unrestricted funds listed in Note 11.

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements – continued
For the year to 31 March 2017

13. Endowment Fund

	2017	2016
	£	£
Income:		
Gains on revaluation of shares	34,284	(11,558)
	<u>34,284</u>	<u>(11,558)</u>
Expenditure:		
Management fees	(1,854)	(2,782)
	<u>(1,854)</u>	<u>(2,782)</u>
Gains for year	<u>32,430</u>	<u>(14,340)</u>

14. Property Endowment Fund

	2017	2016
	£	£
Income:		
	<u> </u>	<u> </u>
Expenditure:		
Property maintenance	(4,265)	(11,134)
	<u>(4,265)</u>	<u>(11,134)</u>
Deficit for year	<u>(4,265)</u>	<u>(11,134)</u>

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements – continued
For the year to 31 March 2017

15. Birds of Scotland 3 Fund

	2017	2016
	£	£
Income:		
Sales	205	318
		318
Expenditure:		
Publication costs (net of remaining stock)	110	(166)
Grants awarded and repaid	2,300	(3,000)
	2,190	(3,166)
		318
Surplus for year	2,395	(2,847)

During the year a loan of £2,000 was made in respect of “The Birds of Wigtonshire”. A loan repayment of £3,500 was paid by Fife Ornithological Atlas Group and £800 grant was repaid in respect of Outer Hebrides Bird Report.

16. Funds held by branches

	2017		2016	
	£		£	
	Unrestricted	Unrestricted	Restricted	
Income:				
Donations	7,909	4,191		
Sales	5,564	6,190		
Bank interest	37	42		
Grants				17,922
Other	2,117	865		
	15,628	11,288		17,922
Expenditure:				
Room hire	2,931	(2,693)		
speakers expenses	1,120	(772)		
equipment purchase	54	(426)		
publication costs (net of stock revaluation)	3,490	954		(22,338)
Donations/grants	1,487	(515)		
other	2,305	(2,223)		(1,154)
	11,387	(5,675)		(23,492)
Surplus for year	4,241	5,613		(5,570)

THE SCOTTISH ORNITHOLOGISTS' CLUB
Notes to the Financial Statements – continued
For the year to 31 March 2017

17. Analysis of net assets among funds

	Unrestricted Funds	Restricted Funds	2017	2016
	£	£	£	£
Balances at 31 March represented by:				
Tangible assets	544,621	336,496	881,117	890,526
Investments	120,134	255,283	375,417	346,789
Net current assets	318,210	23,483	341,693	311,940
	982,965	615,262	1,598,227	1,549,256

Net current assets comprise stock, debtors, bank and creditors.

18. Operating lease commitments

The annual commitments on non-cancellable operating leases are £100, expiring as follows:

	Land and Buildings	Others	Total
	£	£	£
Within 1 year	-	-	-
2 to 5 years	-	-	-
5+ years	100	-	100
	100	-	100