



# **Scottish Ornithologists' Club**

## **Accounts**

**2018 / 2019**

**The SOC is a Scottish Charitable Incorporated Organisation SC 009859**

# THE SCOTTISH ORNITHOLOGISTS' CLUB

## Accounts

For the year to 31 March 2019

**Independent Examiner's Report to the Trustees of the Scottish Ornithologists' Club on the accounts of the Charity for the year to 31 March 2019, which are set out on pages 3-16.**

### **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:** 4 September 2019

**THE SCOTTISH ORNITHOLOGISTS' CLUB**

**Statement of Financial Activities**

**For the period 1 April 2018 to 31 March 2019**

	Notes	Restricted Funds	Unrestricted Funds	2019 Total	2018 Total
		£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds	2	13	171,440	171,453	164,943
Incoming resources from charitable activities	3	<u>44</u>	<u>108,467</u>	<u>108,512</u>	<u>130,588</u>
<b>Total incoming resources</b>		57	279,908	279,965	295,530
<b>Resources expended</b>					
Costs of generating funds	5				
- cost of generating charitable funds			18,270	18,270	20,175
- fund raising, trading costs			<u>40,772</u>	<u>40,772</u>	<u>48,321</u>
			59,042	59,042	68,496
Charitable activities	5	3,639	271,108	274,747	235,781
Governance costs	5		<u>5,048</u>	<u>5,048</u>	<u>3,473</u>
<b>Total resources expended</b>		3,639	335,198	338,837	307,750
Net outgoing resources before and after transfers and before revaluations		(3,582)	(55,290)	(58,872)	(12,220)
Gains on revaluations of investment assets	7	<u>8,996</u>	<u>4,233</u>	<u>(13,229)</u>	<u>(13,683)</u>
<b>Net movement in funds</b>		5,414	(51,057)	(45,643)	(25,903)
<b>Total funds brought forward</b>		<u>603,539</u>	<u>968,786</u>	<u>1,572,325</u>	<u>1,598,227</u>
<b>Total funds carried forward</b>		<u><u>608,953</u></u>	<u><u>917,729</u></u>	<u><u>1,526,682</u></u>	<u><u>1,572,324</u></u>

The notes on pages 5 to 15 form part of these financial statements

THE SCOTTISH ORNITHOLOGISTS' CLUB

Balance Sheet

As at 31 March 2019

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		859,298		869,856
Investments	7		<u>384,695</u>		<u>376,657</u>
			<u>1,243,993</u>		<u>1,246,513</u>
<b>Current assets</b>					
Stock		9,412		7,369	
Debtors	8	19,380		53,721	
Cash at bank and in hand		<u>264,174</u>		<u>286,049</u>	
		292,966		347,139	
<b>Creditors: amounts falling due within one year</b>	9	<u>(10,277)</u>		<u>(20,375)</u>	
<b>Net current assets</b>		282,689		326,764	
<b>Creditors: amounts falling due after more than one year</b>	10	0	<u>282,689</u>	(952)	<u>325,812</u>
<b>Net assets</b>			<u>1,526,682</u>		<u>1,572,325</u>
			-		-
<b>Funds</b>					
Unrestricted funds	11		917,729		968,786
Restricted funds	12		<u>608,953</u>		<u>603,539</u>
			<u>1,526,682</u>		<u>1,572,325</u>
			-		-

The financial statements were approved by Council on 16 August 2019

And signed on their behalf by **Ian Bainbridge** (President)



The notes on pages 5 to 16 form part of these financial statements

# THE SCOTTISH ORNITHOLOGISTS' CLUB

## Notes to the Financial Activities

For the year to 31 March 2019

### 1. ACCOUNTING POLICIES

#### Accounting conventions

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard 102 (FRS 102), as issued by the Financial Reporting Council, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities presenting their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)" and the Charities Accounts Regulation 2006. The accounts are presented in pound sterling as that is the currency in which the Charity's transactions are denominated.

#### Significant Judgements and Estimates

The preparation of these accounts requires the Trustees to make judgements, estimates and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses. Judgement and estimates are continually evaluated and are based on historical experiences and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

#### Going Concern

The Trustees have prepared the accounts on the going concern basis, unless there is a material uncertainty over the Charity's ability to continue.

#### 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, 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.

#### Debtors

Debtor balances are stated at the transaction price less any impairment.

#### Bank and Cash

These comprise cash and balances with banks which are readily convertible into cash.

#### Creditors

Creditor balances are recognised where the Charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation, can be measured or estimated reliably.

#### 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.

## Expenditure

Expenditure is charged in the period to which it relates. 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.

## 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 2019. The comparative figures cover the year ended 31 March 2018.

## 2. Incoming resources from generated funds

	Restricted funds	Unrestricted funds	Total 2019	Total 2018
	£	£	£	£
<b>Voluntary income</b>				
Membership subscriptions		108,839	108,839	105,154
Donations – general		11,629	11,629	9,222
Legacies		34,292	34,292	35,147
		<u>154,760</u>	<u>154,760</u>	<u>149,524</u>
<b>Activities for generating funds</b>				
Grants received				
Hire of lecture room		2,590	2,590	1,825
		<u>2,590</u>	<u>2,590</u>	<u>1,825</u>
<b>Investment income</b>				
Investments listed on UK stock exchange		13,537	13,537	13,066
Interest from cash held as part of the portfolio	13	132	132	112
Royalties		420	420	416
		<u>14,089</u>	<u>14,103</u>	<u>13,594</u>
<b>Total incoming resources from generated funds</b>	13	<u>171,440</u>	<u>171,453</u>	<u>164,943</u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements – continued**  
**For the year to 31 March 2019**

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

During the year legacies were received totalling £34,292. This included one legacy of £26,992 from the estate of Mr J W Carruthers, one of £6,000 from the estate of Mr T Poyser and one of £1,000 from the estate of Mr N.H.Trewin.

**3. Incoming resources from charitable activities**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total 2019</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sales of goods, except art	44	58,788	58,832	61,359
Commission on art sales		13,655	13,655	33,438
Conferences and events		32,854	32,854	32,971
Solar panel Feed-in-tariffs		3,079	3,079	2,502
<i>Birds of Scotland</i> (BS3)		92	92	317
	<u>44</u>	<u>108,468</u>	<u>108,512</u>	<u>130,588</u>

**4. Staff numbers and costs**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	99,648	99,362
Social security costs	4,260	3,815
Pension costs	2,811	1,012
	<u>106,719</u>	<u>104,188</u>
Average weekly number of employees	<u>7</u>	<u>7</u>

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

Council members were reimbursed expenses and paid honoraria in lieu of expenses totalling £4,153 (2018: £4,863).

There were no transactions with related parties.

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2019**

**5. Resources expended**

<b>Club</b>	<b>Costs of generating voluntary income</b>	<b>Charitable Activities</b>	<b>Fund raising and trading</b>	<b>Governance costs</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£	£	£
Staff costs and honoraria	8,000	101,713	8,000		117,713	109,957
Library		1,577			1,557	1,526
Subscriptions and publications*	1,112	27,553			28,665	39,300
Merchandise			32,272		32,272	39,281
Material purchases		206			206	751
Mailing	5,830	5,830			11,660	10,704
Conferences		35,829			35,829	25,916
Branches		4,899			4,899	2,477
Administration	500	6,016	500		7,016	8,633
Audit				1,600	1,600	1,600
Legal fees				650	650	0
Photocopies**		7,803			7,803	2,908
Council & committee expenses				2,798	2,798	1,873
Depreciation		11,439			11,439	12,152
Promoting the Club	2,828				2,828	4,653
Research Grants		3,830			3,830	3,650
Premises,						
- insurance		6,936			6,936	7,436
- utilities		5,158			5,158	5,517
maintenance		7,243			7,243	6,121
- other		1,035			1,035	746
Miscellaneous		673			673	521
<b>Total Club</b>						
<b>Unrestricted</b>	18,270	227,740	40,772	5,048	291,830	286,262

\*Subscriptions and Publications includes £2,186 as SOC contribution to the SOC App (net of BS3 funds)

\*\*Photocopying costs of £7,803 include monies for a new photocopier. A sum of £4,216 was paid to the SOC by the new provider to pay on to the former provider for early settlement of the lease.



**Notes to the Financial Statements - continued**

**For the year to 31 March 2019**

**5 Resources expended (continued)**

	<b>Costs of generating voluntary income</b>	<b>Charitable Activities</b>	<b>Fund raising and trading</b>	<b>Governance costs</b>	<b>Total 2019</b>	<b>Total 2018</b>
	£	£	£	£	£	£
<b>Designated Funds (Part of Unrestricted Funds)</b>						
<b>Endowment Fund (unrestricted)</b>						
Management Fees		982			982	1,036
Total Endowment Fund		982			982	1,036
<b>BS3 Fund</b>						
Publication and mailing costs		106			106	170
Other grants and funding		8,956			8,956	1,821
Total BS3 Fund (Details in Table 15)		28,172			28,172	1,992
<b>Unrestricted branch funds</b>						
Total unrestricted branch funds expended		12,218			12,218	8,169
Total Expended from Designated Funds		1,997			1,997	7,872
Total Expended from Unrestricted Funds	18,270	271,108	40,772	5,048	335,198	305,331
<b>Restricted Funds</b>						
<b>Property Endowment Revenue Fund</b>						
Property maintenance		1,553			1,553	216
Total Property Endowment Fund		1,553			1,553	216
<b>Endowment Fund (Restricted)</b>						
Management Fees		2,086			2,086	2,203
Total Endowment Fund		2,086			2,086	2,203
<b>Restricted branch funds</b>						
Total unrestricted branch funds expended						0
Total Expended from Restricted Funds		3,639			3,639	2,419
<b>Total Resources Expended</b>	<u>18,270</u>	<u>276,299</u>	<u>40,772</u>	<u>5,048</u>	<u>338,837</u>	<u>307,750</u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2019**

**6. Tangible assets**

	Land	Building	Furniture and fittings	Computer s	Solar Panels	Total
	£	£	£	£	£	£
<b>Cost</b>						
Balance at 31 March 2018	88,125	872,347	31,557	48,087	22,900	1,063,016
Additions in year			881			881
Disposals in year						
Balance at 31 March 2019	<u>88,125</u>	<u>872,347</u>	<u>32,438</u>	<u>48,087</u>	<u>22,900</u>	<u>1,063,897</u>
<b>Depreciation</b>						
Balance at 31 March 2018		113,285	26,665	46,798	6,412	193,160
Charged in the year		8,723	1,155	645	916	11,439
Depreciation on disposals						
Balance at 31 March 2019		<u>122,008</u>	<u>27,820</u>	<u>47,443</u>	<u>7,328</u>	<u>204,599</u>
<b>Net book value</b>						
At 31 March 2019	<u>88,125</u>	<u>750,339</u>	<u>4,618</u>	<u>644</u>	<u>15,572</u>	<u>859,298</u>
At 31 March 2018	<u>88,125</u>	<u>759,062</u>	<u>4,892</u>	<u>1,290</u>	<u>16,488</u>	<u>869,856</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 £1,557 was spent on purchases, journal subscriptions and binding, this has been charged as expenditure in the accounts (Note 5).

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 2019**

**7 Investments**

	2019 £	2018 £
Market value at 31 March 2018	376,657	375,417
Additions at cost	41,144	14,923
Disposal proceeds	(46,335)	0
Net gains on revaluation at financial year end	13,229	(13,683)
Market value at financial year end	384,695	376,657
Historical cost as at financial year end	294,731	299,922

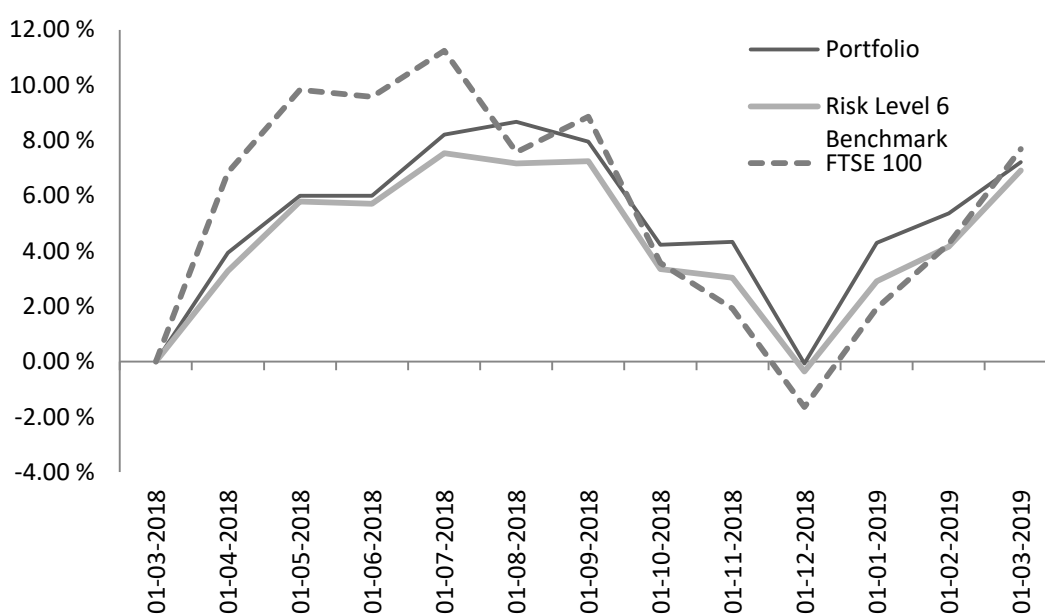
Investment holdings which are over 5% of portfolio by value as at 31 March 2019:

**Market value £**

JPMORGAN AM UK LTD US EQUITY INCOME C INC NAV	30,106
AVIVA INVESTORS UK US EQUITY INC II 2 INC NAV	27,728
FINDLAY PARK FDS AMERICAN USD DIS	24,490
LINK FUND SOL LTD TROJAN INCOME S INC	22,688
M&G SECURITIES LTD CHARIFUND INC	22,162
ARTEMIS FD MNGS INCOME INSTITUTIONAL INC	22,075
THREADNEEDLE INV UK EQTY INCOME ZNI INC NAV	22,002
MERCANTILE INVESTM ORD GDP0.25	19,651

All investments are listed on the UK stock exchange

**SOC Performance v Benchmark & FTSE 100 (TR)**



**2018**  
**£**

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2019**

**8. Debtors**

Trade debtors	2,546	2,228
Legacies receivable	0	35,000
Other debtors	16,834	16,493
	19,380	53,721

**9. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	9,325	17,519
Solar panel loan repayment due within one year	952	2,856
	10,277	20,375

A loan was 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 £21,950. Balance £952. Whereof repayable within 12 months £952, after which point the loan will have been fully repaid (see note 10).

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

	2019 £	2018 £
Loan for solar panels	0	952
	0	952

<b>11. Unrestricted funds</b>	<b>Balance at 31 March 2018</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>Balance at 31 March 2019</b>
	£	£	£	£	£
General Fund	711,546	269,412	(291,831)	(649)	688,478
Endowment Fund (unrestricted)	121,627	4,233	(982)		124,879
<i>Birds of Scotland</i> (BS3) Fund	77,024	92	(28,172)		48,944
Unrestricted Funds held by branches	58,589	10,403	(14,214)	649	55,428
	968,786	284,141	(335,198)	0	917,729

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2019**

Unrestricted funds are:

1. General Fund
2. Endowment Fund which has been established mostly by legacies received. Of the total, 32% (£124,879) 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.

<b>12. Restricted funds</b>	<b>Balance at 31 March 2018</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Balance at 31 March 2019</b>
	£	£	£	£
Property Endowment Fund	336,280		(1,553)	334,727
Endowment Fund (restricted)	258,457	8,996	(2,086)	265,367
Restricted Funds held by branches	<u>8,802</u>	<u>57</u>	<u>          </u>	<u>8,859</u>
	<u><u>603,539</u></u>	<u><u>9,053</u></u>	<u><u>(3,639)</u></u>	<u><u>608,953</u></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, £265,368 (68%) is capital endowment with conditions allowing only the income to be spent so is listed here in restricted funds, the remaining £124,879 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.

**13. Endowment Fund**

	<b>2019</b>	<b>2018</b>
	£	£
Income:		
Gains on revaluation of shares	13,229	(13,683)
	<u>13,229</u>	<u>(13,683)</u>
Expenditure:		
Management fees	(3,068)	(3,239)
	<u>(3,068)</u>	<u>(3,239)</u>
Gains for year	<u><u>10,161</u></u>	<u><u>(16,922)</u></u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2019**

**14. Property Endowment Fund**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Income:		
Expenditure:		
Property maintenance	(1,553)	(216)
	<hr/>	<hr/>
Deficit for year	<u>(1,553)</u>	<u>(216)</u>

**15. Birds of Scotland (BS3) Fund**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Income:		
Sales	92	317
	<hr/>	<hr/>
	92	317
Expenditure:		
Publication costs (net of remaining stock)	(106)	(170)
Grants awarded and repaid	(8,956)	(1,821)
Grant to fund SOC mobile app	(19,110)	0
	<hr/>	<hr/>
	(28,172)	(1,992)
	<hr/>	<hr/>
Deficit for year	<u>(28,080)</u>	<u>(1,675)</u>

During the year, a grant of £19,110 was made towards the cost of production of the SOC's *Where to Watch Birds in Scotland* mobile app – a major undertaking for the Club and a forward-looking and novel project. The SOC remains grateful to the BS3 Committee for its support and generosity. In addition, a loan of £4,000 was made towards the production costs of the *Birds in South-east Scotland 2007-13* and a grant £2,600 was made to the Northern Flyway musical project.

**16 Funds held by branches**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
	<b>Unrestricted</b>	<b>Unrestricted</b>
<b>Income:</b>		
Donations	4,432	4,363
Sales	2,663	5,437
Bank interest	5	20
Grants	0	
Other	3,303	6,388
	<hr/>	<hr/>
	10,403	16,207
<b>Expenditure:</b>		
Room hire	(3,301)	(3,159)
Speakers' expenses	(1,119)	(893)
Equipment purchase	(391)	(384)
Publication costs (net of stock revaluation)	(2,911)	(3,361)
Donations/grants	(1,436)	(1,425)
Other	(5,057)	(6,820)
	<hr/>	<hr/>
	(14,215)	(16,042)
	<hr/>	<hr/>
Surplus/Deficit for the year	<u>(3,812)</u>	<u>165</u>

**SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements – continued**  
**For the year to 31 March 2019**

**17. Analysis of net assets among funds**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances at 31 March represented by:				
Tangible assets	524,571	334,727	859,298	869,856
Investments	123,102	261,593	384,695	376,657
Net current assets	<u>270,056</u>	<u>12,633</u>	<u>282,689</u>	<u>325,812</u>
	<u>917,729</u>	<u>608,953</u>	<u>1,526,682</u>	<u>1,572,235</u>

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:

	<b>Land and Buildings</b>	<b>Others</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Within 1 year	-	-	-
2 to 5 years	-	-	-
5+ years	<u>100</u>	<u>-</u>	<u>100</u>
	100	-	100

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