



# **Scottish Ornithologists' Club**

## **Accounts**

**2017 / 2018**

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

**THE SCOTTISH ORNITHOLOGISTS' CLUB**

**Accounts**

**For the year to 31 March 2018**

**Independent Examiner's Report to the Trustees of the Scottish Ornithologists' Club on the accounts of the Charity for the year to 31 March 2018, which are set out on pages 3-15.**

**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: 9 September 2018**

**THE SCOTTISH ORNITHOLOGISTS' CLUB**

**Statement of Financial Activities**

**For the period 1 April 2017 to 31 March 2018**

	Notes	Restricted Funds	Unrestricted Funds	2018 Total	2017 Total
		£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds	2		164,943	164,943	147,303
Incoming resources from charitable activities	3		130,588	130,588	118,992
<b>Total incoming resources</b>			295,530	295,530	266,295
<b>Resources expended</b>					
Costs of generating funds	5				
- cost of generating charitable funds			20,175	20,175	19,579
- fund raising, trading costs			48,321	48,321	53,599
			68,496	68,496	73,178
Charitable activities	5	2,419	233,362	235,781	191,820
Governance costs	5		3,473	3,473	2,744
<b>Total resources expended</b>		2,419	305,331	307,750	267,742
Net outgoing resources before and after transfers and before revaluations		(2,419)	(9,801)	(12,220)	(1,447)
Gains on revaluations of investment assets	7	(9,304)	(4,379)	(13,683)	50,418
<b>Net movement in funds</b>		(11,723)	(14,179)	(25,903)	48,971
<b>Total funds brought forward</b>		615,262	982,965	1,598,227	1,549,256
<b>Total funds carried forward</b>		603,539	968,786	1,572,324	1,598,227

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

THE SCOTTISH ORNITHOLOGISTS' CLUB

Balance Sheet

As at 31 March 2018

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		869,856		881,117
Investments	7		<u>376,657</u>		<u>375,417</u>
			<u>1,246,513</u>		<u>1,256,534</u>
<b>Current assets</b>					
Stock		7,369		8,119	
Debtors	8	53,721		35,253	
Cash at bank and in hand		<u>286,049</u>		<u>315,323</u>	
		347,139		358,695	
<b>Creditors: amounts falling due within one year</b>	9	<u>(20,375)</u>		<u>(13,194)</u>	
<b>Net current assets</b>		326,764		345,501	
<b>Creditors: amounts falling due after more than one year</b>	10	(952)	<u>325,812</u>	(3,808)	<u>341,693</u>
<b>Net assets</b>			<u>1,572,325</u>		<u>1,598,227</u>
			-		-
<b>Funds</b>					
Unrestricted funds	11		968,786		982,965
Restricted funds	12		<u>603,539</u>		<u>615,262</u>
			<u>1,572,325</u>		<u>1,598,227</u>
			-		-

The financial statements were approved by Council on 9 September 2018

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



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

# THE SCOTTISH ORNITHOLOGISTS' CLUB

## Notes to the Financial Activities

For the year to 31 March 2018

### 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 2018. The comparative figures cover the year ended 31 March 2017.

## 2. Incoming resources from generated funds

	Restricted funds	Unrestricted funds	Total 2018	Total 2017
	£	£	£	£
<b>Voluntary income</b>				
Membership subscriptions		105,154	105,154	98,095
Donations – general		9,222	9,222	12,669
Legacies		35,147	35,147	21,500
		<u>149,524</u>	<u>149,524</u>	<u>132,264</u>
<b>Activities for generating funds</b>				
Grants received				
Hire of lecture room		1,825	1,825	1,160
		<u>1,825</u>	<u>1,825</u>	<u>1,160</u>
<b>Investment income</b>				
Investments listed on UK stock exchange		13,066	13,066	12,807
Interest from cash held as part of the portfolio		112	112	523
Royalties		416	416	549
		<u>13,594</u>	<u>13,594</u>	<u>13,879</u>
<b>Total incoming resources from generated funds</b>		<u>164,943</u>	<u>164,943</u>	<u>147,303</u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements – continued**  
**For the year to 31 March 2018**

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

During the year legacies were received totaling £30,000. This included one legacy of £20,000 from the estate of Miss Audrey James and one of £10,000 from the estate of Miss Margaret Templeton.

**3. Incoming resources from charitable activities**

	Restricted funds	Unrestricted funds	Total 2018	Total 2017
	£	£	£	£
Sales of goods, except art		61,359	61,359	71,165
Commission on art sales		33,438	33,438	22,573
Conferences and events		32,971	32,971	22,111
Solar panel Feed-in-tariffs		2,502	2,502	2,938
Birds of Scotland 3		317	317	205
		<u>130,588</u>	<u>130,588</u>	<u>118,992</u>

**4. Staff numbers and costs**

	2018	2017
	£	£
Wages and salaries	99,362	83,072
Social security costs	3,815	2,434
Pension costs	1,012	219
	<u>104,188</u>	<u>85,725</u>
Average weekly number of employees	<u>7</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 £4,863 (2017: £4,555).

There were no transactions with related parties.

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2018**

**5. Resources expended**

	Costs of generating voluntary income	Charitable Activities	Fund raising and trading	Governance costs	Total 2018	Total 2017
	£	£	£	£	£	£
<b>Club</b>						
<b>Unrestricted</b>						
Staff costs and honoraria	8,000	93,957	8,000		109,957	90,760
Library		1,526			1,526	2,138
Subscriptions and publications	1,670	37,630			39,300	28,167
Merchandise			39,821		39,821	45,099
Material purchases		751			751	30
Mailing	5,352	5,352			10,704	7,893
Conferences		25,916			25,916	23,452
Branches		2,447			2,477	2,426
Administration	500	7,633	500		8,633	8,647
Audit				1,600	1,600	1,400
Legal fees						0
Photocopies		2,908			2,908	2,741
Council & committee expenses				1,873	1,873	1,344
Depreciation		12,152			12,152	13,072
Promoting the club	4,653				4,653	5,514
Research Grants		3,650			3,650	4,000
Premises,						
- insurance		7,436			7,436	7,209
- utilities		5,517			5,517	-269
maintenance		6,121			6,121	7,714
- other		746			746	0
Miscellaneous		521			521	216
<b>Total Club</b>						
<b>Unrestricted</b>	20,175	214,293	48,321	3,473	286,262	251,553



**Notes to the Financial Statements - continued**  
**For the year to 31 March 2018**

**5 Resources expended (continued)**

	Costs of generating voluntary income	Charitable Activities	Fund raising and trading	Governance costs	Total 2018	Total 2017
	£	£	£	£	£	£
<b>Designated Funds (Part of Unrestricted Funds)</b>						
<b>Endowment Fund (unrestricted)</b>						
Management Fees		1,036			1,036	873
Total Endowment Fund		1,036			1,036	873
<b>BS3 Fund</b>						
Publication and mailing costs		170			170	110
Grants and funding		1,821			1,821	-2,300
Total BS3 Fund		1,992			1,992	-2,190
<b>Unrestricted branch funds</b>						
Total unrestricted branch funds expended		8,169			8,169	6,632
Total Expended from Designated Funds		7,872			7,872	4,755
Total Expended from Unrestricted Funds	20,175	233,362	48,321	3,473	305,331	261,625
<b>Restricted Funds</b>						
<b>Property Endowment Revenue Fund</b>						
Property maintenance		216			216	4,265
Total Property Endowment Fund		216			216	4,265
<b>Endowment Fund (Restricted)</b>						
Management Fees		2,203			2,203	1,854
Total Endowment Fund		2,203			2,203	1,854
<b>Restricted branch funds</b>						
Total unrestricted branch funds expended						0
Total Expended from Restricted Funds		2,419			2,419	6,119
<b>Total Resources Expended</b>	<b><u>20,175</u></b>	<b><u>235,997</u></b>	<b><u>48,321</u></b>	<b><u>3,473</u></b>	<b><u>307,750</u></b>	<b><u>267,742</u></b>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2018**

**6. Tangible assets**

	Land	Building	Furniture and fittings	Computer s	Solar Panels	Total
	£	£	£	£	£	£
<b>Cost</b>						
Balance at 31 March 2017	88,125	872,347	31,269	47,484	22,900	1,062,125
Additions in year			288	603		891
Disposals in year						
Balance at 31 March 2018	<u>88,125</u>	<u>872,347</u>	<u>31,557</u>	<u>48,087</u>	<u>22,900</u>	<u>1,063,016</u>
<b>Depreciation</b>						
Balance at 31 March 2017		104,562	25,442	45,508	5,496	181,008
Charged in the year		8,723	1,223	1,290	916	12,152
Depreciation on disposals						
Balance at 31 March 2018		<u>113,285</u>	<u>26,665</u>	<u>46,798</u>	<u>6,412</u>	<u>193,160</u>
<b>Net book value</b>						
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>
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>881,118</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 £1,526 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 2018**

**7. Investments**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Market value at 1 April 2017	375,417	346,789
Additions at cost	14,923	15,464
Disposal proceeds		(37,254)
Net gains on revaluation at financial year end	<u>(13,683)</u>	<u>50,418</u>
Market value at financial year end	<u>376,657</u>	<u>375,417</u>
Historical cost as at financial year end	299,922	284,999

Investment holdings which are over 5% of portfolio by value as at 31 March 2018:

	<b>Market value</b>
	<b>£</b>
AVIVA INVESTORS UK US EQUITY INC II 2 INC NAV	24,608
JPMORGAN AM UK LTD US EQUITY INCOME C INC NAV	26,212
LINK FUND SOL LTD TROJAN INCOME S INC	21,656
THREADNEEDLE INV UK EQTY INCOME ZNI INC NAV	21,707
M&G SECURITIES CHARIFUND	21,992
ARTEMIS FD MNGRS INCOME INSTITUTIONAL INC	22,506
MERCANTILE INVESTM ORD GDP0.25	20,183
FINDLAY PARK FDS AMERICAN USD DIS	20,289

All investments are listed on the UK stock exchange

**8. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	2,228	528
Legacies receivable	35,000	20,000
Other debtors	<u>16,493</u>	<u>14,724</u>
	<u>53,721</u>	<u>35,252</u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements - continued**  
**For the year to 31 March 2018**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	17,519	10,338
Solar panel loan repayment due within one year	2,856	2,856
	<u>20,375</u>	<u>13,194</u>

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 £19,094. Balance £3,808. Whereof repayable within 12 months £2856, repayable after 12 months, £952 (see note 10).

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Loan for solar panels	952	3,808
	<u>952</u>	<u>3,808</u>

<b>11. Unrestricted funds</b>	<b>Balance at 31 March 2017</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Transfers</b>	<b>Balance at 31 March 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General Fund	719,390	279,006	(286,262)	(589)	711,546
Endowment Fund (unrestricted)	127,042	(4,379)	(1,036)		121,627
Birds of Scotland 3 Fund	78,699	317	(1,992)		77,024
Unrestricted Funds held by branches	<u>57,834</u>	<u>16,207</u>	<u>(16,041)</u>	<u>589</u>	<u>58,589</u>
	<u>982,965</u>	<u>291,152</u>	<u>(305,331)</u>	<u>589</u>	<u>968,786</u>

Unrestricted funds are:

1. General Fund
2. Endowment Fund which has been established mostly by legacies received. Of the total, 32% (£121,627) 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 2018**

<b>12. Restricted funds</b>	<b>Balance at 31 March 2017 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 31 March 2018 £</b>
Property Endowment Fund	336,496		(216)	336,280
Endowment Fund (restricted)	269,964	(9,304)	(2,203)	258,457
Restricted Funds held by branches	<u>8,802</u>			<u>8,802</u>
	<u><u>615,262</u></u>	<u><u>(9,304)</u></u>	<u><u>(2,419)</u></u>	<u><u>603,539</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, £258,457 (68%) is capital endowment with conditions allowing only the income to be spent so is listed here in restricted funds, the remaining £121,627 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>2018 £</b>	<b>2017 £</b>
Income:		
Gains on revaluation of shares	<u>(13,683)</u>	<u>34,284</u>
	(13,683)	34,284
Expenditure:		
Management fees	<u>(3,239)</u>	<u>(1,854)</u>
	(3,239)	(1,854)
Gains for year	<u><u>(16,922)</u></u>	<u><u>32,430</u></u>

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements – continued**  
**For the year to 31 March 2018**

**14. Property Endowment Fund**

	2018 £	2017 £
Income:		
Expenditure:		
Property maintenance	(216)	(4,265)
Deficit for year	(216)	(4,265)

**15. Birds of Scotland 3 Fund**

	2018 £	2017 £
Income:		
Sales	317	205
	317	205
Expenditure:		
Publication costs (net of remaining stock)	(170)	(110)
Grants awarded and repaid	(1,821)	2,300
	(1,992)	2190
Surplus for year	(1,675)	2,395

During the year an award of £1,750 was made to the production and printing costs of the Scottish Raptor Monitoring Scheme (SRMS) report and a grant of £1,000 was made to the "Nature of Manor" project.

**16. Funds held by branches**

	2018 £	2017 £	
	Unrestricted	Unrestricted	Restricted
<b>Income:</b>			
Donations	4,363	7,909	
Sales	5,437	5,564	
Bank interest	20	37	
Grants			17,922
Other	6,388	2,117	
	16,207	15,628	17,922
<b>Expenditure:</b>			
Room hire	(3159)	(2,931)	
speakers expenses	(893)	(1,120)	
equipment purchase	(384)	(54)	
publication costs (net of stock revaluation)	(3,361)	(3,490)	(22,338)
Donations/grants	(1,425)	(1,487)	
other	(6,820)	(2,305)	(1,154)
	(16,041)	(11,387)	(23,492)

**THE SCOTTISH ORNITHOLOGISTS' CLUB**  
**Notes to the Financial Statements – continued**  
**For the year to 31 March 2018**

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

	Unrestricted Funds	Restricted Funds	2018	2017
	£	£	£	£
Balances at 31 March represented by:				
Tangible assets	533,576	336,280	869,856	881,117
Investments	120,530	256,127	376,657	375,417
Net current assets	314,680	11,132	325,812	341,693
	968,786	603,539	1,572,325	1,598,227

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

**Registered address:**

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