

ROYAL SCOTTISH FORESTRY SOCIETY

Charity No. SC 002058



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2016

Reference and administrative information

Charity registration number of the RSFS is SCO 002058.

The trustees serving during the year end since the year end were as follows:

Members of Council:

Sir Patrick Hunter Blair	President
James Hepburne Scott	Vice President
James Robertson	Vice President
His Honour William Crawford	Immediate Past President
Dr Thomas Mitchell	Honorary Treasurer
Simon Blakett	
James Brown MBE	(resigned 28 September 2016)
Steve Brown	
Robert Gladstone	
Syd House	
Dr Bill Mason	
Lord Norrie	
James Ogilvie	
Rod Pimm	
Paul Ramsay	(resigned 28 September 2016)
Gavin Strachan	
Michael Strachan	
Jeremy Thompson	
Ruth Tittensor	
Gareth Whymant	

Executive Director:

George Moore (appointed 31 August 2016)

Director:

Major Alastair Harding (resigned 31 August 2016)

Bankers:

CAF Bank Limited	Royal Bank of Scotland
25 Kings Hill Avenue	142-144 Princes Street
Kings Hill	Edinburgh
West Malling	EH2 4EQ
ME19 4JQ	

Independent Examiner:

James Anderson C.A.
Pentland Estate
Straiton
Edinburgh
EH20 9HQ

Registered Office:

Lilliebow
The Stell
Kirkcudbright
DG6 4SA

**Report of the Trustees
For the year ended 31 December 2016**

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006(as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

The Society is an educational charity with voluntary members whose prime objective is the "Advancement of forestry in all its branches". Membership is open to all who wish to support the objectives of the Society.

The Royal Scottish Forestry Society actively promotes education and training in the sound management of trees and woodlands for the benefit of all. By organising lectures and field meetings the Society seeks to educate each new generation in the essential benefits of the science and art of forestry and its practical application. The members organise field meetings, lectures, excursions and conferences that reinforce that educational objective.

The Society's journal "Scottish Forestry", seeks to disseminate original research and technical innovation that will enhance the creation of diverse woodlands, encourage their management for multiple benefits and ensure the wide enjoyment of Scotland's woodland environment by all. The RSFS encourages the use of Scotland's woodlands and timber in new, innovative and beautiful ways.

Achievements and performance

The Society, through its Regional Committees, organised 16 field visits and 1 seminar on various aspects of Forestry in Scotland. An excellent Spring Excursion, organised by Lothian & Borders Region, was held in Central Scotland based at the Hilcroft Hotel, Whitburn. Attendance was good. All aspects were highly enjoyable.

The 3rd Annual Lecture was given by Sir John Lister-Kaye, one of Scotland's best known naturalists, entitled "A Living Forest". It was held at Edinburgh Academy on Wednesday 13th April. 45 people attended and RSFS acknowledges the valuable support (£300) of Scottish Forestry Trust.

The journal, Volume 70, was published in three issues in full colour. The editor, Jenny Johnson, retired during the year and Gavin Strachan acted as Interim Editor until the appointment of Carol Crawford. The Society also has continued to develop the journal ensuring the maintenance of the high standards and universal respect that "Scottish Forestry" enjoys. "Scottish Forestry" is well received by the members of the wider forestry community.

In an effort to manage journal costs Council took the decision to reduce the number of editions of Scottish Forestry in each Volume. However, we are indebted to a very kind benefactor who has agreed to donate the cost of one issue of the journal each year to enable the Society to retain 3 issues each year.

Details on the progress to achieving our objectives are discussed in depth at each Board meeting. Reports on the Journal are provided by the Editor to each meeting detailing both past performance and forward planning. The organising committees for each year's excursion and lecture similarly provide reports to each Council meeting.

Financial Review

Results for the year

The results for the year are as stated in the Statement of Financial Activities on page 7.

Total income amounted to £62,821 (2015: £50,657). The increase in income is the net of four main movements. Annual subscriptions are marginally down although corporate subscriptions have risen as well as journal sales. Investment income has increased compared to 2015 reflecting markets and income from advertising has increased as three journals were produced in 2016 compared to two in 2015. The principal funding sources are from members' subscriptions and donations from parties interested in the promotion of the objectives of the Society.

The expenditure on Charitable Activities has increased by around 34% to £67,128 (2015: £50,067. The most significant element of this relates to increased costs of producing the extra edition of the Society's journal Scottish Forestry.

**Report of the Trustees (continued)
For the year ended 31 December 2016**

Financial Review (continued)

Administration costs are broadly the same as in previous years though some elements have increased and some fallen. Governance costs represent book-keeping, independent examiner and investment manager fees.

The net movement in funds for the year is a deficit of £4,307 (2015: - surplus of £590) on the society's activities and an increase of £5,631 (2015: £764) in the valuation of investment assets. The movement on restricted funds are confirmed in pages 7 and 16.

The Society continued to operate as a charity between 1 January 2016 and 31 December 2016 wholly in terms of its objectives, details of which have been submitted to OSCR. The financial statements have, therefore, been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2005) and the charity's governing document.

Investment Policy and Performance

The Society, having regard to the liquidity requirements of the Society, holds a modest portfolio of shares. The shareholdings are held for long-term capital growth and the Society will invest in shares within the London Stock Exchange Index of 100 Leading Shares. Performance of the portfolio is reviewed every quarter.

Free cash is held in a deposit account with CAF (Charities Aid Foundation) Bank Limited.

The return on investments in 2015 was a capital growth of 1.09% (2015: 1.3%) and an income return of 3.1% (2015: 3.2%).

The performance of the FTSE all share index was 2016 - an increase of 12.4%, and 2015 - a reduction of 4.9%.

Reserves policy

The charity has considered the reserves required and have taken into account their current and future liabilities. The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to ensure that support and governance costs are covered.

Risk Management

The Society has for a number of years actively managed its risk profile. There are two principal risks faced by the Society:

An aging and declining membership. Membership numbers are actively reviewed at each Council meeting and the outcomes of the steps taken to halt, slow or indeed reverse the attrition are reviewed. Several innovations in the past three years are having a positive impact with membership numbers broadly static now. The exposure to the risk has not declined, merely that the mitigating actions have had a positive impact.

The revival of the Journal to three issues in full colour has been accompanied by an increase in the advertising revenue and sales. However, the production costs, although supported by a £7,000 donation, are in excess of the income generated to the extent that support is required from the annual subscription income. The financial position of the Journal remains under constant review.

Plans for the future

The Society will continue to organise field visits and seminars and to publish the journal, "Scottish Forestry". It will also continue to sponsor educational prizes and exhibitions.

In 1996, the Royal Scottish Forestry Society decided it would create a native working Scottish forest; the Society set up RSFS Forest Trust Company (FTC) as an independent organisation but with a common membership. With help from the Millennium Forest for Scotland Trust, FTC bought Cashel Farm, a 3000-acre hill farm on the eastern side of Loch Lomond. With effect from 1 January 2017, the RSFS became the parent member of FTC once again reuniting the aspirations of RSFS and FTC.

The Cashel Centre continues to be developed and is attracting increasing numbers of visitors, including local groups using the facilities. A hydro scheme has now been adopted and is providing a useful income stream. Consideration is being given to how RSFS and FTC align strategic plans, share resources and best deliver their priorities.

**Report of the Trustees (continued)
For the year ended 31 December 2016**

The Society continually seeks out new ways of aiming to meet their objectives and in early 2017 an application was made to obtain grant funding to conduct a pilot and feasibility study of our Monitor Woods scheme. The Monitor Woods scheme aims to benchmark exemplar woodlands and forests, and highlight good and best practice.

Structure, Governance and Management

Governing Document

The RSFS is unincorporated association instituted on 16th February 1854 and was registered as a charity by the Office of the Scottish Charity Regulator (OSCR) with effect from 2004 charity number SCO2058. Prior to 2004, the Society was granted charitable status by H M Revenue & Customs. It is governed by its Laws and Bylaws dating from 1854 as amended from time to time. The latest major revision was approved by Council on 24th March 1987 with minor amendments up to May 2014.

At the Annual Business Meeting 2015 members voted to incorporate the Society, without a change of name, as a Scottish Charitable Incorporated Organisation (SCIO) and to adopt a revised constitution for the new entity upon incorporation. The work in relation to the SCIO is currently progressing and it is anticipated it will be completed during 2017.

Appointment of New Trustees (Council Members)

Council members are proposed by Council and elected by vote of members at the Annual Business Meeting which is usually held in May each year. The Members of Council who served during the business year 2015/16 and to date of this report are shown on page 1.

Recruitment of new Trustees.

The President usually holds office for two years. Other office bearers are eligible for re-election at the ABM. New office bearers are proposed by Council from people who have the necessary skills.

The Council proposes members who represent a balance of skills for the Council. Six members may be elected from the Council proposals. Each Region may propose representatives for their Region. Up to two members may be elected to represent each region. All proposed members are elected or approved at the AGM.

An executive director, is outsourced on a rolling annual contract to carry out the business of the Society.

Structure

The Council decide the policy and programme of the Society and meet on a quarterly basis or more often if necessary. Regional Committees organise activities within their Regions.

The Executive Director is responsible for implementing the Council's policy and assisting the Regional Committees.

Key management personnel remuneration

The trustees consider the Board of Management and the Executive Director (formerly Director and Administrator) as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Board members give of their time freely and no trustee remuneration or expenses were paid in the year.

Trustees are required to disclose all relevant interests and register them with the Executive Director and in accordance with the Society's policy withdraw from decisions where a conflict of interest arises.

The Executive Director (formerly Director and Administrator) is outsourced to a contractor for a fee. The level of the fee rate is reviewed annually in accordance with rates appropriate for the role.

Reference and administrative information

The information is contained in page 1 of the report
(page 8 of the ABM booklet).

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Report of the Trustees (continued)
For the year ended 31 December 2016

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Sir Patrick Hunter Blair
President
Council of the Society

9 May 2017

**Report of the Trustees (continued)
For the year ended 31 December 2016**

I report on the accounts of the Society for the year ended 31 December 2016 which are set out on pages 7 to 16.

Respective responsibilities of committee and independent examiner

The Council of the Society is 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 Council of the Society considers 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 Society 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 Council 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 view given in the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. 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

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**James Anderson
Chartered Accountant (ICAS)
Pentland Estate
STRAITON
Edinburgh
EH20 9QH**

9 May 2017

Statement of Financial Activities
For the year ended 31 December 2016

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total Funds £	2015 Total Funds £
Income from:						
Donations	3	796	7,000	-	7,796	511
Other trading activities	4	41,930	300	-	42,230	40,006
Charitable activities	5	2,191	203	-	2,394	1,994
Other income	6	10,401	-	-	10,401	8,146
Total income		55,318	7,503	-	62,821	50,657
Expenditure on:						
Charitable activities	7	59,034	8,094	-	67,128	50,067
Total expenditure		59,034	8,094	-	67,128	50,067
Net (expenditure)/income		(3,716)	(591)	-	(4,307)	590
Transfers between funds	11	624	(624)	-	-	-
Gain on revaluation of investment assets	9	4,590	1,041	-	5,631	764
Net movement on funds		1,498	(174)	-	1,324	1,354
Fund balances brought forward 1 January 2016		106,011	33,958	5,497	145,466	144,112
Fund balances carried forward 31 December 2016	11	107,509	33,784	5,497	145,790	145,466

Balance Sheet
At 31 December 2016

	Note	2016 Total Funds £	2015 Total Funds £
Fixed assets			
Tangible assets	8	43,821	43,966
Investments			
	9	74,437	66,574
Current assets			
Stocks	10	2,088	2,386
Debtors	11	15,548	15,586
Cash at bank and in hand		25,472	27,413
		<u>43,108</u>	<u>45,385</u>
Creditors – amounts falling due within one year	12	14,576	10,459
		<u>28,532</u>	<u>34,926</u>
Net current assets		<u>146,790</u>	<u>145,466</u>
Total assets less current liabilities		<u><u>146,790</u></u>	<u><u>145,466</u></u>
Funds			
Permanent endowment fund	13	5,497	5,497
Unrestricted funds	13	33,784	33,958
Restricted funds	13	107,509	106,011
		<u>146,790</u>	<u>145,466</u>
Total charitable funds		<u><u>146,790</u></u>	<u><u>145,466</u></u>

The financial statements were approved and signed on behalf of the Council of the Society on 9 May 2017.

Sir Patrick Hunter Blair President

Dr Thomas Mitchell Honorary Treasurer

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

1. Accounting Policies

a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP - FRS 102 effective 1 January 2015) the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Royal Scottish Forestry Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern as it has sufficient available funds to meet its anticipated expenditure.

b) Reconciliation with previously Generally Accepted Accounting Practice

This is the first year that the company has presented its financial statements under the Charities SORP (FRS 102). The last financial statements for the year ended 31 December 2015 were prepared under the previous UK GAAP. The transition date to the Charities SORP (FRS 102) is therefore 1 January 2015.

There have been no changes to the financial performance or position of the charity as a result of complying with the new standard.

c) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Further details of each fund are disclosed in note 12.

d) Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations, are recognised when they have been communicated is received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

e) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

All expenditure relates to charitable actions and governance cost in respect of an Independent Examiner, book keeper and investment manager.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

g) Tangible fixed assets and depreciation

All assets costing more than £1000 are capitalised and valued at historical cost. Depreciation is charged from the year of acquisition on furniture and equipment on a 15% reducing method. Artefacts which have been gifted to the Society over many years have been introduced at independent historic valuation and are subject to an annual impairment review.

h) Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured by the investment manager at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

i) Stocks

The stock of merchandise on hand is valued at the lower of cost price or net realisable value.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes costs and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are finally recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are realistically measured at amortised cost using the effective interest method.

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

n) Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2 Related party transactions and trustees' expenses and remuneration

The trustees give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2015: £nil). Neither were they reimbursed expenses during the year (2015: £nil). No charity trustee received payment for professional services supplied to the charity (2015: £nil).

No payments were made to other related parties.

Payments to the key management personnel of the charity in the year amounted to £22,383 (2015 - £24,211).

2016	2015
£	£

3 Income and endowments

Donations and legacies

Donations	796	511
	<u> </u>	<u> </u>

Restricted fund income

Donation to support a third edition of 'Scottish Forestry'	7,000	-
	<u> </u>	<u> </u>

The Society benefits greatly from the involvements and support of its volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), economic contribution of volunteers is not recognised in the accounts.

4 Charitable activities

Annual subscriptions	30,229	30,591
Gift Aid recovery	3,943	3,943
Corporate subscriptions	2,110	500
Journal sales	3,337	2,448
Event sales	675	795
Spring excursion surplus	1,636	829
	<u> </u>	<u> </u>
	41,930	39,106
	<u> </u>	<u> </u>

Restricted fund income

Lecture grant	300	900
	<u> </u>	<u> </u>

5 Investment activities

Dividends on listed investments	2,161	1,756
Bank interest	30	46
	<u> </u>	<u> </u>
	2,191	1,802
	<u> </u>	<u> </u>

Restricted fund income

Dividends on listed investments	203	192
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Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

	Unrestricted Fund	Restricted Fund	2016 £	2015 £
6 Other trading activities				
Advertising in the journal	10,021	-	10,021	1,883
Sale of merchandise	375	-	375	873
Cost of merchandise sold	(315)	-	(315)	823
Income from raffle and shoot	305	-	305	210
	<u>10,401</u>	<u>-</u>	<u>10,401</u>	<u>31,922</u>
7 Expenditure on Charitable activities				
Brochure printing	319		319	-
Subscriptions	65		65	60
Donation to other charity	-	200	200	200
Prize awarded	-	50	50	555
Lecture expenses	-	618	618	471
Directors' fee	17,833	-	17,833	15,750
Administrator's fee	4,640	-	4,640	8,461
Leaving gift	115	-	115	-
General printing stationery & advertising	833	-	833	927
Postage & telephone	950	-	950	2,108
Internet & web site	1,669	-	1,669	384
Insurance	460	-	460	443
Meeting & travel expense	1,849	-	1,849	1,883
Exhibition expense	881	-	881	873
Bank charges	1,089	-	1,089	823
Depreciation	145	-	145	210
	<u>30,848</u>	<u>868</u>	<u>31,716</u>	<u>33,148</u>
<i>Scottish Forestry Volume 70: 1-3</i>				
Printing & distribution	10,073	7,000	17,073	10,857
Editor's fee	9,250	-	9,250	2,500
Editor's expenses	1,170	-	1,170	44
Advertising agency	4,053	-	4,053	2,222
Research cost	250	-	250	-
	<u>24,796</u>	<u>7,000</u>	<u>31,796</u>	<u>15,623</u>
Digitisation of Journal	1,192	226	1,418	-
	<u>25,988</u>	<u>7,226</u>	<u>33,214</u>	<u>15,623</u>

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

	Unrestricted Fund	Restricted Fund	2016 £	2015 £
7 Expenditure on Charitable activities (continued)				
<i>Governance costs</i>				
Investment manager's fee	86	-	86	-
Book-keeping fees	1,392	-	1,392	-
Independent examiner's fee	720	-	720	1,296
	2,198	-	2,198	1,296
	59,034	8,094	67,128	50,067
Total expenditure on charitable activities				

	Furniture and Office Equipment £	Gifted Artefacts £	Total £
8 Fixed assets			
<i>Cost</i>			
At 1 Jan 2016	1,176	43,000	44,176
Additions	-	-	-
	1,176	43,000	44,176
At 31 Dec 2016	1,176	43,000	44,176
<i>Depreciation</i>			
At 1 Jan 2016	210	-	210
Charge for year	145	-	145
	355	-	355
At 31 Dec 2016	821	-	821
At 31 Dec 2015	966	-	966

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

9 Investments

	Purchased	Number held	Cost	Market Value	Market Value
		#	£	At 31 Dec 2015	At 31 Dec 2015
				£	£
<i>Unrestricted fund</i>					
Alliance Trust Plc 2.5p Ordinary Shares of	Apr 2002	990	2,982	5,118	6,316
Edinburgh Investment Trust Plc, 25p Ordinary Shares		1,500	411	10,680	10,740
Foreign & Colonial Investment Trust Plc 25p Ordinary Shares		2,200	4,887	10,582	11,968
JP Morgan Claverhouse Investment Trust Plc 25p Ordinary Shares		1,000	4,544	6,410	6,220
Murray Income Trust Plc 25p Ordinary Shares		1,000	4,673	7,200	7,240
CF Adam Worldwide Fund units		1,380.35	2,997	6,688	7,989
HSBC Holdings Plc \$0.50		62	6,080	3,494	4,480
Lloyds Banking Group PLC 10p Ordinary Shares		1,062	2,497	759	664
SSE PLC 25p Ordinary Shares		184	2,489	2,757	2,858
Vodafone Group \$0.209 Ordinary Shares		1,012	2,500	2,237	2,040
			34,060	55,925	60,515
<i>Restricted funds</i>					
Securities Trust of Scotland Plc 1p Red. Ordinary Shares		3,500	2,513	4,830	5,871
			36,573	60,755	66,386
Cash on deposit			-	5,819	8,051
			36,573	66,574	74,437
				2016	2015
				£	£
Gain on revaluation of investment assets				5,631	764
				2,088	2,386

Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)

	2016	2015		
	£	£		
11 Debtors				
Trade debtors	3,583	3,840		
Other debtors	11,965	11,246		
	<u>15,548</u>	<u>15,586</u>		
	<u><u>15,548</u></u>	<u><u>15,586</u></u>		
12 Creditors				
<i>Amounts falling due within one year</i>				
Creditors & accruals	12,670	7,397		
Subscriptions in advance	415	780		
Journal subscriptions in advance	1,378	1,865		
Interregional balances	113	417		
	<u>14,576</u>	<u>10,459</u>		
	<u><u>14,576</u></u>	<u><u>10,459</u></u>		
13 Analysis of net assets between funds				
	Unrestricted	Restricted	Permanent	
	Fund	Fund	Endowment	Total
	£	£		£
Balance at 31 December 2015	106,011	33,958	5,497	145,466
Net (expenditure)/income	(3,716)	(591)	-	(4,307)
Gain on revaluation of investment assets	4,590	1,041	-	5,631
Transfers from Life Members Fund	624	(624)	-	-
	<u>107,509</u>	<u>33,784</u>	<u>5,497</u>	<u>146,790</u>
	<u><u>107,509</u></u>	<u><u>33,784</u></u>	<u><u>5,497</u></u>	<u><u>146,790</u></u>
	£	£		£
Tangible fixed assets	43,821			43,821
Listed investments	55,108	5,781	5,497	66,386
Investment cash	8,051			8,051
Net current assets	529	28,003		28,532
	<u>107,509</u>	<u>33,784</u>	<u>5,497</u>	<u>146,790</u>
	<u><u>107,509</u></u>	<u><u>33,784</u></u>	<u><u>5,497</u></u>	<u><u>146,790</u></u>

The Permanent Endowment Fund represents those assets which must be held permanently by the Society.

The Restricted Funds represent funds received and raised for specific purposes. A detailed schedule follows.

The Unrestricted Fund represents the unrestricted funds which the Council of the Society is free to use in accordance with the charitable objects of the Society.

**Notes to the Financial Statements
For the Year ended 31 December 2016 (continued)**

9 Investments

	Purchased	Number held #	Cost £	Market Value At 31 Dec 2015 £	Market Value At 31 Dec 2015 £
<i>Unrestricted fund</i>					
Alliance Trust Plc 2.5p Ordinary Shares of	Apr 2002	990	2,982	5,118	6,316
Edinburgh Investment Trust Plc, 25p Ordinary Shares		1,500	411	10,680	10,740
Foreign & Colonial Investment Trust Plc 25p Ordinary Shares		2,200	4,887	10,582	11,968

14 Analysis of Restricted Funds

	At 1 Jan 2016	Income	Investment Revaluation	Payments Made	Transfers Out	Balance at 31 Dec 2016
Binding Fund	226	-	-	226	-	-
Excursions Fund	1,242	-	-	-	-	1,242
Trophy Fund	1,200	-	-	-	-	1,200
Educational Fund	5,900	203	1,041	250	-	6,894
Life Members Fund	624	-	-	-	624	-
Conference Fund	1,938	-	-	-	-	1,938
Overseas Groups Fund	403	-	-	-	-	403
Silvicultural Group Fund	6,766	-	-	-	-	6,766
McNeil Bequest	3,000	-	-	-	-	3,000
Jeffrey Schools Competition Fund	12,230	-	-	-	-	12,230
Lecture Fund	429	300	-	618	-	111
Scottish Forestry Fund	7,000	-	-	7,000	-	-
	<u>33,958</u>	<u>7,503</u>	<u>1,041</u>	<u>8,094</u>	<u>624</u>	<u>33,784</u>

The restricted revenue funds are for use in terms of the grants awarded by the donors as follows:

Binding Fund – fund for binding ‘Scottish Forestry’.

Excursion Fund – fund to provide grants for foresters on Society’s excursions.

Trophy Fund – fund to maintain trophy.

Education fund – income used for educational prizes.

Conference fund – to fund attendance at conferences.

Overseas Groups fund – to fund visits from overseas visitors.

Silvicultural Group fund – balance of funds held by the dissolved Silvicultural Group.

McNeil Bequest – funds to support tree planting by school children in Midlothian to further their education

Jeffrey Schools Competition fund – to fund prizes in the annual competition.

Lecture fund – to provide funds for an annual lecture.

Scottish Forestry fund – to provide support for the production of a third edition of ‘Scottish Forestry’

The Royal Scottish Forestry Society

Annual Business meeting 2017

Motions

As noted in the Board's report to members, following discussions between the President, the Board and Council, it has been agreed that the arrangements in place for Council are not an effective mechanism for the ongoing engagement between the Regions and the governing body of the charity. An alternative arrangement has been agreed with Council which will see a slightly expanded governing body with representation from each Region and the dissolution of Council. The following motions are required to achieve the new arrangements.

Motion 1

The governing body of The Royal Scottish Forestry Society shall be increased in size from 10 to 12 to comprise:

Officers

- President;
- Vice President;
- Treasurer;
- Immediate Past President.

Other members

- The Chair of each of the 5 regions;
- The Chair of the RSFS Forest Trust Company;
- The Chair of the Publications Committee;
- One other appointed by the governing body.

Motion 2

The Council of The Royal Scottish Forestry Society is dissolved with effect from regulatory approval of the amended constitution.

Motion 3

The Officers of the charity are hereby delegated the authority to make such amendments as are required to clauses 33 to 44, and any consequential amendments to other provisions, of the constitution approved in the General Meeting on 5th May 2015 to achieve the foregoing Motions 1 and 2, thereafter to submit the amended constitution to the Office of the Scottish Charity Regulator (OSCR) for approval and thereafter to report back to the next Annual General Meeting on the changes made to the constitution and approved by OSCR.

The Royal Scottish Forestry Society

Annual Business meeting 2017

Election of Office Bearers

Office Bearers

The candidates standing for election as Office Bearers were:

- President: Mr James Hepburne Scott (2017-2019)
- Vice President: Mr Nander Robertson (2017-2019)
- Honorary Treasurer: Dr Tom Mitchell
- Immediate Past President: Sir Patrick Hunter Blair (2017-2019)

Scottish Forestry

We appointed a new Editor (Carol Crawford) who took over from acting editor, Gavin Strachan, in the autumn. Carol has a strong forestry and ecology background and she has continued to develop the journal ensuring the maintenance of the high standards and universal respect that "Scottish Forestry" enjoys.

The journal was restored from two (2015) to three editions in 2016 thanks to the generous support of the Sir Henry Angest Foundation – this should allow 3 editions in 2017 & 2018 as well as 2016.

Vol.70 (2016) featured 12 major articles plus other reports which included details of the Society's activities.

We also moved publisher to Connect Communications, who look after several similar publications. The "new look" Journal appeared in December and has been widely praised.

Society activities have been moved to the front of the Journal, and future Journals will have pages from each of the 5 Regions.

An ongoing concern, however, is the cost of producing the Journal for a Society of our size and additional sponsorship would be welcome.

Reappointment of the Independent Examiner

As RSFS has become the Parent Member of the RSFS FTC, this creates a Group. Consequently, the RSFS is required to consolidate the results of the Group and prepare Group accounts.

The Board recommends that James Anderson & Co is reappointed as Independent Examiner for the consolidated accounts of the Group for the year ended 31 December 2017

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