

The Royal Scottish Country Dance Society

Trustees' Report and Financial Statements

for the year ended 31 March 2016

SUMMARY VERSION

Scottish Charity Number: SC016085

Company Number: SC 480530

For the full Trustees' Report and Financial Statements please go to the following link:

<https://www.rscds.org/article/legal-administrative>

or email info@rscds.org to request a full copy

If you have further questions that are not answered either in this summary or in the full accounts please email info@rscds.org with your queries and we will get back to you.

This summary version of RSCDS' Annual Accounts is intended to give you the top-line data of the financial position of the RSCDS as at 31 March 2016.

This is done to improve the transparency of the Society as some members are keen to get a clear picture of how the Society is doing financially.

We hope this enables members to get a clear overview initially before then being able to ask further questions or dig into the full accounts to find the detail about elements they are particularly interested in.

We feel this is particularly important in this year, the first year for presenting the Annual Accounts of the RSCDS since it became a Company Limited by Guarantee, whilst still retaining its status as a Scottish Registered Charity. The implications of this is outlined in the section below.

In future years though, we do intend to continue to produce a summary version of the Annual Accounts each year, if this is welcomed by members.

**The Trustees of The Royal Scottish Country Dance Society present their report
for the financial year ended 31 March 2016.**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name: THE ROYAL SCOTTISH COUNTRY DANCE SOCIETY

Scottish Charity registration number: SC016085

Registered Office

The registered office of The Royal Scottish Country Dance Society (herein after referred to as the Society) is 12 Coates Crescent, Edinburgh EH3 7AF.

Trustees

The following persons held office as Trustees, wholly or partially, during the period of 1 April 2015 through to the Annual General Meeting scheduled for 5 November 2016 in Perth.

James Healy	Chairman	until 5 November 2016
Helen Russell	Chairman Elect	until 5 November 2016
Philip Whitley	Convenor, Membership Services C'ttee	until 7 November 2015
Anselm Lingnau	Convenor, Membership Services C'ttee	from 7 November 2015
Sue Porter	Convenor, Education & Training C'ttee	until 5 November 2016
Roy Bain	Convenor, Youth Services C'ttee	until 7 November 2015
Anne McArthur	Convenor, Youth Services C'ttee	from 7 November 2015
William Cant	Treasurer	from 7 November 2015
Richard Austin	(Appointed)	from 7 November 2015
Luke Brady		until 7 November 2015
Tom Halpenny		from 8 November 2014
Elizabeth Harry		from 2 November 2013
Bernie Hewitt		from 8 November 2014
Isobel McMillan		from 8 November 2014
Craig Houston		until 7 November 2015
Paul Plummer		from 7 November 2015

Executive Management

Elizabeth Foster	Secretary (Executive Officer)	until 30 June 2015
Gillian Wilson	Secretary (Executive Officer)	from 17 August 2015

Advisors The Society's principal professional advisors are:

Accountants	Alexander Sloan	1 Atholl Place, Edinburgh EH3 8HP
Auditors	Alexander Sloan	38 Cadogan Street, Glasgow G2 7HF
Bankers	Bank of Scotland	52 Shandwick Place, Edinburgh EH2 4SB
Solicitors	Lindsays WS	19A Canning Street, Edinburgh EH3 8HE
	Gillespie Macandrew LLP	5 Atholl Crescent, Edinburgh EH3 8EJ
Investment Managers	Standard Life Wealth	1 George Street, Edinburgh EH2 2LL

Independent Auditor's Report to the Members and Trustees of The Royal Scottish Country Dance Society

We have audited the financial statements of The Royal Scottish Country Dance Society for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made exclusively to the charity's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's Trustees, as a body, in accordance with Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's Members and the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity Members as a body and its Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement (set out in the Trustees' Annual Report), the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as Auditor under Section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

Independent Auditor's Report to the Members and Trustees of The Royal Scottish Country Dance Society (continued)

- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

In respect of the following matters, the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charity has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law were not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Alan Cunningham, CA (Senior Statutory Auditor)

for and on behalf of

Alexander Sloan

38 Cadogan Street

Chartered Accountants and

Glasgow

Statutory Auditor

G2 7HF

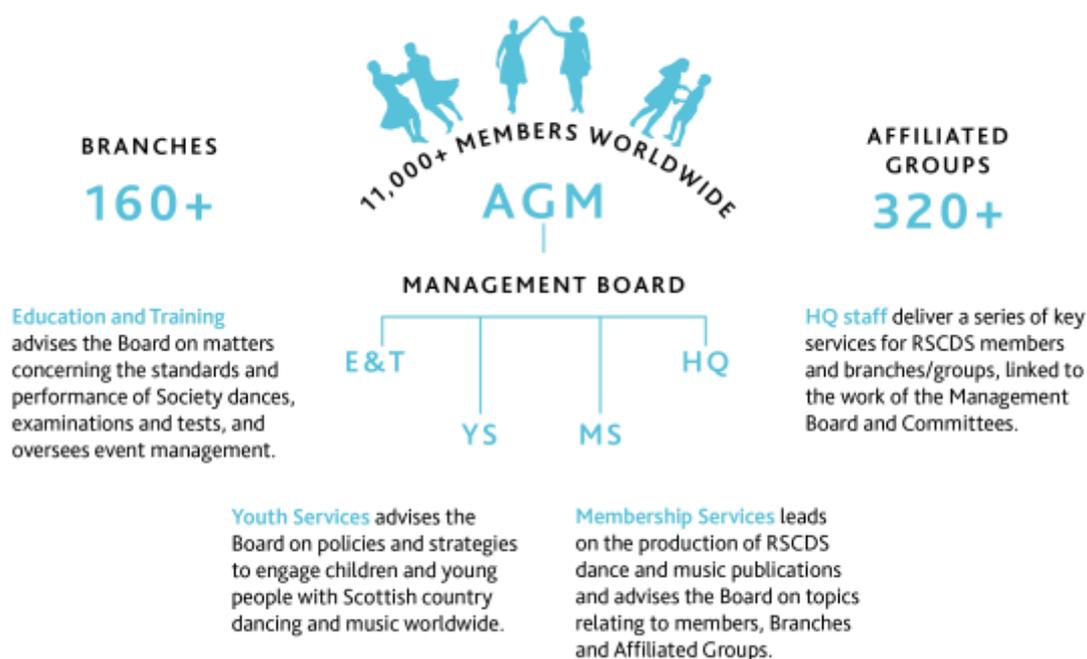
Date:

Alexander Sloan is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

A. Figures for RSCDS membership for recent membership years (1 July to 30 June) are:-

Description	2016	2015	2014	2013	2012
Branch members	11,463	11,818	12,269	12,355	12,648
HQ members	292	301	818	745	746
<u>Total members</u>	<u>11,755</u>	<u>12,119</u>	<u>13,087</u>	<u>13,100</u>	<u>13,394</u>

B. The RSCDS is governed in the following way:



C. Summary Financial Report on results to 31 March 2016

The Financial Statements for this year are the first for the RSCDS since it registered as a Company Limited by Guarantee. As a result they show the transfer of funds from the old unincorporated association as Income to the new company limited by guarantee. This means that the Income side of the accounts this year look quite different compared to the financial year end 31 March 2015.

The key pages of the full set of Annual Accounts which are most pertinent to this Summary are pages:

- Page 15 - Statement of Financial Activities of the Society for the year to 31 March 2016
- Page 16 - Balance sheet
- Page 33 - Appendix 1 – Detailed Income statement and movement on all funds for the year
- Page 34 – Appendix 2 – Detailed Income statement for the General Fund for the year
- Page 35 – Appendix 3 – Allocation matrix that explains how we allocate our ‘Central’ or ‘overhead’ costs to our major activities (e.g. Summer School and other events, our shop administration)

Overview of the Funds of the Society

There are three types of funds – general (unrestricted) funds which can be used for the general running of the society and its services; internally designated funds (JMMF and Development Funds

and the Designated Assets Fund) which have to be used for specific purposes but these are decided by the RSCDS; and restricted funds (grants from other organisations given to RSCDS for specific purposes which are decided by these other organisations).

The Society's net worth of £1,582,750 at 31 March 2016 is made up of these funds as follows:

Fund	31 March 2016	31 March 2015
General Fund	494,515	515,294
Development Fund	249,721	232,384
Jean Milligan Memorial Fund	176,804	190,426
Designated Assets Fund	650,813	104,025
Restricted Funds	10,897	25,649
Total net worth	£1,582,750	£1,067,778

The revaluation of the offices has resulted in the increase in value of the Designated Assets Fund. The Restricted Funds came from the Heritage Lottery Fund for the Archives project.

The following page gives a summary of the Income and Expenditure of the Society during the financial year to 31 March 2016. The following two notes help to explain the summary figures.

NOTE 1: Income for the year to 31 March 2016

On page 15 of the full accounts it states that the RSCDS had a total Income for the year of £2,467,514, compared with last year's accounts, where Income was £820,839. However this large figure is due to the changeover from the Unincorporated Association to the Company Limited by Guarantee as explained below. The transfer of Net Assets from the Unincorporated Association to the company limited by guarantee was £1,067,778, the total net worth of the Unincorporated Association shown in last year's Annual Accounts. Also, for accounting purposes we had 12 Coates Crescent re-valued this year by Ryden's, and the net change in value is £563,470. These two elements of 'Income' are added together with the underlying Income generated from regular activities over the year to 31 March 2016, to show a total 'income' of £2,467,514. If these two exceptional changes are excluded, the underlying income was £836,266.

Note 2: Expenditure for the year to 31 March 2016

Expenditure for the year was £851,038 which when analysed against the total income of £836,266 shown above, resulted in an overall deficit of £14,772. Although this is a deficit, it is a considerable improvement compared to the deficit in 2015 of £57,547.

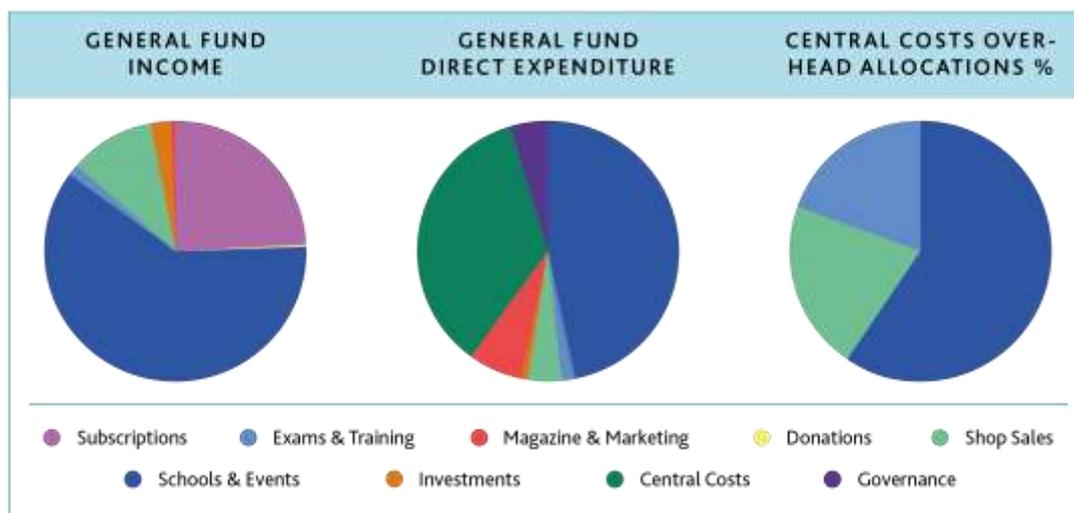
In addition to the improved performance from Summer and Winter schools shown in the table below, there have been reductions in publicity, archive, staff and software costs, legal and professional costs. The result also benefitted from significant unplanned legacies and donations of £48,214, most of which were allocated to the two designated funds: Jean Milligan Memorial Fund (JMMF) and the Development Fund. Overall the results have benefited from a tightening up of budgeting processes; scrutinising value for money of contracts; ensuring that key events produced income to cover the costs of the Education and Training programme and using technology more for meetings and communications to save money. There has been no impact from the increase in membership fees last year, this will benefit 2017.

Detailed Statement of Financial Activities for the year ended 31 March 2016, with Unincorporated Association results for 2015

		2016	2016	2015	2015
INCOME - see Note 1		Detail £s	Totals £'s	Detail £s	Totals £'s
Donations and legacies			48,214		34,718
Other trading activities			3,649		5,188
Investment income			23,326		24,819
			75,189		64,725
Charitable Activities:	Membership subscriptions		191,704		193,270
	Summer School	366,435		341,504	
	Winter School	75,848		67,997	
	Educational activities	19,138		24,720	
	Sales of CDs, music & books	83,810		109,745	
	<i>Sub-total Events, Education, Shop</i>	545,231	545,231	543,966	543,966
Information & dancing services:			24,142		18,878
Charitable Activities sub total			761,077		756,114
Total of all above Income from regular activities			836,266		820,839
Other Income	Transfer of Assets		1,067,778		0
	Revaluation of 12 Coates Crescent		563,470		0
	<i>Sub-total Other Income</i>		1,631,248		0
Total Income			2,467,514		820,839
		2016	2016	2015	2015
EXPENDITURE - see Note 2		Detail £s	Totals £'s	Detail £s	Totals £'s
Charitable Activities:	Summer School	281,307		242,243	
	Winter School	59,124		50,972	
	Sales of CDs, music & books	38,322		38,535	
	Educational events	27,441		31,829	
	<i>Sub-total Events, Education, Shop</i>	406,194	406,194	363,579	363,579
Information & dancing services:	Conference weekend & specials	35,672		23,431	
	Magazine and marketing	51,892		64,844	
	Website & Archives	15,398		6,977	
		102,962	102,962	95,252	95,252
Support Costs:					
Staff costs		191,197		230,591	
Property		20,939		24,846	
Equipment, software & support		10,464		32,938	
Accounting support		13,658		12,161	
Depeciation		19,912		15,476	
Miscellaneous expenses		47,772		60,786	
		303,942	303,942	376,798	376,798
Governance Costs:					
Legal and professional		3,222		16,672	
Audit		10,980		6,110	
Management Board & committee meetings		21,035		19,975	
		35,237	35,237	42,757	42,757
Raising Funds			2,703		0
Total Expenditure			851,038		878,386
INCOME - EXPENDITURE = Net Income before transfers			1,616,476		-57,547
Less Other Income			1,631,248		0
"Real" Deficit for the Year			-14,772		-57,547

Appendix 2 of the Full Accounts: The General Fund – our operating Income and Expenditure

The following pie charts show the proportions of income and expenditure within the General Fund arising from our regular activities this year. We also indicate how our central costs (staffing, utilities, and other head office costs) are allocated as overheads to the main activities we run such as events, exams and the shop.



We will continue to work to bring the Society's annual operating income and expenditure into a regular positive balance to deal with the Society's continued 'asset rich and income poor' status at present.

The Jean Milligan Memorial Fund and Development Fund

These funds have both had income, from donations and legacies, and expenditure over the year. From the JMMF, 24 scholarships have been awarded to people in 6 different countries, to attend Spring Fling (11 people) and Summer School (7 adults and 6 young people) including one through the Duckett grant. JMMF also supported these other initiatives during this financial year (Western Australia weekend school, the Tartan Day Tattoo's video, Atlanta Branch Examiner's Tour, Le Meandre Reel Club's youth visit to Scotland and the Sydney Winter School Kiama ceilidh).

The Development Fund has supported the following three initiatives during the financial year: the filming of all the Book 49 videos, filming of Unit 2 dances and the production of the CD with DuK who were the winners of the "Dance Music for the Future" competition.

The following table shows the income and expenditure for these two funds

Fund	Transfer of assets from Unincorp'd association	Income in 2015-16	Expenditure in 2015-16	Transfers	Investment Gains/ (Losses)	Closing Balance at 31 March 2016
JMMF	£190,426	8,522	(£12,363)	(£3,230)	(£6,551)	£176,804
Development	£232,384	27,367	(£16,030)	£6,000	-	£249,721