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The Royal Scottish Country Dance Society

Trustees' report and financial statements for the year ended 31 March 2017

Scottish Charity Number: SC016085
Company number: SC480530



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Reference and administrative details

Charity name: The Royal Scottish Country Dance Society
Scottish Charity registration number: SC016085
Company limited by guarantee: SC480530

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 to 31 March 2017 through to the Annual General Meeting scheduled for 4 November 2017 in Perth.

Helen Russell	Chairman	Chairman Elect to 5 November 2016
Andrew Kellett	Chairman Elect	appointed 5 November 2016
Anselm Lingnau	Convenor, Membership Services C'ttee	
Malcolm Brown	Convenor, Education & Training C'ttee	appointed 5 November 2016
Anne McArthur	Convenor, Youth Services C'ttee	
William Cant	Treasurer	
Richard Austin		
Tom Halpenny		
Bernie Hewitt		
Isobel McMillan		
Paul Plummer		
James Healy	Chairman	resigned 5 November 2016
Sue Porter	Convenor, Education & Training C'ttee	resigned 5 November 2016
Elizabeth Harry		resigned 5 November 2016
Clive Warren-Smith		appointed 5 November 2016
Trevor Clarke		appointed 5 November 2016

Executive Management

Gillian Wilson	Secretary (Executive Officer)	resigned 31 March 2017
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Advisors

The Society's principal professional advisors are:

Accountants	Henderson Loggie	34 Melville Street, Edinburgh EH3 7HA
Auditors	Alexander Sloan	50 Melville Street, Edinburgh EH3 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

Trustees' report

STRUCTURE, GOVERNANCE AND MANAGEMENT

Historical information

The Society was formed in 1923 as the Scottish Country Dance Society, becoming The Royal Scottish Country Dance Society in 1951. The Royal Scottish Country Dance Society was, until 1 April 2015, an unincorporated association, recognised as a Scottish Charity (SC016085) since 1969. The Net Assets of the unincorporated association were transferred to the charitable company, The Royal Scottish Country Dance Society (company number SC480530) on 1 April 2015 and the Society has operated as a charitable company from that date.

Governance structure

The Society is governed in accordance with relevant UK laws and regulations, including those specifically applicable to Scottish charities; and in further order of precedence:-

- the charitable company's Articles of Association;
- motions passed by the Society in General Meeting;
- decisions made by the Management Board (hereinafter referred to as the Board).

The Board is the governing body of the Society and meets at least four times per year. Management of the Society's operations and staff is delegated to the Secretary/Executive Officer, who is a full-time employee but not a Trustee. The Secretary has defined executive responsibilities and reports to the Board.

Appointment of Trustees

Elections are held annually by the Society in General Meeting. Only Society members aged 18 or over can be elected to the Board and, when elected, automatically become Trustees. The Chairman Elect is elected for two years then confirmed as Chairman for two years. Management Committee Convenors and up to twelve ordinary members of the Board are elected for three years.

On 31 March 2017 there were seven ordinary current members of the Board. All Trustee positions are voluntary and unpaid, as are all positions on the Management Committees, working groups and panels.

Society membership

The Society is based in Scotland with a single office in Edinburgh and a worldwide membership. Members form autonomous Local Associations traditionally named Branches, which link to the Society by a licence agreement. Many UK Branches are registered charities. Individual membership is available; these members traditionally are known as HQ members. Membership is open to all persons aged 12 years and over with an interest in the Society's objectives.

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

Description	2017	2016	2015	2014	2013
Branch members	11,334	11,463	11,818	12,269	12,355
HQ members	287	292	301	818	745
Total members	11,621	11,755	12,119	13,087	13,100
Branches/Local Associations	158	161	159	165	164
Affiliated Groups	314	317	316	323	335
Teachers' Associations	3	3	3	3	3

Trustees' report *(continued)*

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Society membership *(continued)*

Description	2017	2016	2015	2014	2013
Annual adult members	10,539	10,688	10,976	11,460	11,441
Annual joint members % of above	30%	30%	30%	27%	30%
Young adult (18-24)	107	86	95	98	116
Youth (12-17)	60	59	56	48	43
Half-year adults	126	107	96	178	198
Total paying members	10,832	10,940	11,223	11,784	11,798
Life members	789	815	896	1303	1,302
Total members	11,621	11,755	12,119	13,087	13,100

There has been a drop in total membership of 134 (364 in 2015-16) in the current membership year.

Committee structure

Convenors, Convenors Elect (elected at the beginning of the final year of each Convenor's tenure) and Committee members are elected by the Society in General Meeting. The Society Chairman and Chairman Elect can attend and participate in any Committee or other meeting, but have no voting rights.

On 1 April 2016, three Committees advised and implemented policies as delegated to them by the Board, with each Convenor sitting as a member of the Board.

The Committees and their responsibilities are:

Education and Training Committee

Remit: to advise the Board on matters concerning the standards and performance of Society dances, examinations and tests; implementing policy on education and training, including organising Scottish country dancing schools; running examinations for future teachers of Scottish country dancing (herein after referred to as SCD) and administering medal tests for children and young people (herein after referred to as CYP). The Committee currently comprises a Convenor, eight ordinary members and the Schools Director, who is appointed by the Board.

Membership Services Committee

Remit: to develop and update instructional literature and other relevant material pertinent to the interests of the Society; conducting and disseminating research in furtherance of the Society's objectives; and dealing with matters relating to members, Branches and Affiliated groups. The Committee currently comprises a Convenor, six ordinary members and the Music Director appointed by the Board.

Youth Services Committee

Remit: to advise the Board on policies and strategies to engage CYP with SCD and music worldwide; researching, developing and evaluating the impact of activities and services for CYP; supporting and promoting continuing professional development training and activities for teaching CYP and developing SCD and music within a contemporary Arts environment. The Committee currently comprises a Convenor and six ordinary members.

Trustees' report *(continued)*

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Panels and Working Groups

Finance and Governance Advisory Panel

Remit: to meet on at least two occasions each year to support and monitor the processes for internal and external audit and to scrutinise organisational plans and arrangements for good corporate governance (in particular risk management) along with the annual budget and financial audit. The Group currently comprises the Treasurer (Management Board member) and four members approved by the Board.

Several other Panels and Working Groups, as required by the Board, meet regularly to plan and provide advice on a range of issues. Two new panels this year are the Ceilidh working group which is working to provide a range of events and materials to enable the wider public to have access to Scottish traditional music and dance and the AGM working group, which is aiming to provide a greater range of activities at the annual Conference weekend.

OBJECTIVES AND ACTIVITIES

The principal objective of the Society is to promote and develop Scottish country dancing worldwide for the benefit of present and future generations.

The Society aims to achieve its objectives by:-

- Promoting and encouraging Scottish country dancing for all ages and abilities;
- Providing technical support to Scottish country dancing by maintaining high standards of teaching, training musicians and publishing explanatory documentation;
- Supporting and widening the network of RSCDS Branches and other Scottish dance groups.

During the year the Management Board, Committee members and Staff and a working group had several strategy sessions to decide how to implement the Strategic Aims of the Society to enable the development of a new Business Plan for the period 2017 – 2020. The following were shared and agreed with members at the AGM and Conference Weekend on 7 November 2015, with an update on progress on determining sub-aims and objectives presented to the AGM on 5 November 2016:

Mission: To grow a vibrant worldwide community of Scottish Dance and Music through the following **Strategic Aims 2017 – 2020:**

1. To promote Scottish Country Dance and related dance forms as inclusive and exciting activities;
2. To build the number, capacity and networking of branches and other dance groups who share our Aims, to help them grow and deliver SCD activity;
3. To maintain and develop high standards of teaching of Scottish Country Dance and music, including the development of dance and music for all ages and abilities;
4. To enable enjoyable and high quality Scottish Country Dance opportunities for all ages and abilities worldwide;
5. To strengthen and improve the RSCDS, including its governance and long term financial viability, to enable it to deliver on the above Aims.

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR

Alongside the work progressed by Staff, Committees and Working Groups as outlined in the sections below, in 2016 – 17, development continues in communications to members and others, particularly through increased use of electronic and social media.

Trustees' report *(continued)*

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR *(continued)*

Schools and other events

The Society organises annual schools and other events for the benefit of Society members and the general public. During the past year, the main events held were:

- Summer School 2016 - four weeks in St Andrews, with 633 dancers, 26 were 13 – 18 year olds, 23 on the music course and 12 in Junior Summer School attending for the first time;
- The Conference Weekend 2016 - three day (long weekend) event in Perth, Scotland, with 64 attending the biennial Teachers' Conference, and 483 attending the Saturday night ball (461 in 2015);
- Winter School 2017 – a five day event in Pitlochry, with 167 participants, 32% attending for the first time (130 participants in 2016);
- Spring Fling 2017 – in Bonn, with 150 participants, (91 in Edinburgh in 2016);
- In collaboration with the Celtic Connections Festival, the RSCDS organised a ceilidh open to the general public in January 2017;
- Our patron, Queen Elizabeth II, celebrated her 90th birthday in 2016. The RSCDS was represented at the Patron's Lunch and Parade in London in June 2016.

Teachers, training opportunities and further developments

Examinations

Candidates were examined worldwide including in the UK, at Summer School, in North America, New Zealand and Japan with 66 Unit 1, 27 Unit 2, 25 Unit 3, 24 Unit 4 and 29 Unit 5.

Continuing Professional Development (CPD) for school teachers

CPD courses continue to be delivered to enable school teachers to introduce SCD to their pupils at primary level through the 'Jigs and Reels' pack. A multi-media pack for secondary age pupils, called 'Dance Trad' is also available for use in secondary schools.

Teacher Training and Basic Teaching skills

The (non-examined) *Basic SCD Teaching Skills* course remains popular with dancers who, on occasion, may be called upon to teach but do not wish to sit RSCDS teaching exams. The existing Teacher Training process is being reviewed and a Basic Teaching Qualification (BTQ) is being developed.

Medal Tests and the Dancing Achievement Award (DAA)

Over the year, 313 children (2016: 255) sat *Medal Tests*; ranging from Introductory to Grade 5. Five teachers successfully undertook the Medal Test Assessor Course in a training session in the UK.

The *Dancing Achievement Award*, which includes 3 levels of accreditation, can be entered at any level and may be of interest as a staging post to dancers considering Teaching Certificate training courses. This year 70 people have achieved this award (48 at Intermediate level and 22 at Advanced level). Candidates were assessed in London, Cape Town, Pretoria Toronto and Sydney.

Children and Young People (12 – 35 years)

Junior Summer School was a new venture in 2016. Twelve children between the ages of 8 and 12 applied for the school and nine took up their place. They came from England, Germany, France and Italy. The children danced, as after all it was a dance school but they also had craft sessions. All the children undertook the introductory medal test at the end of their week's tuition. They also performed at the Friday night ceilidh.

Spring Fling is now an established annual event for young people. Spring Fling 2017 was held in Bonn, Germany. It was organised by a local committee under the auspices of the Youth Services Committee. It was the largest gathering of Young People at Spring Fling to date with 150 participants from all over the world enjoying dance workshops and participating in mass dancing. More than dancing, it was an opportunity for fun, making friendships and sharing ideas.

Trustees' report *(continued)*

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR *(continued)*

Teachers, training opportunities and further developments *(continued)*

Universities and Colleges are important in attracting new dancers, and the RSCDS gave funding support to the *Scottish Universities Scottish Country Dance Festival* and the annual *Inter Varsity Folk Dance Festival*. A workshop for young people was run in Newcastle in October 2016.

Global Youth Week was in its second year. The purpose of the project is to attract young people around the world to Scottish country dance. This year there were two aspects to the project. There were three development grants each worth £500 available. There were seven applications and the awards went to Central Germany to set up an annual weekend for young people, to Glasgow to assist in the training of students as Scottish country dance teachers, and to the Borders to develop work in schools. There was a Facebook competition for the most likes to a picture of an activity during Global Youth Week. A Youth Workshop was run in London in January 2017.

Children in Need

The RSCDS Youth Services committee produced a dance, called Pudsey Bear, written by young dancers with a tune composed by our Music Director. The dance instructions and a recording of the music were freely available on the website, and stickers designed in-house were distributed to schools, clubs and branches involved in Children in Need fundraising events.

Schools

There continues to be a focus on work in Scottish schools. It was decided to conduct some research to find out the areas in Scotland where there is a strong tradition of Scottish country dancing. This is work in progress.

There are appropriate multimedia resources for schools – *Jigs and Reels* and *Dance Trad*. There continues to be promotion of the materials and sales. The Accreditation Scheme is established in some schools and requires further promotion.

Publications and Recordings

The Society continues to publish and sell dance instructions, sheet and recorded music and books on the history of Scottish dance for the benefit of members and the general public, to keep Scottish music and dance traditions alive for use in a variety of settings and to preserve them for future generations.

New products on sale at Summer School 2016 included: *Book 50* and its CD; *Originally Ours* volume 2; a CD of *Dances from the Miscellany part 5*. A joint project undertaken with Teachers' Association Canada produced a set of teaching notes for use with the *Miscellany* dances. Audio files for the pronunciation of the dance titles have also been completed and will be available on the website. Newly available on the website, in electronic versions are: a (PDF) of *Book 48*, *Combined Book 25-30* and the *Third Graded Book*. The *DuK* CD and music for the *Miscellany* parts 4, 5 and *Book 50* were made available to download in 2016. Most of our *Book 1-50* CDs are now available online.

Current and future projects include *Book 51* and its CD which will be launched at Summer School 2017. Work has also progressed in securing submissions and trialling dances for *Book 52*.

In conjunction with Harper Collins, a new book of popular ceilidh and country dances, '*Little Book of Scottish Dance*' has been produced and will be available soon.

Many processes pertaining to dance evaluation and book production have been automated, saving a considerable amount of time for committee members and HQ staff. It is expected that a new book of dances will be produced each year for the next two years to generate a steady income stream. Plans are also currently being developed to produce videos of all the RSCDS book dance collection as visual material has proved to be very popular on the website and YouTube.

Trustees' report *(continued)*

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR *(continued)*

Music

The Society is indebted to the many musicians worldwide who play for classes and dances, and would like to encourage a new generation of musicians into SCD. To this end, it again sponsored a trophy at the *National Accordion and Fiddle Club Festival* for the winner of a class playing in the strict tempo SCD style, along with the Instrumentalist of the Year Award, presented at the annual MG Alba Scots Trad Music Awards *Hands Up for Trad* event.

Communications

The bi-annual magazine is delivered directly to members as part of their subscription and back issues can be viewed online; *Scottish Country Dancer* is interspersed with ezines to ensure members are kept up to date.

Direct contact with members remains high on the agenda for the Management Board; the Chairman, Chairman Elect and Board Members attended many functions throughout the year both in the UK and overseas. Each Branch is informed of a named Board Member they can contact with ideas or queries.

Each year, at least eight "Mailings" are sent to Branches, mostly electronically, with all documents available on the website for Branches and members to view. HQ members receive one mailing a year and Affiliated Groups receive a minimum of two.

The Website

A website working group has been reviewing the structure and content of the current website to enable the general public to have better access to information promoting SCD and the RSCDS, thus encouraging new members. The staff have been consulted about the requirements for electronic events management, shop sales, database management and other functions necessary for running the organisation.

Marketing and promotion

Marketing has a central role in Society activities. The *RSCDS Health Strategy Pack* is about to be reviewed and remains in demand by Branches and Affiliated Groups undertaking member recruitment and retention activities.

In 2016-17 broadcast media on Scottish country dancing and the RSCDS focused largely on the work of the Society in schools and with young people with coverage secured in a number of print media, Radio Scotland and online news feeds. Social media reach has continued to grow strongly as a powerful communications and marketing tool for the Society. RSCDS Facebook "likes" have increased from 3,561 to 3,795, Twitter "followers" have increased from 699 to 866 and Instagram, Pinterest and YouTube (now with 171 subscribers) have continued to expand our reach, resulting in over 277,403 (199,000 in 2015-16) YouTube views collectively – a significant proportion of which were from viewings of Book 50 dance videos. For the first time the AGM (November 2016) was broadcast to members via live streaming on the web.

Coates Crescent

Maintenance work has been undertaken in HQ and a 10 year building maintenance plan is now being used to monitor and plan for future maintenance and repair work. Work has begun on exploring what would be required to enable renting out of parts of the premises on a temporary and/or a semi-permanent basis.

Risk Management

The Risk Management Plan detailing the main risks to the Society, existing controls and plans for managing remaining risk, was reviewed satisfactorily (as is done annually) by the Board in May 2016. The key risks identified include:

- The continued decrease in membership from year to year (324 last year 134 this year) which has an impact on the long term sustainability of the Society;
- The need to ensure recruitment of members with the relevant experience and skills to sit on committees and ensure smooth succession and sound governance of the Society;
- The appointment and retention of paid staff with the relevant skills to run the organisation;
- Ensuring stronger relationships are built with Branches to improve the growth of the Society.

Trustees' report *(continued)*

ACHIEVEMENTS AND PERFORMANCE DURING THE YEAR *(continued)*

Risk management *(continued)*

In response to these risks, the Society is engaging more with young people, ensuring we update and distribute advice to Branches to help with membership recruitment and retention and reviewing the skills sets and training needs of both paid staff and volunteers.

Governance

Key Management Personnel

The Trustees consider the Board and senior management team as the Key Management Personnel (KMP) with regard to directing, controlling and running the charity's daily activities. Details of the total remuneration paid to the KMP: Gillian Wilson (Executive Officer – resigned 31 March 2017) and Sandra Parish (Finance and Office Manager) are disclosed in Note 12.1 to the accounts. The salaries of the KMP are reviewed by the Board annually. The Trustees serve voluntarily. No Trustee remuneration was paid during the year. Details of Trustees' expenses and related party transactions are disclosed in Note 13 to the accounts.

Trustee Activities

Each year, on election, new Trustees receive an Induction Pack containing essential information for the effective performance of their role and responsibilities. In addition, a training event is organised for Trustees and Committee members. In January 2017, this was held in Edinburgh and focused on Strategic Aims for the Business Plan 2017-20 for the Society. The RSCDS Equal Opportunities Policy was reviewed and updated in 2016 and a new Pay Review Procedure was created in 2017. Savings have been made in governance costs by reducing the number of Management Board meetings and making greater use of video conferencing. The Society is most grateful for the gift from the Patron's Fund, which enabled the purchase of improved equipment for holding remote meetings.

Legal status

On 1st April 2015, the Society changed its legal form from that of an "association of members" to that of a "company limited by guarantee" with company number SC480530. Working with all our external advisors, best practice was followed in managing this change. The Society name, patron, registered office, charity number and objectives remain the same. The Society is now subject to UK company law as well as Scottish charity law. Each Branch is obliged to appoint at least two Delegates, who become company law members entitled to call for, attend and vote at General Meetings. Delegates guarantee the Society up to a maximum amount of one pound sterling. All members of the Board, whether elected or appointed, are now both charity Trustees and company Directors. The Society's mode of operation and activities remain unchanged.

PLANS FOR THE FUTURE

During 2016 and early 2017 the Management Board met several times to discuss future strategy and priorities for the period 2017-20. The business plan is now complete, with smart targets in place for the aims in each of the five categories. Financial procedures have been strengthened over the past year and will be reviewed and maintained in the coming years. Recruitment of a new Executive Officer is a priority in the next few months. Future efforts will concentrate on communicating to the wider public and our members the range of activities and training we offer and on supporting dancers and Branches to grow and develop. Work continues to review our teacher training courses, to encourage people of all ages to dance, to engage with more schools and to have a presence at local festivals and community events. By strengthening our online presence, we aim to reach as diverse an audience as possible and to inform them of the opportunities SCD can offer them.

Trustees' report *(continued)*

FINANCIAL REVIEW for the year 1 April 2016 to 31 March 2017

At 31 March 2017, the Society's net worth of £1,736,651 (2016: £1,582,750) was represented by the undernoted Funds:

Fund	31 March 2017	31 March 2016
General Fund	644,830	494,515
Jean Milligan Memorial Fund	193,723	176,804
Development Fund	254,392	249,721
Designated Assets Fund	632,077	650,813
Restricted Funds	11,629	10,897
Total net worth	£1,736,651	£1,582,750

The value of these funds is supported by the value of the Society's holdings of investments, property, (12 Coates Crescent) and cash at hand and on deposit at banks, all shown in the Balance Sheet.

Results for the year

The results for the year ended 31 March 2017 are that, as indicated within the Statement of Financial Activities on page 14, the Society reported a surplus of £28,671 (2016: deficit of £14,772 after adjusting for the conversion to a company limited by guarantee) before unrealised gains on investments of £125,230 (2016: losses £33,726). This year's result, which reflects an improvement over the two previous periods, excluding the restructuring impact, is reassuring but there is still much to do to ensure the future of the Society.

The Management Board continues to be engaged in a Business Planning process to strengthen the long term finances of the Society. In the meantime, the finances have benefited from an active period of review of expenditure and strengthened budgeting begun in 2015-16. This has reduced costs and has begun to identify new sources of income. The advantage of having substantial funds is that such a review can be undertaken carefully without the immediate need to make changes.

The Society's main source of income is the annual subscription. The £2 increase in the single adult membership fee, and commensurate increases in other membership categories, took effect for the period 1 July 2016-17. This fee increase, combined with a more rigorous follow-up process, has resulted in a 10.5% increase in subscriptions received for the year, £211,850 (2016 £191,704). Actual membership numbers (July to June) shown elsewhere in this report are a more reliable indicator of the membership trends. We are always very appreciative to receive donations and legacies. The totals of those received during the period are shown, allocated to the appropriate fund.

Investment income was higher at £32,800 (2016: £23,326) which reflected the good overall performance from the Society's portfolio with Standard Life Investments with income increasing by 29% over the period. The income also benefited from the timing of some income payments. Cash on deposit, which is significant, reflecting the Society's irregular cash flow, continues to earn an insignificant return.

Contributions

The Society runs events and activities, which require substantial administrative effort (staff time) and other resources (website/database/accounting). A continually reviewed and refined cost allocation scheme has been used and the non-statutory Appendices attached to this Report and Accounts have been modified to reflect this and give some indication of the relative contributions from various activities. This approach has been developed over the last few years and has allowed the Management Board to identify areas where improved returns are required. These schedules are attached as appendices 1 to 3 on pages 33 to 35.

The contribution of Summer School, after allocated costs was positive, up from the previous year with the slightly reduced numbers attending being offset by rigorous cost control. Winter School saw an increase in numbers and income giving an improved result.

Revenue from the sale of books, CDs and other products was £79,512 which was slightly down on last year (£83,810) but ahead of our budget, reflecting increasing downloading of music rather than the purchase of physical CD's.

Trustees' report *(continued)*

FINANCIAL REVIEW for the year 1 April 2016 to 31 March 2017 *(continued)*

Operating costs

Income generated over the Conference weekend increased while costs were reduced. The efforts to manage the costs of the magazine have continued and the costs have been reduced again. A further initiative of offering an optional "pdf" version of the magazine, to reduce printing and postage costs, is being investigated.

The main operating cost is employee salaries and benefits. This shows an increase over the previous period as we had a full complement of staff over the year, compared to the previous year. Property costs have increased as a schedule to maintain the offices was introduced. The cost of accounting support has fallen as more work has been able to be undertaken inhouse. Governance costs are broadly similar to the previous year with savings on legal and audit fees being offset by modest increases elsewhere.

Investment Policy and Returns

The bulk of the Society's investments continue to be managed by Standard Life Wealth and they have performed well, broadly in line with markets, giving a return of 19% over the year. These investments are held in the SLW (Offshore) Income Fund on our behalf by Standard Life Wealth. The risk profile is medium high, as a result of its weighting in equities, and this has supported the good level of both income and capital appreciation. Quarterly reports are received measuring performance against a series of benchmarks. These reports are summarised and are reviewed by the Management Board quarterly and by FGAP at each meeting. The General Fund also has an investment in Personal Assets Trust, a publicly-quoted, Edinburgh-based Investment Trust. This holding has a lower exposure to equities and provides a useful protection of the Society's capital.

Reserves Policy

The Reserves Policy was regularly reviewed to clarify our position on unrestricted and designated reserves. Unrestricted reserves of at least 6 months are to be held to fully cover contractual commitments of RSCDS, including staff costs and other contracted costs with suppliers plus the costs of paying for the annual Summer School at St Andrews. For the end of year results for this financial year, we have met this required target of reserves which would be the equivalent of £500,200. The Trustees consider it prudent to also set a minimum reserve in the designated fund, of £100,000 in the JMMF Fund and £100,000 in the Development Fund, to ensure that the Society can invest these sums to generate income for the Society and to ensure the long-term ability to deliver on the aims of these designated funds. The Board has concluded that the current level of reserves, taking account of planned expenditure, meet with the reviewed policy both in the unrestricted and designated funds.

Conclusion

The nature of the Society's operations means that a modest increase or decrease in Summer School, Winter School, or AGM numbers can have a disproportionate impact on the year end outcome. The surplus of £28,671 is reassuring, reflecting a determined effort by the Management Board and staff during the period and continuing work is required to ensure a consistent surplus.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period.

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In preparing financial statements giving a true and fair view, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 operation.

Trustees' report *(continued)*

STATEMENT OF TRUSTEES' RESPONSIBILITIES *(continued)*

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware, and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

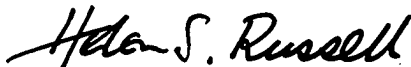
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

Alexander Sloan, Chartered Accountants, are the auditors to the charity and a resolution proposing their reappointment will be put to the Annual General Meeting on 4 November 2017.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was formally approved by the Trustees on 1 July 2017 and signed on their behalf by:



H Russell
Trustee/Chairman

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 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related Notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2017 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
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

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
Chartered Accountants and
Statutory Auditor**

**50 Melville Street
Edinburgh
EH3 7HF**

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

24 July 2017

**Statement of financial activities
for the year ended 31 March 2017**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Fund	Total 2017 £	Unrestricted Funds £	Designated Funds £	Restricted Fund £	Total 2016 £
Income									
Donations and legacies	2	4,274	11,617	-	15,891	1,439	30,875	15,900	48,214
Other trading activities	3	2,481	-	-	2,481	3,649	-	-	3,649
Charitable activities	4	791,396	-	-	791,396	761,077	-	-	761,077
Investment income	5	27,382	5,286	132	32,800	18,211	5,014	101	23,326
Other income	6	-	-	-	-	515,294	1,090,305	25,649	1,631,248
Total income		825,533	16,903	132	842,568	1,299,670	1,126,194	41,650	2,467,514
Expenditure									
Raising funds	7	(3,882)	(931)	-	(4,813)	(2,180)	(523)	-	(2,703)
Charitable activities	8	(773,169)	(35,915)	-	(809,084)	(776,018)	(47,782)	(24,535)	(848,335)
Total expenditure		(777,051)	(36,846)	-	(813,897)	(778,198)	(48,305)	(24,535)	(851,038)
Net income before other recognised gains and losses		48,482	(19,943)	132	28,671	521,472	1,077,889	17,115	1,616,476
Net gain/(losses) on investments		101,833	22,797	600	125,230	(26,957)	(6,551)	(218)	(33,726)
Net income before transfers		150,315	2,854	732	153,901	494,515	1,071,338	16,897	1,582,750
Gross transfers between funds	22-24	-	-	-	-	-	6,000	(6,000)	-
Net movement in funds		150,315	2,854	732	153,901	494,515	1,077,338	10,897	1,582,750
Reconciliation of funds									
Total funds brought forward		494,515	1,077,338	10,897	1,582,750	-	-	-	-
Total funds carried forward		644,830	1,080,192	11,629	1,736,651	494,515	1,077,338	10,897	1,582,750

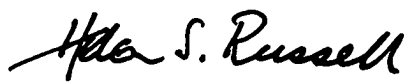
The notes on pages 17 to 31 form an integral part of these financial statements.


Balance sheet
as at 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	14		-		12,900
Tangible assets	15		632,077		637,913
Investments	16		916,106		795,688
			1,548,183		1,446,501
Current assets					
Stocks	17	32,543		34,424	
Debtors	18	20,595		38,050	
Cash in bank and at hand	19	569,965		425,043	
		623,103		497,517	
Creditors:					
amounts falling due within one year	20	(434,635)		(361,268)	
Net current assets			188,468		136,249
Total net assets			1,736,651		1,582,750
Funds					
<i>Unrestricted income funds:</i>					
General	22		644,830		494,515
Designated	23		1,080,192		1,077,338
<i>Restricted income funds</i>	24		11,629		10,897
Total Charity Funds			1,736,651		1,582,750

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved and authorised for issue by the Trustees on 1 July 2017 and signed on their behalf by:


H Russell
Chairman


WA Cant
Treasurer

The notes on pages 17 to 31 form an integral part of these financial statements

Cash flow statement
for the year ended 31 March 2017

	March 2017 £	March 2017 £	March 2016 £	March 2016 £
Cash flows from operating activities				
Net income		153,901		1,582,750
<i>Transfers of fixed assets on incorporation:</i>				
Intangible assets		-		(26,976)
Tangible assets		-		(643,749)
Investments		-		(832,117)
(Gains)/losses on investments		(125,230)		33,726
Amortisation of intangible assets		12,900		14,076
Depreciation charge		5,836		5,836
Investment income less investment management fees		(27,987)		(20,623)
Decrease/(increase) in stock		1,880		(34,424)
Decrease/(increase) in debtors		17,455		(38,050)
Increase in creditors		73,367		361,268
Cash provided by operating activities		112,122		401,717
Cash flows from investing activities				
Investment income received	32,800		23,326	
Net cash from investing activities		32,800		23,326
Increase in cash and cash equivalents in the year		144,922		425,043
Cash and cash equivalents at the beginning of the year		425,043		-
Total cash and cash equivalents at the end of the year		569,965		425,043
Cash and cash equivalents comprise:				
Cash at bank		569,965		425,043

Notes to the financial statements for the year ended 31 March 2017

1. Accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the charity's financial statements.

Charity status

In June 2014, the registered charity formed *The Royal Scottish Country Dance Society*, a company limited by guarantee which on 1 April 2015, acquired the activities, assets, liabilities and commitments of the previous unincorporated association of the same name.

The assets acquired by the charitable company include the office premises at 12 Coates Crescent, Edinburgh which were valued independently and transferred to the charitable company's ownership at that valuation.

Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or fair value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the 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 the Republic of Ireland, the Charities Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. This is the first year in which the financial statements have been prepared under FRS 102.

Disclosure of transition to FRS 102

The Royal Scottish Country Dance Society prepares its first financial statements that comply with FRS 102 for the year ended 31 March 2017. The date of transition to FRS 102 is 1 April 2015. The transition to FRS 102 has resulted in no change to accounting policies compared to those used previously.

The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the charitable company will continue in operational existence for the foreseeable future. Having considered the future operations of the charitable company, the Trustees consider that the going concern basis is appropriate for the preparation of these financial statements.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. No restatements were required.

Income

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

Donations are recognised when the charity has evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Entitlement usually arises immediately upon receipt, however, 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.

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

1. Accounting policies *(continued)*

Income *(continued)*

Legacy gifts must be recognised when it is probable that it will be received. This is normally following the granting confirmation, when the administrator/executor of the estate has communicated in writing both the amount and settlement date and any conditions attached to the legacy are either within the control of the charity or have been met. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Income from government and other grants, whether 'capital' or 'revenue' in nature, are recognised when the charity has unconditional entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Unconditional entitlement will be achieved once any performance or other conditions attached to the grants have been met, or fulfilment of those conditions is wholly within the control of the charity. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the Balance Sheet as deferred income to be released.

Income tax recoverable on Gift Aid donations is recognised when the respective donation has been recognised and the recoverable amount of income tax can be measured reliably; this is normally when the donor has completed the relevant Gift Aid declaration form. Income tax recoverable on Gift Aid donations is allocated to the same fund as the respective donation unless specified by the donor.

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

Income from other trading activities includes income earned from both trading activities to raise funds for the charity and income from fundraising events and is recognised when the charity has entitlement to the funds, it is probable that these will be received and the amounts can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

~~Dividends are recognised when the shareholder's right to receive payment is established, measured at the fair value receivable. Generally, this is upon notification by the investment advisor once the dividend has been declared.~~

Other income represents income that cannot be reported under the other analysis headings provided within the Statement of Financial Activities and is recognised when the charity is entitled to the income, it is probable that it will be received and the amount can be measured reliably by the charity.

Expenditure

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 or estimated reliably.

Notes to the financial statements *(continued)* **for the year ended 31 March 2017**

1. Accounting policies *(continued)*

Expenditure *(continued)*

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies and investment management costs.

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities and is recognised when it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Support costs are incurred supporting the charity's activities and include expenditure associated with administrative and finance functions, business support, HR, IT and governance. These support functions are shared across the charity's activities and are apportioned across those activities in order to arrive at the full cost for each reported activity. The method of apportionment adopted by the charity are outlined in the notes to the financial statements.

Governance costs (which are included as a component of support costs in accordance with the SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

The charity is partially exempt for VAT. A separate expenditure category is included for any VAT which cannot be fully recovered.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Intangible assets

Intangible assets are initially measured at cost and amortised over their useful economic life, which is considered to be three years. The useful economic life of intangible assets is reviewed annually.

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

1. Accounting policies *(continued)*

Tangible fixed assets

Tangible fixed assets, other than property, are measured initially at cost. Property is revalued periodically. The charity has a policy of capitalising individual assets costing more than £1,000. Depreciation is provided at the following rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment - 33% straight line
Land and buildings are not depreciated

The charity's building is not depreciated as it is deemed to have a useful life in excess of 50 years and an estimated residual value which would make any depreciation charged immaterial. The Trustees have assessed the appropriateness of the estimate residual value at the year end and believe that the net book value does not exceed the recoverable amounts of the building.

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market value. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Stock

Stock is valued at the lower of cost and estimated net realisable value. Provision is made for slow-moving stock where year-end stock quantities are in excess of three times sales made in the last full year.

Debtors

Debtors are measured at their recoverable amounts, being the amount the charity anticipates it will receive in settlement of the debt (net of any discounts offered and provision against bad debt). Prepayments are valued at the amount prepaid at the reporting date.

Cash and Cash equivalents

Cash at bank and in hand includes all cash equivalents held in the form of 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.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of economic benefit - generally in the form of a cash payment - to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due. If there is an unconditional right to defer payment for more than 12 months from reporting date then they are presented as non-current liabilities.

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

1. Accounting policies *(continued)*

Fund accounting

Funds are classified as either Restricted Funds or Unrestricted Funds, defined as follows:

Restricted Funds are funds subject to specific requirements as to their use which may be declared by the donor or with their authority or created through legal processes, but still within the wider objects of the charity.

Unrestricted Funds are expendable at the discretion of the Trustees in furtherance of the objects of the charity. If parts of the Unrestricted Funds are earmarked at the discretion of the Trustees for a particular purpose, they are designated as a separate fund. This designation has an administrative purpose only and does not legally restrict the Trustees' discretion to apply the fund.

Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

Operating lease

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

2. Donations and legacies

	Unrestricted £	Designated £	Restricted £	Total 2017 £	Total 2016 £
Donations	2,774	415	-	3,189	29,670
Legacies	1,500	11,202	-	12,702	18,544
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	4,274	11,617	-	15,891	48,214
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

3. Other trading activities

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Advertising	2,481	-	-	2,481	3,649
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Notes to the financial statements *(continued)*
for the year ended 31 March 2017

4. Income from charitable activities

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Subscriptions					
Membership subscriptions	211,850	-	-	211,850	191,704
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Generated income					
<i>Educational events and activities</i>					
Summer School	352,556	-	-	352,556	366,435
Winter School	104,118	-	-	104,118	75,848
Spring Fling	10,580	-	-	10,580	8,497
Examinations and training	4,173	-	-	4,173	7,602
Medal tests	4,107	-	-	4,107	3,039
Sales of CDs, music and books	79,512	-	-	79,512	83,810
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	555,046	-	-	555,046	545,231
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Information and dancing services</i>					
Conference weekend	19,915	-	-	19,915	17,634
Special events	4,585	-	-	4,585	6,508
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	24,500	-	-	24,500	24,142
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	791,396	-	-	791,396	761,077
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

5. Investments

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Income from listed investments	24,906	5,283	132	30,321	20,778
Interest received	892	3	-	895	996
Royalties and commission	1,584	-	-	1,584	1,552
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	27,382	5,286	132	32,800	23,326
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

6. Other income

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Transfer of net assets from unincorporated association	-	-	-	-	1,067,778
Increase in fair value of property	-	-	-	-	563,470
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	-	-	-	-	1,631,248
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

7. Raising funds

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Investment management costs	3,882	931	-	4,813	2,703
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

8. Expenditure on charitable activities

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Activities undertaken directly					
<i>Educational events and activities</i>					
Summer School	236,256	7,830	-	244,086	281,307
Winter School	69,134	-	-	69,134	59,124
Spring Fling	7,583	-	-	7,583	9,824
Examinations and training	5,797	-	-	5,797	9,456
Medal tests	3,713	-	-	3,713	2,588
Cost of sales of CDs, music and books	37,902	-	-	37,902	38,322
Royalties and commission	5,428	-	-	5,428	5,573
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	365,813	7,830	-	373,643	406,194
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>Information and dancing services</i>					
Conference weekend	11,193	-	-	11,193	15,616
Special events	2,330	8,667	-	10,997	20,056
Magazine	31,317	-	-	31,317	33,991
Marketing consultancy	11,841	-	-	11,841	13,804
Publicity	2,474	-	-	2,474	4,097
Website	2,550	-	-	2,550	4,080
Archives	1,945	682	-	2,627	11,318
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	63,650	9,349	-	72,999	102,962
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

8. Expenditure on charitable activities *(continued)*

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Support costs					
Staff costs	191,241	-	-	191,241	191,197
Property	22,631	-	-	22,631	20,939
Insurance	5,937	-	-	5,937	5,897
Printing and stationery	7,193	-	-	7,193	9,743
Postage and telephone	10,605	-	-	10,605	11,591
Equipment, software and support	15,906	-	-	15,906	10,464
Accounting support	8,723	-	-	8,723	13,658
Depreciation	-	18,736	-	18,736	19,912
Banking charges	10,641	-	-	10,641	11,898
Irrecoverable VAT (on office overheads)	37,032	-	-	37,032	8,643
<i>Governance costs:</i>					
Legal fees	749	-	-	749	2,427
Trustee indemnity insurance	821	-	-	821	795
Auditor's remuneration	8,060	-	-	8,060	10,980
Management Board and Committee meetings	21,641	-	-	21,641	21,035
Regional forum expenses	2,526	-	-	2,526	-
	343,706	18,736	-	362,442	339,179
Total expenditure on charitable activities	773,169	35,915	-	809,084	848,335

9. Net income for the year

	2017 £	2016 £
<i>Net income is stated after charging:</i>		
Depreciation and other amounts written off tangible assets	5,836	5,836
Depreciation and other amounts written off intangible assets	12,900	14,076
Auditor's remuneration:		
Audit fee	8,060	10,980
Accountancy services	3,130	13,658

Notes to the financial statements (continued)
for the year ended 31 March 2017

10. Analysis of charitable expenditure by activity

Activity	Activities undertaken directly £	Support costs £	2017 Total £	2016 Total £
Education events and activities	373,643	253,709	627,352	643,619
Information and dancing	72,999	108,733	181,732	204,716
	<u>446,642</u>	<u>362,442</u>	<u>809,084</u>	<u>848,335</u>

11. Analysis of support costs by charitable activity

Activity or programme	Staff £	Premises £	Office overheads £	Depreciation £	Governance £	2017 Total £	2016 Total £
Educational activities (70%)	133,869	19,998	63,070	13,114	23,658	253,709	237,425
Information and dancing (30%)	57,372	8,570	27,030	5,622	10,139	108,733	101,754
	<u>191,241</u>	<u>28,568</u>	<u>90,100</u>	<u>18,736</u>	<u>33,797</u>	<u>362,442</u>	<u>339,179</u>

Support costs are allocated to educational activities and information and dancing services on the basis of staff time spent on each activity.

12. Employee information

12.1 Employees

	2017 Number	2016 Number
<i>Number of employees</i>		
The average monthly number of employees (based on head count) during the year were:		
Support staff	<u>8</u>	<u>8</u>
	2017 £	2016 £
Employment costs		
Wages and salaries	169,437	174,225
Social security costs	11,369	13,036
Pension costs	8,159	2,608
Recruitment	1,860	1,328
Temporary staff	416	-
	<u>191,241</u>	<u>191,197</u>

There were no employees who received remuneration of over £60,000 in the period.

The Key Management Personnel comprise the Trustees, the Executive Officer and the Finance and Office Manager. The total employee benefits of the key management personnel were £69,048 (2016: £46,143).

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

12. Employee information *(continued)*

- 12.2** The charity operates a defined contribution pension scheme in respect of eight employees. The scheme and its assets are held by independent managers. The pension charge of £8,159 (2016: £2,608) represents contributions due from the charity.

13. Trustees' remuneration and expenses

Thirteen Trustees were reimbursed expenses of £9,503 (2016: 14 Trustees, £10,280) for attending meetings and £Nil (2016: £595) for conducting examinations or training courses. See also Note 26.

Trustee indemnity insurance was purchased on behalf of all the Trustees at a cost of £821 (2016: £795).

14. Intangible fixed assets

	Website costs £	Total £
<i>Cost</i>		
At 1 April 2016	26,976	26,976
Additions	-	-
	<hr/>	<hr/>
At 31 March 2017	26,976	26,976
	<hr/>	<hr/>
<i>Amortisation</i>		
At 1 April 2016	14,076	14,076
Charge in year	12,900	12,900
	<hr/>	<hr/>
At 31 March 2017	26,976	26,976
	<hr/>	<hr/>
<i>Net book value</i>		
At 31 March 2017	-	-
	<hr/>	<hr/>
At 31 March 2016	12,900	12,900
	<hr/>	<hr/>

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

15. Tangible fixed assets

	Land and buildings freehold £	Fixtures fittings and equipment £	Total £
<i>Cost</i>			
At 1 April 2016	625,000	18,749	643,749
Additions	-	-	-
At 31 March 2017	625,000	18,749	643,749
<i>Depreciation</i>			
At 1 April 2016	-	5,836	5,836
Charge in year	-	5,836	5,836
At 31 March 2017	-	11,672	11,672
<i>Net book value</i>			
At 31 March 2017	625,000	7,077	632,077
At 31 March 2016	625,000	12,913	637,913

16. Investments

16.1 Fixed asset investments

	Listed investments £	Total £
<i>Fair value (market value)</i>		
At 1 April 2016	795,688	795,688
Disposals	(2,600)	(2,600)
Revaluations	123,018	123,018
At 31 March 2017	916,106	916,106
<i>Historic cost</i>		
At 31 March 2017	825,146	825,146

16.2 Analysis of investments

	2017 £	2016 £
<i>Market value at year end</i>		
Investments listed on a recognised stock exchange or held in common investment funds, open ended investment companies, unit trusts or other collective investment schemes	916,006	793,110
Cash held as part of the investment portfolios	100	2,578
Total	916,106	795,688

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

16. Investments *(continued)*

16.3 Material investment holdings

The following holdings represent more than 5% of the charity's total investments:

	2017 £	2016 £
Standard Life Wealth Offshore Income Fund	869,143	753,721
Personal Assets Trust	46,341	41,967
	<u> </u>	<u> </u>

17. Stocks

	2017 £	2016 £
Stocks (CDs, music, books, etc.)	67,486	58,280
Provision for slow-moving stocks	(36,122)	(23,856)
Work in progress	1,179	-
	<u> </u>	<u> </u>
	32,543	34,424
	<u> </u>	<u> </u>

18. Debtors

	2017 £	2016 £
Trade debtors	3,925	7,027
VAT recoverable	409	4,313
Other debtors	1,050	17,329
Prepayments and accrued income	15,211	9,381
	<u> </u>	<u> </u>
	20,595	38,050
	<u> </u>	<u> </u>

19. Bank and cash

	2017 £	2016 £
Current accounts	170,440	131,981
Deposit accounts	399,435	292,976
Cash at hand	90	86
	<u> </u>	<u> </u>
	569,965	425,043
	<u> </u>	<u> </u>

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

20. Creditors: Amounts falling due within one year

	2017 £	2016 £
Payments received on account (Summer School)	320,017	295,656
Trade creditors	15,398	4,860
Other taxes and social security costs	3,845	2,111
Deferred income (Member subscriptions)	54,702	47,809
Other creditors	15,152	1,622
Accruals	25,521	9,210
	<u>434,635</u>	<u>361,268</u>

21. Analysis of net assets between funds

Fund balances at 31 March 2017 as represented by:

	Unrestricted £	Designated £	Restricted £	2017 £	2016 £
Intangible fixed assets	-	-	-	-	12,900
Tangible fixed assets	-	632,077	-	632,077	637,913
Investment assets	743,796	168,129	4,181	916,106	795,688
Current assets	335,669	279,986	7,448	623,103	497,517
Current liabilities	(434,635)	-	-	(434,635)	(361,268)
	<u>644,830</u>	<u>1,080,192</u>	<u>11,629</u>	<u>1,736,651</u>	<u>1,582,750</u>

22. Unrestricted Funds

	1 April 2016 £	Income £	Expenditure £	Transfers £	Investment gains £	31 March 2017 £
General Fund	494,515	825,533	(777,051)	-	101,833	644,830

Purposes of Unrestricted Funds

General Fund

The General Fund represents the charity's accumulated reserves and encompasses all income and expenditure relating to the charity's primary focus activities other than those for which funding is restricted.

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

23. Unrestricted Designated funds

	1 April 2016 £	Income £	Expenditure £	Transfers £	Investment gains £	31 March 2017 £
Jean Milligan Memorial Fund	176,804	7,586	(13,464)	-	22,797	193,723
Development Fund	249,721	9,317	(4,646)	-	-	254,392
Designated Assets Fund	650,813	-	(18,736)	-	-	632,077
	<u>1,077,338</u>	<u>16,903</u>	<u>(36,846)</u>	<u>-</u>	<u>22,797</u>	<u>1,080,192</u>

Purposes of Designated Funds

Jean Milligan Memorial Fund

The Fund was set up in memory of one of the Society's co-founders and is used at the discretion of the Society to promote the aims of the Society. Disbursements are administered by the Jean Milligan Memorial Fund panel.

Development Fund

The Fund was set up in order to fund investments and spending designed to promote SCD and music and the RSCDS membership in the long term. It is the policy of the Board that legacies and donations received in the year exceeding £1,000 which have no restrictions on their use are designated to this Fund.

Designated Assets Fund

The Fund represents the net book value of the charity's fixed and intangible assets that are not readily convertible into cash.

24. Restricted funds

	1 April 2016 £	Income £	Expenditure £	Transfers £	Investment gains £	31 March 2017 £
Porter Bequest	5,262	132	-	-	600	5,994
Archivist	5,635	-	-	-	-	5,635
	<u>10,897</u>	<u>132</u>	<u>-</u>	<u>-</u>	<u>600</u>	<u>11,629</u>

Purposes of Restricted Funds

Porter Bequest

The Porter Bequest is a permanent Endowment Fund from which the generated income provides a restricted scholarship to the Society's Summer School for dancers from the Canadian Maritime Provinces.

Archivist

This Fund represents funding from Heritage Lottery Fund (HLF) towards the employment costs of an Archivist and archive development costs. This HLF Funding was fully spent and augmented in 2014-15 and in 2015-16 with RSCDS designated funds which were transferred into Restricted Funds for use in the Archive project. The remaining £5,635 of unspent RSCDS designated funds will be spent on future Archive developments.

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

25. Financial commitments

At 31 March 2017, the charity had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than one year	1,094	614
Later than one year and not later than five years	2,380	1,074
Later than five years	360	-
	<hr/>	<hr/>
Total commitment	3,834	1,688
	<hr/>	<hr/>

26. Related party transactions

There were no related party transactions during the year requiring disclosure (2016: Nil).

Notes to the financial statements *(continued)*
for the year ended 31 March 2017

The following pages do not form part of the statutory financial statements:

Appendices

- Appendix 1 Detailed Income statement – All Funds
- Appendix 2 Detailed Income statement - General Fund only
- Appendix 3 General Fund Allocation matrix

Appendix 1 - All Funds
Detailed income statement
for the year ended 31 March 2017

	Restricted Funds		Designated Funds			Unrestricted	
	Porter Bequest	Archivist	Jean Milligan Fund	Fixed Assets Fund	Development Fund	General Fund	2016/17 Total
	£	£	£	£	£	£	£
Generated income							
Membership subscriptions	-	-	-	-	-	211,850	211,850
Donations	-	-	300	-	115	2,774	3,189
Legacies	-	-	2,000	-	9,202	1,500	12,702
Investment income	132	-	5,286	-	-	25,798	31,216
Royalties & commissions	-	-	-	-	-	(3,844)	(3,844)
	132	-	7,586	-	9,317	238,078	255,113
Educational events							
Summer School	-	-	(7,830)	-	-	41,823	33,993
Winter School	-	-	-	-	-	6,599	6,599
Spring Fling	-	-	-	-	-	(5,940)	(5,940)
	-	-	(7,830)	-	-	42,482	34,652
Educational activities							
Examinations and training	-	-	-	-	-	(34,394)	(34,394)
Medal Tests	-	-	-	-	-	(8,543)	(8,543)
Sales of CDs, music & books	-	-	-	-	-	2,882	2,882
	-	-	-	-	-	(40,055)	(40,055)
Information & dancing							
Conference weekend	-	-	-	-	-	(6,173)	(6,173)
Special events	-	-	(4,703)	-	(3,964)	(724)	(9,391)
Other events	-	-	(4,703)	-	(3,964)	(6,897)	(15,564)
Magazine	-	-	-	-	-	(28,836)	(28,836)
Marketing consultancy	-	-	-	-	-	(11,841)	(11,841)
Publicity	-	-	-	-	-	(2,474)	(2,474)
Website	-	-	-	-	-	(2,550)	(2,550)
Archives	-	-	-	-	(682)	(1,945)	(2,627)
	-	-	(4,703)	-	(4,646)	(54,543)	(63,892)
Central Costs							
Staff	-	-	-	-	-	(64,066)	(64,066)
Property	-	-	-	-	-	(7,581)	(7,581)
insurance	-	-	-	-	-	(1,989)	(1,989)
Printing & Stationery	-	-	-	-	-	(2,410)	(2,410)
Postage & telephone	-	-	-	-	-	(3,553)	(3,553)
Equipment, software & support	-	-	-	-	-	(5,328)	(5,328)
Accounting support	-	-	-	-	-	(2,922)	(2,922)
Depreciation	-	-	-	(18,736)	-	-	(18,736)
Banking charges	-	-	-	-	-	(3,565)	(3,565)
Irrecoverable VAT	-	-	-	-	-	(8,387)	(8,387)
	-	-	-	(18,736)	-	(99,801)	(118,537)

Appendix 1 - All Funds (continued)
Detailed income statement (continued)
for the year ended 31 March 2017

	Restricted Funds		Designated Funds			Unrestricted	
	Porter Bequest	Archivist	Jean Milligan Fund	Fixed Assets Fund	Development Fund	General Fund	2016/17 Total
	£	£	£	£	£	£	£
Governance Costs							
Trustees indemnity insurance	-	-	-	-	-	(821)	(821)
Investment management costs	-	-	(931)	-	-	(3,882)	(4,813)
Legal and professional	-	-	-	-	-	(749)	(749)
Audit	-	-	-	-	-	(8,060)	(8,060)
AGM event and delivery/travel and accom	-	-	-	-	-	(3,933)	(3,933)
Management Board & FGAP meetings	-	-	-	-	-	(6,150)	(6,150)
E&T meetings	-	-	-	-	-	(2,860)	(2,860)
MS meetings	-	-	-	-	-	(2,493)	(2,493)
YS meetings	-	-	-	-	-	(1,971)	(1,971)
Schools Committee meetings	-	-	-	-	-	(1,382)	(1,382)
Business Planning Working Group	-	-	-	-	-	(604)	(604)
Annual Away Day/Training	-	-	-	-	-	(2,248)	(2,248)
Regional Forum expenses	-	-	-	-	-	(2,526)	(2,526)
	-	-	(931)	-	-	(37,679)	(38,610)
Other income							
Transfer on Incorporation	-	-	-	-	-	-	-
Increase in Property Fair Value	-	-	-	-	-	-	-
Net income	132	-	(5,878)	(18,736)	4,671	48,482	28,671

Appendix 2 - General Fund only
Detailed income statement
for the year ended 31 March 2017

	Year ended 31 March 2017				Year ended 31 March 2016			
	Income	Direct costs	Overhead allocation	Net result	Income	Direct costs	Overhead allocation	Net result
	£	£	£	£	£	£	£	£
Generated income								
Membership subscriptions	211,850	-	-	211,850	191,704	-	-	191,704
Donations	2,774	-	-	2,774	1,439	-	-	1,439
Legacies	1,500	-	-	1,500	-	-	-	-
Investment income	25,798	-	-	25,798	16,659	-	-	16,659
Royalties & commissions	1,584	(5,428)	-	(3,844)	1,552	(5,573)	-	(4,021)
	243,506	(5,428)	-	238,078	211,354	(5,573)	-	205,781
Educational events								
Summer School	352,556	(236,256)	(74,477)	41,823	366,435	(271,227)	(87,883)	7,325
Winter School	104,118	(69,134)	(28,385)	6,599	75,848	(59,124)	(13,732)	2,992
Spring Fling	10,580	(7,583)	(8,937)	(5,940)	8,497	(9,824)	(5,493)	(6,820)
	467,254	(312,973)	(111,799)	42,482	450,780	(340,175)	(107,108)	3,497
Educational activities								
Examinations and training	4,173	(5,797)	(32,770)	(34,394)	7,602	(9,456)	(27,464)	(29,318)
Medal Tests	4,107	(3,713)	(8,937)	(8,543)	3,039	(2,588)	(5,493)	(5,042)
Sales of CDs, music & books	79,512	(37,902)	(38,728)	2,882	83,810	(31,882)	(32,956)	18,972
	87,792	(47,412)	(80,435)	(40,055)	94,451	(43,926)	(65,913)	(15,388)
Information & dancing								
Conference weekend	19,915	(11,193)	(14,895)	(6,173)	17,634	(15,616)	(8,239)	(6,221)
Special events	4,585	(2,330)	(2,979)	(724)	6,508	(9,236)	(1,373)	(4,101)
Other events	24,500	(13,523)	(17,874)	(6,897)	24,142	(24,852)	(9,612)	(10,322)
Magazine	2,481	(31,317)	-	(28,836)	3,649	(33,991)	-	(30,342)
Marketing consultancy	-	(11,841)	-	(11,841)	-	(13,804)	-	(13,804)
Publicity	-	(2,474)	-	(2,474)	-	(2,987)	-	(2,987)
Website	-	(2,550)	-	(2,550)	-	-	-	-
Archives	-	(1,945)	-	(1,945)	-	(838)	-	(838)
	26,981	(63,650)	(17,874)	(54,543)	27,791	(76,472)	(9,612)	(58,293)

Appendix 2 - General Fund only (continued)
Detailed income statement (continued)
for the year ended 31 March 2017

	Year ended 31 March 2017				Year ended 31 March 2016			
	Income	Direct costs	Overhead allocation	Net result	Income	Direct costs	Overhead allocation	Net result
	£	£	£	£	£	£	£	£
Central Costs								
Staff	-	(191,241)	127,175	(64,066)	-	(181,802)	120,898	(60,904)
Property	-	(22,631)	15,050	(7,581)	-	(20,939)	13,924	(7,015)
Insurance	-	(5,937)	3,948	(1,989)	-	(5,897)	3,922	(1,975)
Printing & Stationery	-	(7,193)	4,783	(2,410)	-	(9,743)	6,479	(3,264)
Postage & telephone	-	(10,605)	7,052	(3,553)	-	(11,591)	7,708	(3,883)
Equipment, software & support	-	(15,906)	10,578	(5,328)	-	(10,464)	6,959	(3,505)
Accounting support	-	(8,723)	5,801	(2,922)	-	(13,658)	9,083	(4,575)
Depreciation	-	-	-	-	-	-	-	-
Bank and exchange charges	-	(10,641)	7,076	(3,565)	-	(11,898)	7,912	(3,986)
Irrecoverable VAT	-	(25,032)	16,645	(8,387)	-	(8,643)	5,748	(2,895)
Irrecoverable VAT directly attributable to Winter School		(12,000)	12,000	-	-	-	-	-
	-	(309,909)	210,108	(99,801)	-	(274,635)	182,633	(92,002)
Governance Costs								
Trustees indemnity insurance	-	(821)	-	(821)	-	(795)	-	(795)
Investment management costs	-	(3,882)	-	(3,882)	-	(2,180)	-	(2,180)
Legal and professional	-	(749)	-	(749)	-	(2,427)	-	(2,427)
Audit	-	(8,060)	-	(8,060)	-	(10,980)	-	(10,980)
AGM event and delivery/travel and accom	-	(3,933)	-	(3,933)	-	-	-	-
Management Board & FGAP meetings	-	(6,150)	-	(6,150)	-	(21,035)	-	(21,035)
E&T meetings	-	(2,860)	-	(2,860)	-	-	-	-
MS meetings	-	(2,493)	-	(2,493)	-	-	-	-
YS meetings	-	(1,971)	-	(1,971)	-	-	-	-
Schools-Committee meetings	-	(1,382)	-	(1,382)	-	-	-	-
Business Planning Working Group	-	(604)	-	(604)	-	-	-	-
Annual Away Day/Training	-	(2,248)	-	(2,248)	-	-	-	-
Regional Forum expenses	-	(2,526)	-	(2,526)	-	-	-	-
	-	(37,679)	-	(37,679)	-	(37,417)	-	(37,417)
Net Income before transfer	825,533	(777,051)	-	48,482	784,376	(778,198)	-	6,178
Other Income								
Transfer on Incorporation	-	-	-	-	515,294	-	-	515,294
Net Income after transfer	825,533	(777,051)	-	48,482	1,299,670	(778,198)	-	521,472

Appendix 3 - General fund
Allocation matrix
for the year ended 31 March 2017

	2017	2016
	Overhead	Overhead
	allocation	allocation
	£	£
Total central costs per Appendix 2	(309,909)	(274,635)
Less: Irrecoverable VAT directly attributable to Winter School	12,000	-
	<hr/>	<hr/>
Total central costs to be apportioned	297,909	(274,635)
	<hr/>	<hr/>
Educational events		
Summer School	25.0%	30.0%
Winter School	5.5%	5.0%
Spring Fling	3.0%	2.0%
	<hr/>	<hr/>
	33.5%	39.0%
	<hr/>	<hr/>
Educational activities		
Examinations and training	11.0%	10.0%
Medal tests	3.0%	2.0%
Sales of CDs, music and books	13.0%	12.0%
	<hr/>	<hr/>
	27.0%	24.0%
	<hr/>	<hr/>
Information and dancing		
Conference weekend	5.0%	3.0%
Special events	1.0%	0.5%
	<hr/>	<hr/>
Other events	6.0%	3.5%
	<hr/>	<hr/>
Total allocated as percentage	66.5%	66.5%
	<hr/>	<hr/>