

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT AND FINANCIAL STATEMENTS

for the 15 month period ended 31 July 2009

Charity Number: SC 015599

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

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THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY
REFERENCE AND ADMINISTRATIVE INFORMATION

Council Members	Barrie Brown - Chair Bruce Gittings - Vice Chair Stuart Frame - Treasurer Iain Rankin Jim Stewart David Langworth Frank Waite John Rowan Alister Hendrie Margaret Wilkes Alison McCleery Donald Cameron David Forrest Robert Preece Ann Glen Jim Carson Peter Furley Mike Thomas Richard Davison Scott Baxter Norman Lyttle Colin Shannon Robert Cumming David Mitchell Robert Rogerson Donald McQueen Erica Caldwell John Baldwin William MacKay
Society's Address	Lord John Murray's House 15-19 North Port Perth PH1 5LU
Auditors	Geoghegan & Co Chartered Accountants 6 St Colme Street Edinburgh EH3 6AD
Bankers	The Royal Bank of Scotland Plc 10 Gordon Street Glasgow G1 3PL
Investment Managers	Brewin Dolphin 7 Drumsheugh Gardens Edinburgh EH3 7QH
Charity Number	SC 015599

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL

The Council presents its report and accounts for the 15 months from 1 May 2008 to 31 July 2009.

Structure, Governance and Management

Governing Document

The governing document of the Society is the Constitution which was set up when the Society was founded in 1884. This has been regularly reviewed and was significantly altered in 2009 to accommodate the change in governance and structure of the new company limited by guarantee. This determines the actions of Council which is the ruling body of the Society.

Recruitment and Appointment of Council Members

The Chairman, Vice-Chairman and elected Members of Council, who are either professional geographers or people with particular skills of relevance to the Society's activities, serve for a period of three years. Member Centre Chairs and Conveners of Standing Committees take their place on Council and nominations for elected Members of Council submitted by Members of the Society are approved at the Annual Business Meeting.

Induction and Training

New Members of Council are given a brief and informal induction by the Chief Executive and also have access to Minutes of previous meetings. The Convener of any Committee on which a new Member is to serve likewise briefs the new Member.

Risk Management

The Council and its Committees constantly keep under review the major risks to which the Society is exposed, in particular those relating to the operations and finances of the Society. We are satisfied that systems are in place to mitigate exposure to the major risks. Professional advice is made available to Council.

Organisational Structure

The stewardship of the Society is vested in its Council, although with effect from the 1st August 2009, the authority will be vested in the Board. Council consists of a Chairman of Council, Vice-Chairman of Council, Treasurer, Conveners of the various committees, and elected members. The day-to-day running of the Society is delegated to the staff which comprises the Chief Executive, a Projects Manager, an Office Manager, and a part-time Finance Officer.

Related Parties

The Society has 14 local Members Centres throughout Scotland. A community based programme of educational lectures and other events is mounted annually at each of these Centres which is managed by an elected local Centre Committee with its own Constitution.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Objectives and Activities

The overall aim of the Society is stated in its Constitution as “the study and awareness of Geography and its contribution to the understanding of environmental, cultural and social issues in both Scotland and internationally”. This is achieved by pursuing the following objectives:

- 1 Increasing the membership of the Society and generating sufficient income to support its educational activities, administration, maintenance of its headquarters, and management of its heritage collections;
- 2 Promoting a greater understanding of the wider world through a community-based programme of over 100 illustrated talks and other events, such as field excursions and exhibitions, throughout Scotland;
- 3 Promoting the teaching of geography in Scottish schools and other institutions of higher and further education through support for the provision of learning resources, educational initiatives and professional development for teachers;
- 4 Promoting high quality geographical research in the universities of Scotland and other research institutions through the provision of research and expedition grants, support for training and support for conferences and seminars;
- 5 Promoting the dissemination of geographical knowledge and understanding through the development of a website and the publication of an academic journal, newsletter and periodic publications;
- 6 Encouraging achievement in the field of geography through the award of medals, fellowships and other prizes;
- 7 Supporting geography, in particular geographical teaching and research, by responding to consultation papers and by lobbying appropriate organisations and authorities;
- 8 Conserving, listing and making more accessible to the wider public the Society’s heritage collection of books, journals, maps, archives, photographs and artefacts;
- 9 Maintaining a service providing geographical information to the wider public;
- 10 Liaising with other like-minded national and international organisations involved in the promotion of geography.

Grants and Awards Policy

The Society’s Research Committee annually approves small travel and research grants designed to provide individual Members of the Society in higher education institutions with grants up to a maximum of £500 in support of geographical research and travel and subsistence associated with the presentation of papers at conferences and symposia. The deadline for submission of grant application forms is 31st January.

The Society’s Expeditions Committee annually approves grants up to a maximum of £1,000 in support of expeditions whose purpose is to advance geographical knowledge and understanding. The deadline for submission of grant application forms is 31st January.

The Society’s Education, Research, Expeditions and Publications committees periodically review applications for grants in support of educational initiatives, training events, conferences and symposia, and the publication and distribution of educational material. Applications are individually assessed and awards granted on the basis of the application’s contribution to teaching, research and the dissemination of knowledge and understanding.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Grants and Awards Policy (Continued)

The Society's Awards Sub-Committee annually receives and reviews nominations for medals, honorary fellowships and other prizes, each of which are awarded for clearly defined contributions to geographical endeavour, the work of the Society and work of public benefit that involves geography. The RSGS University Medal is awarded to the best geography graduate at each Scottish university on the basis of recommendations made by Heads of Departments. The Walton Memorial Prize is annually awarded by the Society in collaboration with the Department of Geography at the University of Aberdeen to the author of the best undergraduate dissertation in the field of physical geography.

Achievements and Performance

This has been a busy period with much to report, however the key achievements were

- Office move to Perth
- Redevelopment of website
- Changes to Constitution
- Establishment of Board
- Launch of *The Geographer* as a regular quarterly magazine
- Extra talks with Michael Palin and Henry Worsley
- Establishment of HQ
- Restructure of committees and systems

The performance of the Society in pursuing its objectives in 2008-09 is described below in more detail:

Membership

The Society's membership showed a decline from 1,756 in March 2008 to 1,610 in March 2009, a fall of more than 146 memberships. The Society continued to explore ways of increasing membership.

Illustrated Talks Programme

The Society's community-based programme of illustrated talks featured 100 presentations at its 14 Members Centres throughout Scotland. A total of 24 corporate sponsors supported 36 talks compared with 30 companies supporting 48 talks in the previous year, however the talks programme made a loss overall of circa £10-15k. RSGS local Centres continued their own programme of extra talks and events. Over 80 entries were submitted to the annual Photographer of the Year Competition and some of the images submitted were used in the production of the 2009 calendar. The calendar failed to sell in significant numbers.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Achievements and Performance (Continued)

Headquarters

The Society moved out of its premises in the University of Strathclyde on 23rd September 2008, to Lord John Murray House at 15-19 North Port, Perth, using the Society's own resources. The Society's valuable collections are being housed temporarily in storage space in Mill Street, Perth, owned by Perth & Kinross Council and lent initially rent free. The library will remain in the University of Strathclyde library. Plans for converting the Fair Maid's House as an interpretation centre and store continued to be developed but rely on finding sufficient funding to progress this further.

Staff

With the move out of Glasgow and the natural conclusion of the *Images for All* project, the staff changes this financial year have been unparalleled. The Director & Secretary, David Munro, resigned in March 2008, leaving the post vacant. An interim volunteer Director, Scott Baxter, a Council member from Stirling, filled in until a suitable replacement was found. Scott was replaced on 11th August 2008 by the appointment of the RSGS's first Chief Executive, Mike Robinson, who had previously worked at the Royal Botanic Garden in Edinburgh.

Meg Hunter and Clare Harrison both left during the summer of 2008 as their contracts expired, and they found other work. Kenny MacLeod, the long-standing IT & Publications Officer, chose not to move to Perth and left at the end of September 2008. The marketing consultant Bruce Maclachlan, who worked part time, had a contract extension to April 2009 but left at the end of this contract period. Office Manager Marilynne Johnstone agreed to move through to Perth to help with the transition from Glasgow, and greatly aided the Society during this unsettled period before she left at the end of May 2009.

A full-time Projects Manager, Susan Watt, was appointed in January 2009 to assist in raising money and profile and supporting the new Chief Executive. In May 2009, a full time Office Manager was appointed in Fiona Parker, and a part time Finance Officer in Marie Hainey, giving a total complement of 3.3 FTE posts.

Volunteers

The Society makes great use of volunteers, primarily through the various committees, the council and the fourteen local members' centres. In total this accounts for approximately 970 days of voluntary support, approximately equivalent to 4.5 FTE. Since the RSGS only has 3.3 FTE staff, this voluntary support effectively doubles the capacity of the society and is an increasingly important resource as money and time become more stretched.

Health & Safety

The Society reviewed its Health and Safety Policy and implemented recommendations made.

Expeditions (P A Furley (Convener), J Briggs, J Baldwin, G Dickinson, C Shannon, Neil Stuart)

The Committee met on 24th February 2009. £2,300 was awarded in six Expeditions Grants: Ghana (£500), Greenland (£200), Iceland (£500), Madagascar (£200), Tanzania (£700), Tanzania (£200). A further £200 was awarded to a Mexico expedition which was postponed due to swine flu.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Achievements and Performance (Continued)

Awards (A McCleery (Convenor), D McQueen, A Cruickshank)

Six RSGS University Medals were given to the best Geography Honours graduates at Scottish universities. A total of 10 medals, honorary fellowships and awards were presented at the Society's Annual Awards Dinner held in Edinburgh in October 2008.

- Scottish Geographical Medal – *Prof. Nigel Thrift*
- (Coppock) Research Medal – *Prof. Charles Withers*
- Tivy Education Medal – *Jim Carson*
- Livinstone Medal – *Michael Palin*
- Bartholomew Globe – *Prof. Gordon Petrie*
- XYZ Digital Award – *Mike Bell*
- President's Award – *Dr. John Rowan*
- Fellowships – *Val Vannet & Prof. Paul Ignatieff*
- Walton Prize – *Peter Charville-Mort, St Andrews University*

University Silver Medals - *Hannah Milne (Aberdeen University), Caroline Clason (Dundee University), Jamie Munro (Edinburgh University), Gail Wilson (Glasgow University), Sophie Cranston (St Andrews University), Lynette Haddock (Stirling University), Christina Lindsay (Strathclyde University).*

Education (J Carson (Convenor), J Bruce, G Dickinson, LA Hunter, E Caldwell)

The Society sponsored a keynote speaker at the Annual Conference of the Scottish Association of Geography Teachers in October 2008 and a Christmas Lecture at the University of Dundee, attended by over 200 pupils. The Society was also actively involved in the Annual Scottish Schools' Worldwide Quiz Final at Larbert High School and in organising the 28th John C Bartholomew Essay Competition. The University of Glasgow and GLOBAL ran talks with Nigel Thrift and Nick Crane. Jim Carson handed over the Chair to Erica Caldwell at the end of the period.

Library & Information (J M Wilkes (Convenor), Bruce Gittings, Pat Martin, Diana Webster)

Following the move of its headquarters to Perth in September 2008, the majority of the Society's collections were put into store until the planned new purpose-built quarters reach fruition. The Society has therefore been unable to allow access to these stored collections, or to respond fully to enquiries which require access to the collections to satisfy them, though responses have been made wherever possible. 21,500 images from the collections are however available on our website. During the period, the Scottish Arctic Club generously gifted its library to the Society and the books from this collection, together with those in the Angus Erskine Polar Collection, are now in situ in our new Headquarters. The Society acknowledges help in this work from Scottish Arctic Club Members and from Alec Erskine, son of Angus Erskine. The completion of this work is in hand. Brief records of these books are entered in our Collections Database and searchable on our website.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Achievements and Performance (Continued)

Publications (Convenor A Morris (Convener), SGJ editors, I Thompson)

Our key aim for the Scottish Geographical Journal is to further grow the journal to enhance its academic standing. Although the UK RAE process has resulted in a slow-down of submissions to the journal, the editors are confident that this is temporary. A new editorial team comprising Drs Lorna Phillip and Tim Mighall of the University of Aberdeen has taken over the editorship during the 2009 academic session.

Research (Mike Thomas (Convener), Donald McQueen, Alistair Dawson, Jim Hansom)

Research Grants: Lois Jones, University of St Andrews (£500); Thomas Smith, University of Glasgow (£500); Jochen Mayer, University of Edinburgh (£250); Heather Haynes, University of Glasgow (£300).

Travel Grants: Annie Ockelford, University of Glasgow (£250); Fiona Reid, University of Stirling (£200); Kindrogan School (£250); Vanessa Collingridge, New Zealand (£500).

RSGS Funders & Supporters, May 2008 – July 2009

We are grateful for the financial support we have received from a range of organisations and individuals over the period of this report. In particular, we would like to acknowledge the support given by:

Statutory, academic and other bodies: Argyll & Bute Council; British Waterways Scotland; Glasgow City Council; Heritage Lottery Fund; The Highland Council; Royal Commission on the Ancient and Historical Monuments of Scotland; UHI Millennium Institute;

Corporate supporters: Aberdeen Drilling Management; ABode Glasgow; Airdrie Savings Bank; Allied Surveyors; BAA Aberdeen; BAE Systems; BEAR Scotland; Clydesdale Bank; Collins Bartholomew; Danwood Scotland; Ian Dickson Travel Services; Dupont Teijin Films; Grieve, Grierson, Moodie & Walker; Hillhouse Quarry Group; J Dewar Trust; Magnox North; Malcolm & Hutchison; Neilson, Binnie & McKenzie; Page & Park Architects; Redmayne Bentley; Saffery Champness; Scottish Power; SpexDirect (Scotland); Stirling & Gilmour; Superglass; Tiso; Tullis Russell Group; Viridor Waste Management; XYZ Digital Map Company;

Charitable trusts: The Forteviot Charitable Trust; The International & Urban Studies Trust; NPower Renewables Charitable Trusts; The Thomson Charitable Trust;

Individuals: subscriptions, donations and legacies from many individuals have allowed us to maintain and develop the educational and charitable activities of the Society; many of our individual donors have asked to remain anonymous and so we have elected not to feature any names in this public document; we would also like to say a special thank you to all the volunteers who have given so much of their time freely to help the Society.

Financial Review

It has to be remembered that the accounts that we are reviewing are for a fifteen month period and are compared to a twelve month period last year and that there are a number of one off costs relating to the move to Perth.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Financial Review (Continued)

That said, it is still disappointing to see that during the period under review, the Society has as expected seen a trading deficiency of £103,470 in the unrestricted funds before taking into account any losses on disposal or revaluation of investments and this period we have seen a surplus of some £21,271 in the Restricted Fund reducing the overall loss to £82,199.

The reason for the deficit is mainly as a result of the decision made last year to concentrate on moving the Societies Headquarters to Perth and as a result we were not able to concentrate as much time as we would like on fundraising. This and the continued difficult economic circumstances which has seen our investment income reduce by some 30% meant that unfortunately, we did not raise anything like as much as we had hoped for and as a consequence, the sum raised from Donations and Grants in the unrestricted fund was much lower than expected. It has also to be remembered that we have seen a complete change in the Societies Staff over the last twelve months as well as a move of premises.

As previously agreed and approved by the Council of the Society the move to Perth was completed this summer and we are now well placed for the future and much of the last period has been spent in restructuring the Society to take us forward.

On looking at the Societies investments, we can see that due to the continued considerable downturn in the market due to the turbulent economic conditions we have seen an overall unrealised loss on our investments of some £183,309 and overall the Society made a deficit during the period which along with losses on investments reduced the Total Funds of the Society by £265,508. That said the unrealised loss has reduced over the last few months due to the improvement in the market.

Reserves Policy

It is the policy of the Society to maintain unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') at a level which equates to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration support costs in the event of a significant fall in trading. The free reserves are held at this level. The Society has also set up a designated 'Endowment' Fund, from which only the investment income and not the capital may be used to assist the Society's normal trading activities.

Principal Funding Sources

The Principal funding sources during the period have once again been subscriptions, lecture sponsorship and investments with additional income from books and publications and further grants. All three principle sources have continued to prove difficult. Subscriptions remain in decline for the seventh successive year (having lost a third of our memberships since 2002), a long term problem for the society and one that requires a significant effort to stem and reverse. Investments continue to be severely adversely affected by the wider economic recession (the 'credit crunch') – affecting both investment income and the value of unrealised assets. In addition sponsorship income for talks has declined, also as a result of the recession although it is pleasing to see that the lecture income has improved once again this period.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Investment Policy

As the Society holds significant investments, we employ the services of Brewin Dolphin to help manage the funds in conjunction with an Investment Working Group. At the current time, Council has charged them to maintain a balance of around 60% Equities and 40% Fixed Interest Stock in the Main Fund and 70% Equities and 30% Fixed Interest Stock in the 'Endowment' Fund.

Bankers : RBS, Dunkeld Road, Perth, PH1

Solicitors : Brodies Solicitors, 15 Atholl Crescent, Edinburgh EH3 8HA

Investment managers : Brewin Dolphin, 7 Drumsheugh Gardens, Edinburgh, EH3 7QH

Auditors ; Geoghegan & Co Chartered Accountants, 6 St Colme St, Edinburgh, EH3 6AD

Plans for Future Periods

In addition to the usual range of annual activities, the Society will, in 2009-10:

1. Review the system of membership, and commit effort to begin to grow the supporter base;
2. Review the delivery of the Talks Programme and improve its financial viability;
3. Review the policy on donations and bequests to ensure maximum benefit to the Society;
4. Develop our educational work and outreach, launching at least one new project
5. Maximise publicity and profile for Geography and the RSGS through partnership working, media promotion and events
6. Continue to develop plans for the implementation of the Fair Maid's House when funding allows

Council Members

The Council members who held office during the period are: Barrie Brown, Chair; Bruce Gittings, Vice Chair; Stuart Frame, Treasurer; Norman Lyttle (to August 2009), Colin Shannon (to August 2009), Robert Cumming (to August 2009), Alison McCleery, Awards Convenor & Edinburgh; Ann Glen, Centres Convenor & Lanarkshire; Jim Carson, Education Convenor; Peter Furley, Expeditions Convenor; Margaret Wilkes, Library & Information Convenor & Edinburgh; Mike Thomas, Research Convenor; Iain Rankin, Aberdeen; Jim Stewart, Ayr; David Langworth, Borders; Frank Waite, Dumfries; John Rowan, Dundee; Alister Hendrie, Dunfermline; Donald Cameron, Glasgow; David Forrest, Helensburgh; Doug Willis (to November 2008) & Robert Preece (from February 2009), Inverness; Ron MacLaren (to June 2009) (currently vacant), Kirkcaldy; Richard Davison, Perth; Scott Baxter, Stirling; plus elected members - David Mitchell (2008-2011), Robert Rogerson (2008-2011), Donald McQueen (2006-2009), Erica Caldwell (2007-2010), John Baldwin (2007-2010), William MacKay (2007-2010).

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

REPORT OF THE COUNCIL (Continued)

Statement of Council's Responsibilities

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


The law applicable to charities in Scotland requires the Council, as the governing body of the Society, to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing these financial statements, the Council is 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 accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Society will continue in operation.

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

Approval

This report was approved by Council and adopted by the Board on 29 October 2009 and signed on behalf of both by Barrie Brown as Chairman of Council and Chairman of the Board.



B Brown
Chairman of Council

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL OF THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

We have audited the financial statements of The Royal Scottish Geographical Society for the period ended 31 July 2009 on pages 12 to 21. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the Council, 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 Council 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 Society and the Council as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of council and auditors

As described in the Statement of Council's Responsibilities, the Council (who are Trustees for the purpose of Charity law) is responsible for the preparation of the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with its regulations made under that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and the terms of the Society's founding deed. We also report to you if, in our opinion, the Report of the Council is not consistent with the financial statements, if the Society has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Report of the Council and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities of the state of the Society's affairs as at 31 July 2009 and of its incoming resources and application of resources for the period then ended and;
- have been properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and the terms of the Society's founding deed.

Geoghegan & Co
Chartered Accountants and Registered Auditors
6 St Colme Street
Edinburgh EH3 6AD

29 October 2009

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
for the period ended 31 July 2009**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2009 (15 month)	Total Funds 2008 (12 month)
Incoming Resources					
Incoming resources from generated funds:					
<i>Voluntary income:</i>					
Donations, legacies and grants	2	24,476	25,605	50,081	69,351
<i>Activities for generating funds:</i>					
Investment income	3	41,182	8,395	49,577	63,809
Incoming resources from charitable activities:					
Subscriptions		63,185	-	63,185	49,250
Lectures and events		34,775	-	34,775	32,314
Books, publications		12,152	-	12,152	6,364
Total incoming resources		<u>175,770</u>	<u>34,000</u>	<u>209,770</u>	<u>221,088</u>
Resources Expended					
Costs of generating funds	4	576	287	863	4,370
Charitable activities	4	263,310	12,442	275,752	290,898
Governance costs	4	15,354	-	15,354	12,235
Total resources expended		<u>279,240</u>	<u>12,729</u>	<u>291,969</u>	<u>307,503</u>
Net incoming/(outgoing) resources before other recognised gains and losses	6	(103,470)	21,271	(82,199)	(86,415)
(Losses) on investment assets	9	<u>(140,855)</u>	<u>(42,454)</u>	<u>(183,309)</u>	<u>(134,741)</u>
Net Movement in Funds		(244,325)	(21,183)	(265,508)	(221,156)
Total funds brought forward		<u>924,936</u>	<u>178,240</u>	<u>1,103,176</u>	<u>1,324,332</u>
Total Funds Carried Forward	12/13	<u>£ 680,611</u>	<u>£ 157,057</u>	<u>£ 837,668</u>	<u>£1,103,176</u>

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**BALANCE SHEET
at 31 July 2009**

	Notes	31 July 2009	30 April 2008
Fixed Assets			
Tangible fixed assets	8	22,816	6,576
Investments	9	653,571	894,121
		<u>676,387</u>	<u>900,697</u>
Current Assets			
Debtors	10	147,955	17,757
Bank and cash		87,574	203,327
		<u>235,529</u>	<u>221,084</u>
Creditors – Amounts falling due within one year	11	<u>(74,248)</u>	<u>(18,605)</u>
Net Current Assets		<u>161,281</u>	<u>202,479</u>
Net Assets		<u>£837,668</u>	<u>£1,103,176</u>
Funds			
<i>Unrestricted:</i>	12		
Main Fund		412,394	601,808
“Endowment” Fund - designated		268,217	323,128
		<u>680,611</u>	<u>924,936</u>
Total Unrestricted Funds		<u>680,611</u>	<u>924,936</u>
<i>Restricted:</i>	13		
“Endowment” Fund		77,313	114,601
‘Our Window on the World’ Project		78,744	58,639
Other		1,000	5,000
		<u>157,057</u>	<u>178,240</u>
Total Restricted Funds		<u>157,057</u>	<u>178,240</u>
Total Funds		<u>£837,668</u>	<u>£1,103,176</u>

The financial statements were approved and authorised for issue by the Council on 29 October 2009 and signed on its behalf by:



B Brown
Chairman of Council



D Stuart Frame
Finance Convenor

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 July 2009

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

(a) *Basis of accounting*

The accounts have been prepared under the historical cost convention as modified by the revaluation of investment assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective from April 2008) and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) issued in March 2005.

(b) *Branches*

The Society has 14 affiliated branches and their accounting transactions and balances are consolidated within the Society's financial statements.

(c) *Incoming resources*

All incoming resources are included in the Statement of Financial Activities ("SOFA") when the Society is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants and donations and is included in full in SOFA when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the Society, are recognised when the Society becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Annual subscriptions are accounted for in the subscription year to which they relate. Life membership subscriptions are accounted for when received.
- Lecture and other event income are included as an incoming resource in line with the date of the lecture or event to which they relate.
- Incoming resources from other charitable activity are accounted for when earned.

(d) *Resources expended*

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories or resources expended in the SOFA.

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Society in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Grants and awards are charged to the SOFA in the year they are awarded.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the Society.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued) for the period ended 31 July 2009

1 Accounting Policies (continued)

(e) *Tangible Fixed Assets*

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of minor additions or those costing below £500 are not capitalised.

Depreciation is charged to write off the cost less estimated as follows:

Computer equipment 3 years

Fixtures and fittings 5 years

(f) *Investments*

Investments are included at market value at the period end.

(g) *The Collections of the Society*

The Society holds a collection of books, journals, maps, photographs, artefacts and other archive material much of which is historic in nature. These items have been donated or acquired by the Society over a number of years. The value of the collection is not reflected in the balance sheet as in most cases reliable cost information is not available and the valuation costs involved are considered onerous compared with the benefit to the members in assessing the Council's stewardship of these assets.

(h) *Cashflow Statement*

The Society has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it qualifies as a small charity.

(i) *Restricted funds*

Restricted funds are funds subject to specific trusts or conditions, which may be declared by the donor with their authority (e.g. by the restrictive wording or an appeal).

(j) *Unrestricted funds*

Unrestricted funds are expendable at the discretion of the Council in furtherance of the objects of the Society.

(j) *Designated funds*

Designated funds are unrestricted funds set aside at the discretion of Council for specific purposes.

(k) *Pensions*

The Society has arranged defined contribution pension scheme for certain members of the staff. The assets of this scheme are held separately from those of the Society, being invested with an insurance company. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Society in the year.

2 Voluntary Income

	2009 (15 months)	2008 (12 months)
Legacies	-	267
Grants	50,081	69,084
	<u>£ 50,081</u>	<u>£ 69,351</u>

3 Investment Income

	2009 (15 months)	2008 (12 months)
Dividends and interest on listed investments	44,710	50,494
Interest on cash deposits	4,867	13,315
	<u>£ 49,577</u>	<u>£ 63,809</u>

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (continued) for the period ended 31 July 2009

4 Total resources expended

	Unrestricted	Restricted	Total 2009 (15 months)	Total 2008 (12 months)
Cost of generating funds				
Professional fees – research	-	-	-	3,850
Investment management fees	576	287	863	520
	<u>576</u>	<u>287</u>	<u>863</u>	<u>4,370</u>
Charitable activities				
Staff costs	112,508	-	112,508	115,626
Events – Talks	43,709	-	43,709	50,280
Events – Grants & awards	5 2,750	2,942	5,692	6,181
Events – Events	1,794	-	1,794	1,837
Education costs	-	4,000	4,000	12,500
Printing – Geogscot magazine	13,091	-	13,091	5,426
Printing – Other printing and publications	13,247	-	13,247	6,739
Office – Administration costs	13,316	-	13,316	15,758
Office – Office costs	37,425	-	37,425	19,590
Office – Telephone	2,272	-	2,272	1,061
Professional fees – Accountancy	2,610	-	2,610	1,915
Professional fees – Legal	-	5,500	5,500	1,555
Project costs – Project conservation costs	3,538	-	3,538	32,651
New property costs - Perth	-	-	-	9,839
Miscellaneous – Bank charges	1,573	-	1,573	831
Depreciation	9,688	-	9,688	5,497
Sundry expenses	5,789	-	5,789	3,612
	<u>263,310</u>	<u>12,442</u>	<u>275,752</u>	<u>290,898</u>
Governance costs				
Staff costs	9,076	-	9,076	6,834
Auditors’ remuneration	4,650	-	4,650	4,750
Committee expenses	602	-	602	651
Professional fees - Legal	1,026	-	1,026	-
	<u>15,354</u>	<u>-</u>	<u>15,354</u>	<u>12,235</u>
Total resources expended	<u>£ 279,240</u>	<u>£ 12,729</u>	<u>£ 291,969</u>	<u>£ 307,503</u>

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended 31 July 2009**

5 Grants and Awards

	2009 (15 months)	2008 (12 months)
<i>Expedition Grants 2009</i>		
Aberdeen University - Zambia	-	500
Glasgow University - Tanzania	-	650
Glasgow University - Iceland 2008	-	200
Aberdeen University - Orang-utan 08	-	200
Glasgow University - Equador	-	200
Glasgow University - Sam Mbollet	(200)	200
Edinburgh University - Gabon	-	200
Edinburgh University - Langtang 2008	-	650
Aberdeen University - Ethobotany Nepal 2008	-	200
Aberdeen University - Madagascar 2009	200	-
Glasgow University - Iceland 2009	500	-
Edinburgh University - Mexico 2009	200	-
Aberdeen University - Ghana 2009	500	-
Glasgow Academy - Greenland 2009	200	-
Glasgow University - Tanzania 2009	700	-
St Andrews University - Tanzania 2009	200	-
	<hr/>	<hr/>
	2,300	3,000
Research Grants	2,750	2,650
Medals and trophies	642	531
	<hr/>	<hr/>
	£ 5,692	£ 6,181

6 Net Incoming/(Outgoing) Resources for the Period

	2009 (15 months)	2008 (12 months)
This is stated after charging:		
Depreciation	£ 9,688	£ 5,497
Auditors' remuneration :		
- Audit fee	4,650	4,750
- Other services	2,610	1,915
	<hr/>	<hr/>
	£ 7,260	£ 6,665

7 Staff Numbers and Costs

	2009 (15 months)	2008 (12 months)
Salary costs	102,787	85,147
Social Security costs	9,305	6,825
	<hr/>	<hr/>
	112,092	91,972
Contracted staff	9,492	30,487
	<hr/>	<hr/>
	£ 121,584	£ 122,459

The average weekly number of employees during the period was:

<u>3</u>	<u>5</u>
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No employees received remuneration of more than £60,000.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended 31 July 2009**

7 Staff Numbers and Costs (continued)

Council members are not remunerated but received reimbursement of expenses for attending meetings. Expenses of £602 (2008 £651) were reimbursed to 6 (2008 12) Council members during the period.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the period (2008 - none).

8 Tangible fixed assets

	Computer Equipment	Fixtures and Fittings	Total
Cost			
At 30 April 2008	5,540	17,430	22,970
Additions	1,426	24,503	25,929
Disposals	(1,268)	-	(1,268)
At 31 July 2009	5,698	41,933	47,631
Depreciation			
At 30 April 2008	4,431	11,963	16,394
Charge	1,285	8,404	9,689
Disposals	(1,268)	-	(1,268)
At 31 July 2009	£ 4,448	£ 20,367	£ 24,815
Net book value at 31 July 2009	£ 1,250	£ 21,566	£ 22,816
Net book value at 30 April 2008	£ 1,109	£ 5,467	£ 6,576

9 Fixed Asset Investments

	31 July 2009	30 April 2008
Market value at 30 April 2008	894,121	1,022,683
Acquisitions at cost	88,192	17,779
Disposals at carrying value	(105,515)	(22,419)
Movements in cash on deposit	(39,918)	10,819
(Losses) on revaluation	(183,309)	(134,741)
Market value at 31 July 2009	£ 653,571	£ 894,121
Listed investments	637,830	838,462
Cash deposits	15,741	55,659
	£ 653,571	£ 894,121
Historical cost of listed investments at 31 July 2009	£ 669,925	£ 743,349

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended 31 July 2009**

9 Fixed Asset Investments (continued)

Listed investments whose market value exceeds 5% of total market value of investments:

		31 July 2009	30 April 2008
		£	£
29,100	Co-Operative Bank	34,993	32,883
43,072	JP Morgan AM UK Ltd	31,266	46,216
4,236	M & G Securities	40,103	46,960
51,000	UK Govt Stock 5.5%	-	51,077
		<u> </u>	<u> </u>

10 Debtors

	31 July 2009	30 April 2008
Trade debtors	5,379	1,645
Prepayments and accrued income	142,576	13,620
Other debtors	-	2,099
Income tax recoverable	-	393
	<u> </u>	<u> </u>
	<u>£ 147,955</u>	<u>£ 17,757</u>

11 Creditors: Amounts falling due within one year

	31 July 2009	30 April 2008
Accruals and deferred income	58,032	15,616
Other creditors	16,216	2,989
	<u> </u>	<u> </u>
	<u>£ 74,248</u>	<u>£ 18,605</u>

12 Unrestricted Funds

	At 30 April 2008	Income	Expenditure	Losses on investments	Transfers	At 31 July 2009
Main Fund	601,808	166,164	(279,240)	(85,944)	9,606	412,394
“Endowment” Fund - designated	323,128	9,606	-	(54,911)	(9,606)	268,217
	<u>£ 924,936</u>	<u>£ 175,770</u>	<u>£ (279,240)</u>	<u>£(140,855)</u>	<u>£ -</u>	<u>£ 680,611</u>

“Endowment” Fund

Funds earmarked by Council to be held as capital with only the income to be used for the general running of the Society’s affairs.

13 Restricted Funds

	At 30 April 2008	Income	Expenditure	Losses on investments	Transfers	At 31 July 2009
“Endowment” Fund	114,601	8,395	(3,229)	(42,454)	-	77,313
Our “Window on the World” project	58,639	25,605	(5,500)	-	-	78,744
SGGC	5,000	-	(4,000)	-	-	1,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>£ 178,240</u>	<u>£ 34,000</u>	<u>£ (12,729)</u>	<u>£ (42,454)</u>	<u>£ -</u>	<u>£ 157,057</u>

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended 31 July 2009**

13 Restricted Funds (continued)

“Endowment” Fund

This capital fund also encompasses the funds listed below.

Centenary Appeal and Guthrie Expeditions Fund

Set up to fund expeditions by way of annual awards. Originally funded by the legacy of Douglas Guthrie and an appeal at the time of the Society’s Centenary 1984. Further legacies and grants have been added to the Fund.

Livingstone Medal Fund

The Fund originally gifted by the daughter of David Livingstone exists to enable the Society to present the Livingstone medal each year.

Dr M I Newbiggin Fund

Set up in memory of Dr Marion Newbiggin, who edited Scottish Geographical magazine from 1902 to 1934. An award is made each year to author of the best article in the Society’s journal.

‘Our Window on the World’ Project

A project designed to relocate the Society’s headquarters and heritage collections to premises in the North Port, Perth.

Scottish Geography in Global Context

The provision of capacity building workshops in developing countries carried in collaboration with the Scottish Executive and the University of Dundee, Glasgow and Edinburgh.

THE ROYAL SCOTTISH GEOGRAPHICAL SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the period ended 31 July 2009**

14 Analysis of Net Assets between Funds

	Tangible Fixed Assets	Investments	Net Current Assets	Total
<i>Unrestricted Funds</i>				
Main Fund	22,816	324,343	65,235	412,394
“Endowment” Fund	-	221,441	46,776	268,217
	<u>22,816</u>	<u>545,784</u>	<u>112,011</u>	<u>680,611</u>
<i>Restricted Funds</i>				
“Endowment” Fund	-	107,787	(30,474)	77,313
‘Our Window on the World’ Project	-	-	78,744	78,744
SGGC	-	-	1,000	1,000
	<u>-</u>	<u>107,787</u>	<u>49,270</u>	<u>157,057</u>
Net assets at 31 July 2009	£ 22,816	£ 653,571	£ 161,281	£ 837,668

15 Financial Commitments

At 31 July 2009 the charity had annual commitments under non-cancellable operating leases as follows:

	31 July 2009	30 April 2008
Expiry date:		
Equipment - between two and five years	<u>£ 7,000</u>	<u>£ 7,004</u>

16 Capital Commitments

At 31 July 2009 capital expenditure commitments were:

	31 July 2009	30 April 2008
Purchase of heritable property	<u>£ 134,000</u>	<u>£ -</u>

17 Taxation

As a charity the Royal Scottish Geographical Society is generally exempt from tax on income and gains to the extent that those are applied to the charitable objects. No tax charges have arisen in the Society.