

**THE SCOTTISH TEXT SOCIETY
(Scottish Charity Number SC021308)**

COUNCIL'S REPORT

AND

FINANCIAL STATEMENTS

for the year ended 31 December 2016

COUNCIL OF THE SCOTTISH TEXT SOCIETY 2016

Honorary Presidents

Professor R.J. Lyall
Professor S. Mapstone

President

Dr N. Royan

Vice-Presidents

Professor G.C. Caie (2015-2018)
Professor A.A. MacDonald (2016-19)
Professor H.L. MacQueen (2014-2017)

Honorary Treasurer

vacant

Executive Officers

Dr T. van Heijnsbergen resigned March 2016
Dr J. Martin (2014-2017)
Dr R. Purdie (2014-2017)
Dr S. Verweij (2015-2018)

Ordinary Members

Dr S. Carpenter (2014-2017)
Professor A.S.G. Edwards (2014-2017)
Dr E Elliot co-opted April 2016
Professor J.A. Glenn (2015-2018)
Professor R.J. Goldstein (2014-2017)
Professor L.A.J.R. Houwen (2015-2018)
Dr J. Hadley Williams (2016-19)
Professor T Machan (2015-2018)
Professor J. Smith (2016-19)
H Vincent (2014-17)
Dr E Wingfield (2016-19)

Non-Council Member being paid Office Bearer

Administrative Secretary

Mr J. Archer

Council's Report

The Society was founded in 1882 as an unincorporated association. The most recent constitution is **2015**. The Society is recognised by the Inland Revenue as a charity, and is registered with the Office of the Scottish Charity Regulator (OSCR). The affairs of the Society are managed by its Council whose members are elected by those present at the Annual General meeting. Members of Council serve for terms of three years but may be re-elected for further terms without restriction on the number of terms they may serve. A revision of the Constitution came before Council in 2015 and application has been made to the Office of the Scottish Charity Regulator for approval.

The Members of Council present their report and financial statements for the year to 31 December 2016

Members of Council as at 31 December 2016

Professor G.D. Caie (Vice-President)
Dr S. Carpenter
Professor A.S.G. Edwards
Dr E Elliot
Professor J.A. Glenn
Professor R.J. Goldstein
Dr J. Hadley Williams
Professor L.A.J.R. Houwen
Professor R.J. Lyall (Honorary President)
Professor A.A. MacDonald (Vice-President)
Professor T Machan
Professor H.L. MacQueen (Vice-President)
Professor S. Mapstone (Honorary President)
Dr J. Martin (Executive Officer)
Dr R. Purdie (Executive Officer)
Dr N. Royan (President)
Professor J. Smith
Dr S. Verweij (Executive Officer)
H Vincent
Dr E Wingfield

Mr J. Archer, Administrative Secretary,
being paid part-time staff, is not a Member of Council.

Office

25 Buccleuch Place, Edinburgh EH8 9LN

Objects of the Society

The Society is established for charitable objects and purposes only. Its main purpose is to further the study and teaching of Scottish literature, its language and history, particularly by producing editions of original texts.

Principal activity and review of business development

The principal purpose of the Society remains the publishing of editions of original texts. Following launch events for recent publications (*The Buke of the Howlat* and *The Maitland Quarto*), the Society is looking to publicise its work more widely. *The Buke of the Howlat* in particular has reached a new audience through a children's picture book, by James Robertson and Kate Leiper, published by Birlinn Ltd. While mentioned in the volume, the Society accrues no financial benefit from Birlinn's publication.

The Society had one publication in 2016: *Duncan Laiders' Testament and other comic Older Scots Poems*, edited by Janet Hadley Williams.

In 2017 the Society hopes to publish *The Poems of John Stewart of Baldynneis*, ed. Kate McClune; forthcoming volumes include a revised edition of Douglas's *Eneados* rev. Priscilla Bawcutt and Ian Cunningham, and *Scottish Satirical Literature* ed. Tricia McElroy.

In 2006 the Society set up a fund to establish a biennial public lecture in memory of its former President and Honorary President, Professor Angus McIntosh. The texts of the first two lectures are available for download from the website of the Society. The next lecture will be planned for 2018

The Administrative Secretary has continued to produce newsletters to members, keeping them informed about activities and publications, news of which is also displayed on the Society's website. With the ever-increasing cost of publishing, printing and posting of volumes, the level of membership fees had to be raised during 2015, but the print runs had to be reduced due to a drop in demand. The Council has been considering means of promoting the Society further afield in view of the losses in both academic and individual membership.

Statement of Council's responsibilities

Law applicable to charities in Scotland requires the Council to prepare financial statements for each financial year which give a true and fair view of the Society's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, Council should follow best practice, and

- select suitable accounting policies and then apply them consistently
- make judgments 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; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Society will continue in business

Statement of Council's responsibilities continued

Council is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Society, which enable it to ascertain the financial position of the Society, and which enable it to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, and the terms of the Society's constitution. It is 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.

Council has reviewed the material risks to which the Society is exposed, and systems have been established to mitigate those risks.

Financial Results and Reserves Policy

The Society showed a breakeven result in 2016 (Loss of £7,849 for the year 2015). The resultant unrestricted fund of £24,676 remains available for fulfilling the objects of the Society, and in particular the publication of editions of original texts. Restricted funds of £2,394 are reserved for the McIntosh lecture. Council keeps the reserves policy under constant review and considers that the minimum reserve of £20,000 is necessary for ensuring the continued work of the Society.

Independent Examination

Under terms of its constitution, the Society employed Marjory J.B. Williamson, CA, to carry out an independent examination of its accounts.

By order of the Council
Nicola Royan (signed)

Dr N Royan (President)
Edinburgh 19 April 2017

Independent Examiner's Report to the Trustees of the Scottish Text Society

I report on the accounts of the charity for the year ended 31 December 2016

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006

The charity trustees consider that the audit requirement of Regulation 10(1) (d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's statement

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

- 1) which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and
 - to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulationshave not been met, or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Marjory J B Williamson

Non-practising member of the Institute of Chartered Accountants of Scotland
2 Laburnum Road Abronhill Cumbernauld G67 3AB

Signed Marjory J B Williamson

Date 19 April 2017

Receipts and Payments Account for the year to 31 December 2016

	Notes	Restricted Funds £	Unrestricted Funds £	Total £	2015 £
Receipts					
Subscriptions			5,423	5,423	6,965
Book sales	2		218	218	265
Interest		14	123	137	203
Donations			155	155	273
Royalties			1,963	1,963	1,507
Total receipts		<u>14</u>	<u>7,882</u>	<u>7,896</u>	<u>9,213</u>
Payments					
Direct charitable expenses					
Publications volumes			5,824	5,824	14,894
Boydell and Brewer – charges			290	290	407
Scottish Publishers Association subscription					
			234	234	234
			<u>6,348</u>	<u>6,348</u>	<u>15,535</u>
Administrative expenses					
Administrative Secretary's honorarium	3		750	750	750
Expenses and administrative costs	3		743	743	727
Independent Examiner Fee			50	50	50
			<u>1,543</u>	<u>1,543</u>	<u>1,527</u>
Total Payments			<u>7,891</u>	<u>7,891</u>	<u>17,062</u>
Surplus/(Deficit) for year		<u>14</u>	<u>(9)</u>	<u>5</u>	<u>(7,849)</u>

Statement of Assets at 31 December 2016

Monetary assets	Treasurer's account			£	2,648
	McIntosh Lecture Fund				2,394
	National Savings Investment account				20,551
	Paypal account	note	5a.		1,192
	Prepaid Publication costs				285
					<hr/>
At 31 December 2016					<u>27,070</u>
At 31 December 2015					27,065
Surplus for year					<u>5</u>
At 31 December 2016					<u>27,070</u>

All funds are unrestricted apart from the McIntosh Lecture

Approved by Council Edinburgh 19 April 2017

Signed by order of Council Nicola Royan

Notes to the Accounts for the year ended 31 December 2015

1. ACCOUNTING POLICIES

Accounting Convention and Basis of Accounting

The financial statements are prepared under the historical cost convention as modified for the exclusion of a value for stocks of unsold books and are in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Taxation

As a Scottish charity recognised by the Inland Revenue under Scottish Charity number SC021308, no charge is required for taxation.

The Society is not registered for Value Added Tax and accordingly any such tax incurred is included in the expenditure concerned.

Subscriptions

Income in the form of Members' Subscriptions is only recognised when received.

Book Sales

Income from book sales is recognised both when cash is received by the distributor from the customer and the receipt is advised to the Society, and when received by the Society directly from the member.

Allocation of expenditure

Where possible expenditure is allocated to the charitable activity involved, the balance remaining as management and administration.

Publication costs

Costs of production of publications are written off as incurred in the year of publication. Expenditure incurred in advance for future publications is deferred until the year of publication, being treated as a payment in advance until then.

Stocks of publications

The Society and distributors hold stocks of undistributed publications, but, because their costs are written off on publication, no value appears for stocks in the Society's accounts.

2. BOOK SALES

The Society's publications are sold at an agreed charge through distributor, Boydell and Brewer Ltd, who are based in Woodbridge in Suffolk.

Income from book sales are recognised in the Society's accounts when received by Boydell and Brewer from the customer and the receipt advised to the Society.

Notes to the Accounts for the year ended 31 December 2015

BOOK SALES continued

The value of gratis copies is not included in these accounts. The cost of gratis copies is included in the total cost of publications and written off at the time of publication.

3. EMPLOYMENT AND TRUSTEE COSTS

The Administrative Secretary is a paid Office Bearer and receives an honorarium for work in the respective roles, but, if relevant, not as a Trustee.

Mr. Archer was not a member of Council ('Trustee') of the Society during the period under review.

No member of Council - the 'Trustees' - has received an emolument. No payments to members of Council have been reimbursements for expenses incurred on behalf of the Society (2015 £119).

4. STOCKS

Boydell and Brewer will print a limited number of volumes when stock of a title is running low, so containing warehousing charges. Remaining copies of the DVD produced in 2008 are now held in the National Library of Scotland, but the notional value of this is minimal.

Council continues to review the net realisable value of all stocks held.

5. MATERIAL ITEMS OF NOTE

- a. Monies paid into the Society's PayPal account are transferred periodically to the main bank account. During the year two fraudulent withdrawals were made by persons unknown but subsequently reimbursed by PaypalUK. Security measures have been reinforced. A balance of £1,192 was held at the year end.
- b. The proportion of interest earned on the McIntosh Legacy fund is added to the fund each year

6. UNRESTRICTED FUNDS

Unrestricted Funds, being surpluses from membership subscriptions, sale of books, and bank interest received, are available to Council to pursue the Society's objectives.

7. SUBSIDIES FOR CONFERENCE ATTENDANCE

In 2016 no subsidies were applied for nor paid out for conference attendance

