

THE SCOTTISH TEXT SOCIETY
(Scottish Charity Number SC021308)

COUNCIL'S REPORT

AND

FINANCIAL STATEMENTS

for the year ended 31 December 2015

COUNCIL OF THE SCOTTISH TEXT SOCIETY 2015

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 (2013-16)
Professor H.L. MacQueen (2014-2017)

Honorary Treasurer

vacant

Executive Officers

Dr T. van Heijnsbergen (2013-16)
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)
Professor J.A. Glenn (2015-2018)
Professor R.J. Goldstein (2014-2017)
Professor L.A.J.R. Houwen (2015-2018)
Dr J. Hadley Williams (2013-16)
Professor T Machan appointed 2015
Professor J. McGavin resigned 2015
Professor J. Smith (2013-16)
H Vincent (2014-17)

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 **2014**. 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 2014 and application was made to the Office of the Scottish Charity Regulator and approved on 20 May 2014.

The Members of Council present their report and financial statements for the year to 31 December 2015

Members of Council as at 31 December 2015

Professor G.D. Caie (Vice-President)
Dr S. Carpenter
Professor A.S.G. Edwards
Professor J.A. Glenn
Professor R.J. Goldstein
Dr J. Hadley Williams
Dr T. van Heijnsbergen (Executive Officer)
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)
Dr 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

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. The Society had two publications in 2015: *The Maitland Quarto* ed. Joanna Martin; *The Gude and Godlie Ballatis* ed. AA MacDonald. The publication in 2016 will be Duncan Laiders' Testament and other comic Older Scots Poems, edited by Janet Hadley Williams

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 third lecture in the series was given in September 2014 by Robert Crawford. The texts of the first two lectures are available for download from the website of the Society.

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 the year, but the print runs had to be reduced in view of a drop in membership. The Council has been considering means of promoting the Society further afield.

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

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 (as amended), 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.

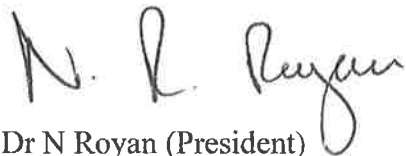
Financial Results and Reserves Policy

The Society showed an overall loss of £7,849 for the year 2015 (2014: loss £2,496). The resultant unrestricted fund of £24,685 remains available for fulfilling the objects of the Society, and in particular the publication of editions of original texts. Restricted funds of £2,379 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 14 April 2016

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 2015

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 ("the 2005 Act") and the Charities Accounts (Scotland) Regulations 2006 (as amended) ("the 2006 Regulations").

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 Abrohill Cumbernauld G67 3AB

Marjory J B Williamson

Signed Marjory J B Williamson
Date 14 April 2016

Receipts and Payments Account for the year to 31 December 2015

	Notes	Restricted Funds £	Unrestricted Funds £	Total £	2014 £
Receipts					
Subscriptions			6,965	6,965	4,940
Book sales	2		265	265	-20
DVD sales			0	0	0
Interest		17	186	203	228
Donations			273	273	70
Royalties			1,507	1,507	705
Total receipts		<u>17</u>	<u>9,196</u>	<u>9,213</u>	<u>5,923</u>
Payments					
Direct charitable expenses					
Publications volumes			14,894	14,894	6,018
Boydell and Brewer – charges			407	407	255
Scottish Publishers Association subscription					
			234	234	210
			<u>15,535</u>	<u>15,535</u>	<u>6,483</u>
Administrative expenses					
Administrative Secretary's honorarium	3		750	750	750
Expenses and administrative costs	3	240	487	7,27	1,136
Independent Examiner Fee			50	50	50
		<u>240</u>	<u>1,287</u>	<u>1,527</u>	<u>1,936</u>
Total Payments		<u>240</u>	<u>16,822</u>	<u>17,062</u>	<u>8,419</u>
Surplus/(Deficit) for year		<u>(223)</u>	<u>(7,626)</u>	<u>(7,849)</u>	<u>(2,496)</u>

Statement of Assets at 31 December 2015

		£
Monetary assets	Treasurer's account	2,919
	McIntosh Lecture Fund	2,379
	National Savings Investment account	20,429
	Paypal account note 5a.	1,053
	Prepaid Publication costs	285
		<hr/>
At 31 December 2015		<u>27,065</u>
At 31 December 2014		34,914
Deficit for year		<u>7,849</u>
At 31 December 2014		<u>27,065</u>

All funds are unrestricted apart from the McIntosh Lecture

Approved by Council

Edinburgh 14 April 2016

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.

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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. The only payments to members of Council have been reimbursement of expenses incurred on behalf of the Society totalling £119 (2014 £369).

4. STOCKS

Boydell and Brewer will print a limited number of volumes when stock of a title is running low, so containing warehousing charges. Some copies of the DVD produced in 2008 remain are held by the distributor at the end of the financial year. Discussion is continuing on how to deal with this balance. The notional value of the Society's stock held is modest, and will remain so.

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. A balance of £1,053 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 2015 there were no subsidies paid out for conference attendance