

REGISTERED CHARITY NUMBER: SC011337

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 December 2016
for
Scotland's Gardens**

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for the Year Ended 31 December 2016**

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**Reference and Administrative Details
for the Year Ended 31 December 2016**

PRESIDENT

HRH The Duchess of Rothesay

TRUSTEES

Mr Mark Hedderwick	Chairman
Mr David Mitchell	Deputy Chairman
Mr Peter Yellowlees	Honorary Treasurer

Mr Max Ward	Mrs Charlotte Hunt
Lady Erskine	Mrs Trish Kennedy
Mrs Sarah Landale	Mr Richard Burns
Mrs Minette Struthers	Ms Sally Lorimore

Mr James Wardrop OBE DL retired during the year.

NATIONAL ORGANISER

Mrs Terrill Dobson

ADMINISTRATOR

Ms Hazel Reid

CONTACT DETAILS

Head Office:	23 Castle Street, Edinburgh, EH2 3DN
Telephone:	0131 226 3714
E-mail:	info@scotlandsgardens.co.uk
Website:	www.scotlandsgardens.org

PRINCIPAL ADDRESS

23 Castle Street
Edinburgh
EH2 3DN

REGISTERED CHARITY NUMBER

SC011337

INDEPENDENT EXAMINER

Douglas Home & Co Ltd
Chartered Accountants
47-49 The Square
Kelso
Roxburghshire
TD5 7HW

BANKERS

Handelsbanken
18 Charlotte Square
Edinburgh
EH2 4DF

**Reference and Administrative Details
for the Year Ended 31 December 2016**

SOLICITORS

J & H Mitchell WS
51 Atholl Road
Pitlochry
PH16 5BU

INVESTMENT MANAGERS

Adam & Company Investment Management Ltd
25 St Andrew Square
Edinburgh
EH2 1AF

**Report of the Trustees
for the Year Ended 31 December 2016**

The Trustees of the charity, present their report and the accounts of Scotland's Gardens for the year 1 January 2016 to 31 December 2016.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charity is to facilitate the opening of gardens of quality and character in Scotland to the public and to collect and distribute funds donated to it by the owners of those gardens for charitable purposes.

Scotland's Gardens strategy is to maximise the donations from garden openings by making the general public aware of the benefits and pleasure of visiting gardens which open under its umbrella. Increasing levels of public awareness of the charity and its gardens is vital in order to achieve growing numbers of visitors and revenues year by year.

Scotland is divided into 27 different Districts which are overseen by volunteers. The Districts promote the opening of gardens locally by Garden Owners to visitors, develop a relationship with those Garden Owners, and collect the funds raised at those openings for distribution to charity.

Other income, in the form of sponsorship, donations, events, advertising revenues and the sale of the annual Guidebook, helps offset operational costs incurred by Scotland's Gardens and so assists in maximising the proportion of funds raised at gardens to be donated to beneficiaries.

Head Office co-ordinates Scotland's Gardens activities, supports its volunteers in the Districts, strives to manage its resources more efficiently and effectively and is responsible for the preparation of the annual Guidebook, the website and database.

The underlying objectives of the Trustees are to build on Scotland's Gardens reputation for the quality of its opening gardens, to develop and evolve the overall experience of its garden visitors and to improve its financial outturns.

Public benefit

Money raised from garden openings, net of expenses, is donated each year to charities. 40% of the income from garden openings, net of the owner's expenses, may be donated by the garden openers to charities of their choice. In 2016 Garden Owners donated £118,057 (2015: £108,400) to over 200 charities. The balance of the garden gate income together with other sources of income, less costs, is donated by Scotland's Gardens to its beneficiaries.

The distribution policy of the Trustees is reviewed every three years with the next policy review due in 2018. Currently the Trustees have committed to donate a minimum of £25,000 each per annum to four national charities operating in Scotland, namely the Queens Nursing Institute Scotland (the QNIS), the Garden Fund of the National Trust for Scotland, Maggie's Centres and Perennial (the successor charity to the merged Gardeners' Royal Benevolent Society and Royal Gardener's Orphan Fund).

In deciding which charities to support and for how long, the Trustees will take into account the legacy of the historic links with the Queens Nursing Institute Scotland (which was the original and sole beneficiary of Scotland's Gardens when it was established in 1931) and with the National Trust for Scotland Garden Fund, Maggie's and Perennial. Further the Trustees are committed to supporting charities which are themselves committed to caring for others, nursing and gardening.

Total distributions made to Garden Owners' charities and to Scotland's Gardens beneficiaries in 2016 amounted to £266,057 (2015: £208,400).

Volunteers

Scotland's Gardens is reliant on a network of over 200 committed volunteers and helpers throughout its 27 districts. Without their unstinting work, the charity would be unable to function and the Trustees would like to record their appreciation of all that they do.

**Report of the Trustees
for the Year Ended 31 December 2016**

ACHIEVEMENT AND PERFORMANCE

There seems to be a pattern emerging in Scotland of springs being cold and wet. After the disappointing start to our season in 2015 we fared little better in 2016. Our snowdrop openings were typically wet and cold and not surprisingly visitor numbers were weather affected. However as soon as June arrived, the skies cleared, gardens blossomed and the hard work of our Garden Openers and District volunteers was rewarded. Despite the slow start to the year our income rose by 10.2% or just over £32,000 to £347,037. Our other income sources were broadly in line with previous years, so our total gross unrestricted income in 2016 came to £417,127 up £32,138 or by 8%.

Not only did our income from Garden Openings recover to a near record high but our cost base fell as expected, following the substantial reorganisation we undertook in 2015. Our overall costs were down by a further £28,000 or 9.3%. The biggest fall in costs was in our salary bill and our Conference costs. We were extremely fortunate to be able to hold our Conference at Kirknewton House in September. The Trustees would like to express their gratitude to Charles Welwood for donating the venue to us in memory of his late wife Tinkie who for many years was heavily involved with Scotland's Gardens.

The increase in our income streams and the substantial fall in costs meant that we were able to give away substantially more to charity than we have done for many years. Donations by Garden Openers to over 200 charities of their choice rose by 9% to £118,057 and donations to our own four beneficiaries rose by £48,000 to £148,000. The Trustees would like to extend their thanks to everyone involved for their part in achieving this wonderful result.

2016 saw the 85th anniversary of the founding of Scotland's Gardens and to mark the occasion an 85th birthday party, very kindly sponsored by Investec, was held at Winton House in East Lothian. Winton has opened every year for us since 1931. The party was much enjoyed by all who attended and we were very fortunate to welcome the Duchess of Rothesay as our principal guest.

The 85th anniversary of our establishment was an opportunity for the Trustees to take stock of where the charity has come from and the direction of its future travel. It is imperative that Scotland's Gardens remains topical with a clear sense of purpose and direction. At our conference in September, we began the process of consulting with our stakeholders on the future of Scotland's Gardens and, subsequent to the conference, the Trustees have been discussing further the development of a strategic plan for the future. In the course of 2017 firm proposals will be discussed with our stakeholders before being formally adopted by the Trustees.

Finally, the Trustees would like to pay tribute to Kirsty Maxwell Stewart who died during the year. Kirsty was a Trustee for many years and was a much respected and liked chairman during her time with Scotland's Gardens. In her will Kirsty left Scotland's Gardens a legacy of £25,000 to be used for the wellbeing of the charity. After some debate, the Trustees have decided to use part of the legacy to fund a new database and to upgrade our website. The legacy was totally unexpected and the Trustees are very grateful for Kirsty's generosity.

FINANCIAL REVIEW

Financial position

Net Garden gate income is the charity's principal source of income. Other income is made up of donations and legacies, sponsorship, profits from trading activities and investment income. In the year to 31 December 2016 net garden gate income rose to £228,980 (2015: £206,280) while other income of £81,526 (2015: £53,158) was boosted by two very generous legacies and additional sponsorship due to the 85th celebration.

The full impact of the reorganisation in 2015 resulted in our costs falling to £143,937 (2015: £180,052). That fall, together with the increased income, resulted in the amount distributed to Garden Owners charities and Scotland's Gardens beneficiaries for the year rising to £266,057 (2015: £208,400).

**Report of the Trustees
for the Year Ended 31 December 2016**

FINANCIAL REVIEW

Legacy funds and investment policy

Prior to 2016, Scotland's Gardens has been the fortunate recipient beneficiary of a number of generous legacies, most notably from Gordon Bowes and the Cattenach Bequest. These had previously been shown as separate designated funds but the Trustees have, for simplicity's sake, consolidated them into one Legacy Fund. The funds have been invested in a mixture of quoted investments on the London Stock Exchange and cash deposits. All investment income arising from these investments is treated as distributable revenue by the charity. The Trustees believe it is prudent to retain a cushion of long term capital against the possibility of a substantial fall in garden gate income and a requirement for a substantial capital investment in the management of the charity. The Trustees wish to avoid having to meet unexpected running costs from donated garden gate income streams, thereby maximising the amount passed on to beneficiaries as well as maintaining their support for annual horticultural training grants to the National Trust for Scotland. They are currently consulting on the way these funds could further be used to support charities and horticultural activities.

The Trustees appointed Adam & Company Investment Management Ltd to manage the legacy portfolio on a discretionary basis as set out in an agreed Statement of Investment Principles, with the objective of maximising income growth and capital gain within a medium risk profile on a five year time horizon. The Investment Managers report to Scotland's Gardens on a quarterly basis and their appointment is reviewed annually.

The Investment portfolio produced a total return over the year to 31 December 2016 of 13.5% compared to the total return of the neutral benchmark (FTSE All-Share Index) of 16.75%. As shown at Note 12, the capital value of the invested portfolio at 31 December 2016 was £456,320.

Reserves policy

The Trustees consider the financial position of the charity at 31 December 2016 is such that it will have sufficient assets to meet its forthcoming obligations. A balance is retained on the general fund sufficient to provide working capital for the charity until revenue from the garden openings is generated.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Charity constitution

Scotland's Gardens is governed by its Constitution and Rules under the Constitution, amended in 2014. Members of Scotland's Gardens are the Trustees of the Charity and the Trustees are its Members. The Rules stipulate that there will be between 11 and 15 Trustees. The Trustees have the duty of ensuring the Charity is managed responsibly, for strategic planning and implementation of policy, all financial matters including all statutory accounting and reporting, maintaining good lines of communication with its beneficiaries and agreeing the basis and amount of donations to charity. The Trustees must meet at least three times a year including the Annual General Meeting.

Recruitment and appointment of new trustees

The Trustees are appointed for terms of three years after which they will retire by rotation but may offer themselves for re-election. The Chair is elected for a period of five years after which he must stand down as a Trustee for at least one calendar year. New members are considered in light of the skills existing within the Board at the time, together with those considered desirable for the future.

Risk management

The Trustees continue to keep the Charity's activities under review, particularly with regard to any major strategic business and operational risks that may arise from time to time and to monitor steps which can be taken to best mitigate those risks.

Approved by order of the board of trustees on 10- APRIL - 2017 and signed on its behalf by:



A M Hedderwick - Trustee

**Independent Examiner's Report to the Trustees of
Scotland's Gardens**

I report on the accounts for the year ended 31 December 2016 set out on pages seven to eighteen.

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's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) 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 the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 view given by the accounts.

Independent examiner's statement

In connection with 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 to comply with Regulation 8 of the 2006 Accounts Regulations

have 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.

C. McEwen

Carron McEwen FCCA
ACCA
Douglas Home & Co Ltd
Chartered Accountants
47-49 The Square
Kelso
Roxburghshire
TD5 7HW

Date: 13 April 2017

**Statement of Financial Activities
for the Year Ended 31 December 2016**

	Notes	Unrestricted funds £	Restricted funds £	31/12/16 Total funds £	31/12/15 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	354,976	26,975	381,951	321,374
Other trading activities	3	51,015	-	51,015	52,324
Investment income	4	11,136	-	11,136	11,293
Total		<u>417,127</u>	<u>26,975</u>	<u>444,102</u>	<u>384,991</u>
EXPENDITURE ON					
Raising funds	5	154,729	4,747	159,476	197,205
Charitable activities					
Gardener Training Grants		7,500	-	7,500	7,500
Distributions to Charities		266,057	-	266,057	208,400
Total		<u>428,286</u>	<u>4,747</u>	<u>433,033</u>	<u>413,105</u>
Net gains/(losses) on investments		<u>47,588</u>	<u>-</u>	<u>47,588</u>	<u>5,103</u>
NET INCOME/(EXPENDITURE)		<u>36,429</u>	<u>22,228</u>	<u>58,657</u>	<u>(23,011)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		605,654	-	605,654	628,665
TOTAL FUNDS CARRIED FORWARD		<u><u>642,083</u></u>	<u><u>22,228</u></u>	<u><u>664,311</u></u>	<u><u>605,654</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Balance Sheet
At 31 December 2016

	Notes	31/12/16 £	31/12/15 £
FIXED ASSETS			
Tangible assets	11	1,943	2,508
Investments	12	456,320	412,520
		<u>458,263</u>	<u>415,028</u>
CURRENT ASSETS			
Debtors	13	5,741	19,727
Cash at bank and in hand	14	367,548	282,939
		<u>373,289</u>	<u>302,666</u>
CREDITORS			
Amounts falling due within one year	15	(167,241)	(112,040)
NET CURRENT ASSETS		<u>206,048</u>	<u>190,626</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>664,311</u>	<u>605,654</u>
NET ASSETS		<u><u>664,311</u></u>	<u><u>605,654</u></u>
FUNDS	17		
Unrestricted funds:			
General fund		74,092	73,963
Designated: The Gordon Bowes Bequest		-	409,200
Designated: The Cattnach Legacy		-	119,171
Designated: The MacNab Fund		-	3,320
Designated: The Legacy Fund		567,991	-
		<u>642,083</u>	<u>605,654</u>
Restricted funds:			
Archive Review		1,975	-
Kirsty Maxwell Stuart Legacy		20,253	-
		<u>22,228</u>	<u>-</u>
TOTAL FUNDS		<u><u>664,311</u></u>	<u><u>605,654</u></u>

The financial statements were approved by the Board of Trustees on 10 - APRIL - 2017 and were signed on its behalf by:


A M Hedderwick -Trustee

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2016**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment	- 10% on cost
Computer equipment	- 33% on cost

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions (<£500) are not capitalised.

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds are unrestricted funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The charity has no restricted funds at the present time.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pensions

Pension contributions are made on behalf of an employee to an employer's scheme. The scheme is a money purchase scheme with the assets invested in an independent fund. Contributions are recognised in the income and expenditure account as they fall due.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

1. ACCOUNTING POLICIES - continued**Operating leasing commitments**

Operating leases and the payments made under them are charged to the statement of financial activities on a straight-line basis over the lease term.

2. DONATIONS AND LEGACIES

	31/12/16	31/12/15
	£	£
Local Membership	2,835	2,676
Donations	3,230	1,398
Legacies	26,500	-
Net income from garden owners	347,037	314,680
Miscellaneous	2,349	2,620
	<u>381,951</u>	<u>321,374</u>

3. OTHER TRADING ACTIVITIES

	31/12/16	31/12/15
	£	£
Handbooks	21,712	22,749
Sponsorships	27,859	26,536
Coach tours commission	1,444	3,039
	<u>51,015</u>	<u>52,324</u>

Net contributions for the year to 31st December 2016 were Handbooks £6,173 (2015: £5,596), Coach Tours Commission £1,444 (2015: £3,099) and Sponsorship £27,859 (2015: £26,536).

Sponsorship included £16,910 towards the cost of producing the Handbook, and £10,000 towards the cost of our 85th Birthday Event.

4. INVESTMENT INCOME

	31/12/16	31/12/15
	£	£
Bank Interest and Dividends	<u>11,136</u>	<u>11,293</u>

5. RAISING FUNDS**Raising donations and legacies**

	31/12/16	31/12/15
	£	£
Support costs	<u>129,737</u>	<u>176,303</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

5. RAISING FUNDS - continued**Other trading activities**

	31/12/16	31/12/15
	£	£
Purchases	15,539	17,153
85th birthday event	10,413	-
	<u>25,952</u>	<u>17,153</u>

Investment management costs

	31/12/16	31/12/15
	£	£
Investment Management Costs	3,787	3,749
	<u>3,787</u>	<u>3,749</u>

Aggregate amounts	<u>159,476</u>	<u>197,205</u>
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6. GRANTS PAYABLE

	31/12/16	31/12/15
	£	£
Gardener Training Grants	7,500	7,500
Distributions to Charities	266,057	208,400
	<u>273,557</u>	<u>215,900</u>

The total grants paid to institutions during the year was as follows:

	31/12/16	31/12/15
	£	£
Queen's Nursing Institute, Scotland	37,000	25,000
Gardens Fund of the National Trust for Scotland	37,000	25,000
Maggie's Centres	37,000	25,000
Perennial - Gardeners' Royal Benevolent Society	37,000	25,000
Other Charities of Owner's Choice	118,057	108,400
	<u>266,057</u>	<u>208,400</u>

Payments to other charities of owners choice of £118,057 to 238 Charities (2015: £108,400 to 220 Charities) have been made during the year under individual arrangements. Payments to core charities totalling £148,000 (2015: £100,000) will be made.

7. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
Costs of generating voluntary income	119,457	10,280	129,737
	<u>119,457</u>	<u>10,280</u>	<u>129,737</u>

Support costs, included in the above, are as follows:

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

7. SUPPORT COSTS - continued**Management**

	31/12/16	31/12/15
	Costs of generating voluntary income	Total activities
	£	£
Salaries (incl. redundancy)	60,413	80,937
Social security	1,131	2,370
Pensions	3,295	3,042
Website & Information Management Systems	2,854	5,063
Insurance	2,287	2,780
Office Rent and Costs	15,277	13,850
Postage and Telephone	4,548	4,311
Printing and Stationery (inc. posters, signs etc)	5,589	10,602
Advertising, Promotions and Publicity	10,176	12,776
Sundries	578	3,604
Travelling and Entertaining	1,684	1,606
Professional fees	-	4,656
Depreciation of tangible assets	1,134	996
Loss on sale of tangible fixed assets	144	-
District expenses	10,347	11,366
	<u>119,457</u>	<u>157,959</u>

Governance costs

	31/12/16	31/12/15
	Costs of generating voluntary income	Total activities
	£	£
Auditors' remuneration	600	2,990
Independent Examiners' fee	2,694	-
Conference & meeting costs	5,696	14,904
Legal & professional fees	1,290	450
	<u>10,280</u>	<u>18,344</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015 .

Trustees' expenses

Two trustees received expenses of £909 for travel and accommodation in the year ended 31 December 2016 (2015: £387).

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

9. STAFF COSTS

	31/12/16	31/12/15
	£	£
Wages and salaries	60,413	80,937
Social security costs	1,131	2,370
Other pension costs	3,295	3,042
	<u>64,839</u>	<u>86,349</u>

Staff costs include external consultant costs of £1,965 (2015: £1,150).

The average monthly number of employees during the year was as follows:

	31/12/16	31/12/15
Administrative	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

Remuneration of key management personnel was £22,807.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES AT 31 DEC 2015

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	321,374	-	321,374
Other trading activities	52,324	-	52,324
Investment income	11,293	-	11,293
Total	<u>384,991</u>	<u>-</u>	<u>384,991</u>
EXPENDITURE ON			
Raising funds	197,205	-	197,205
Charitable activities			
Gardener Training Grants	7,500	-	7,500
Distributions to Charities	208,400	-	208,400
Total	<u>413,105</u>	<u>-</u>	<u>413,105</u>
Net gains/(losses) on investments	<u>5,103</u>	<u>-</u>	<u>5,103</u>
NET INCOME/(EXPENDITURE)	<u>(23,011)</u>	<u>-</u>	<u>(23,011)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	628,665	-	628,665
TOTAL FUNDS CARRIED FORWARD	<u><u>605,654</u></u>	<u><u>-</u></u>	<u><u>605,654</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

11. TANGIBLE FIXED ASSETS

	Office Equipment £	Computer equipment £	Totals £
COST			
At 1 January 2016	4,547	5,999	10,546
Additions	-	713	713
Disposals	(360)	(2,754)	(3,114)
	<u>4,187</u>	<u>3,958</u>	<u>8,145</u>
DEPRECIATION			
At 1 January 2016	2,481	5,557	8,038
Charge for year	454	680	1,134
Eliminated on disposal	(216)	(2,754)	(2,970)
	<u>2,719</u>	<u>3,483</u>	<u>6,202</u>
NET BOOK VALUE			
At 31 December 2016	<u>1,468</u>	<u>475</u>	<u>1,943</u>
At 31 December 2015	<u>2,066</u>	<u>442</u>	<u>2,508</u>

12. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 January 2016	408,441	4,079	412,520
Additions	54,732	2,870	57,602
Disposals	(61,086)	-	(61,086)
Revaluations	47,284	-	47,284
	<u>449,371</u>	<u>6,949</u>	<u>456,320</u>
NET BOOK VALUE			
At 31 December 2016	<u>449,371</u>	<u>6,949</u>	<u>456,320</u>
At 31 December 2015	<u>408,441</u>	<u>4,079</u>	<u>412,520</u>

Adam & Company Investment Management Limited continued as the Charity's investment manager. The market value of the investments at 31 December 2016 was £456,320 (2015: £412,520). 77.4% of the portfolio (by value) is invested in securities listed on the UK Stock Exchange, 21.1% in overseas equities and 1.5% in cash.

The investments are primarily held to provide an investment return for the charity.

Individual investments which exceed 5% of the portfolio market value during the year are as follows:

	£	%
Old Mutual Investment Funds	39,311	8.7

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/16	31/12/15
	£	£
Other debtors	2,393	1,729
Prepayments and accrued income	3,348	17,998
	<u>5,741</u>	<u>19,727</u>

14. CASH AT BANK AND IN HAND

At 31 December 2016, £233,651 (2015: £140,264) was held on bank current and deposit accounts in respect of the General Fund. This amount will be reduced immediately on making payment to the Charity's principal beneficiaries, and thereafter as expenditure requires to be met throughout the year.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/16	31/12/15
	£	£
Distributions to charities	148,365	100,000
Accruals and deferred income	18,876	12,040
	<u>167,241</u>	<u>112,040</u>

Deferred income relates to income received in advance for the following years handbook advertising and sales. The movement is as follows:

	£
Deferred Income as at 1st January 2016	978
Amounts released in year	(978)
Amounts deferred in year	<u>10,788</u>
Deferred income as at 31st December 2016	<u>10,788</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	31/12/16 Total funds	31/12/15 Total funds
	£	£	£	£
Fixed assets	1,943	-	1,943	2,508
Investments	456,320	-	456,320	412,520
Current assets	351,061	22,228	373,289	302,666
Current liabilities	(167,241)	-	(167,241)	(112,040)
	<u>642,083</u>	<u>22,228</u>	<u>664,311</u>	<u>605,654</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

17. MOVEMENT IN FUNDS

	At 1/1/16 £	Net movement in funds £	Transfers between funds £	At 31/12/16 £
Unrestricted funds				
General fund	73,964	(10,900)	11,028	74,092
Designated: The Gordon Bowes Bequest	409,199	54,658	(463,857)	-
Designated: The Cattnach Legacy	119,171	(7,329)	(111,842)	-
Designated: The MacNab Fund	3,320	-	(3,320)	-
Designated: The Legacy Fund	-	-	567,991	567,991
	<u>605,654</u>	<u>36,429</u>	<u>-</u>	<u>642,083</u>
Restricted funds				
Archive Review	-	1,975	-	1,975
Kirsty Maxwell Stuart Legacy	-	20,253	-	20,253
	<u>-</u>	<u>22,228</u>	<u>-</u>	<u>22,228</u>
TOTAL FUNDS	<u>605,654</u>	<u>58,657</u>	<u>-</u>	<u>664,311</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	406,099	(416,999)	-	(10,900)
Designated: The Gordon Bowes Bequest	10,857	(3,787)	47,588	54,658
Designated: The Cattnach Legacy	171	(7,500)	-	(7,329)
	<u>417,127</u>	<u>(428,286)</u>	<u>47,588</u>	<u>36,429</u>
Restricted funds				
Archive Review	1,975	-	-	1,975
Kirsty Maxwell Stuart Legacy	25,000	(4,747)	-	20,253
	<u>26,975</u>	<u>(4,747)</u>	<u>-</u>	<u>22,228</u>
TOTAL FUNDS	<u>444,102</u>	<u>(433,033)</u>	<u>47,588</u>	<u>58,657</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

17. MOVEMENT IN FUNDS - continued

General Fund (Unrestricted)

The General Fund is maintained to provide working capital for the Charity throughout the forthcoming year, thereby enabling the bank account to remain in credit until revenue from garden owners is received.

The Legacy Fund (Designated)

Prior to 2016, Scotland's Gardens has received a number of generous legacies, most notably from Gordon Bowes and the Cattanach Bequest. These had previously been shown as separate designated funds but the Trustees have, for simplicity's sake, consolidated them into one Legacy Fund this year.

As part of the re-evaluation of where the charity is going, the Trustees are developing ideas as to what additional use these funds could be put to. They appreciate the need for a plan to use these funds constructively and it is hoped that the ideas that are being formulated will result in a positive strategy for the future.

Net assets applicable to this fund comprise of investments of £456,320 and cash at bank of £111,671.

The Gordon Bowes Bequest (Designated)

This fund was established in 1998 from the legacy received from the estate of the late Gordon Bowes. It is maintained to generate additional income for distribution to the beneficiary charities and also provide funds for special projects that may arise from time to time. Additional legacies have been added to this fund since it was established. This fund has been amalgamated into The Legacy Fund.

The Cattanach Legacy (Designated)

This fund was established in 2005 from the legacy received from the estate of the late Mr Albert Cattanach. The fund is used to sponsor and train gardeners since Mr Cattanach had a strong interest in gardening and is carried out in conjunction with The National Trust for Scotland. This fund has been amalgamated into The Legacy Fund.

The Macnab Fund (Designated)

The fund was established in 2012 from donations received following the death of Diana Macnab and is used to make awards to individuals who have made an exceptional contribution to the charity. This fund has been amalgamated into The Legacy Fund.

Archive Review Fund (Restricted)

During the year £1,975 of donations were received at our 85th birthday event. The donations will help to fund a review of our archives.

Net assets applicable to this fund comprise cash at bank of £1,975.

Kirsty Maxwell Stuart Legacy Fund (Restricted)

During the year a £25,000 legacy was received from the estate of the late Kirsty Maxwell Stuart, Past Chairman of the Charity. The funds are to be used for office comforts and improvements, which will include the complete revamp of the office database.

During the year £4,747 was spent on reviewing how the office and indeed the charity is organised.

Net assets applicable to this fund comprise cash at bank of £20,253.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

17. MOVEMENT IN FUNDS - continued**Transfers between funds**

Income received into the Gordon Bowes and Cattnach funds from dividends and interest is transferred at the year end to the general fund to be distributed to the Scotland's Gardens designated charities. Other transfers for one off expenditure items are made as approved by the Trustees as they arise.

It was agreed at a Trustees meeting that the Designated Funds, namely the Bowes Bequest, the Cattnach Fund and the Macnab Fund will be consolidated into "The Legacy Fund" to simplify designated funds going forward.

18. OTHER FINANCIAL COMMITMENTS

The Scheme has obligations under non-cancellable operating leases for each of the following periods:

	31/12/16	31/12/15
	£	£
Within one year	15,643	15,643
Between one and five years	32,592	48,235
In more than five years	-	-
	<hr/>	<hr/>
Total future minimum lease payments	<u>48,235</u>	<u>63,878</u>

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2016.

20. FIRST YEAR ADOPTION**Financial reporting standard 102**

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit.