



RSABI

Supporting People
in Scottish Agriculture

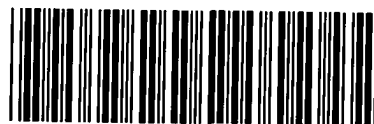
RSABI
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2018

Company No. SC268622 (Scotland)



SATURDAY



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SCT 06/10/2018 #268
COMPANIES HOUSE

Chairman's Overview

It is my pleasure to add my comments to a financial report which shows RSABI to be fulfilling its role across Scotland's rural sector. The financial year to March 31, 2018 covered a challenging time for farmers, crofters and their employees. Uncertainties over Brexit remained unresolved over the period but these were simply a backdrop to the ever present worries about weather. Wet weather prevailed from late summer, through the autumn and winter and well into what turned out to be a very late and cold spring. We were not to know when the reporting period ended that this would be followed by a prolonged drought.

The resulting pressures, especially for those who had been unable to conserve sufficient forage, has sorely tested the well-recognised resilience of the sector. But it has also increased the workload of RSABI. The Trustees have monitored the situation carefully to make sure the charity has been able to respond to an ever-changing situation and I am pleased to report that the RSABI team under the leadership of chief executive Nina Clancy have responded magnificently and with great professionalism.

New tools, such as our enhanced helpline and a more flexible way of delivering our welfare services have made us equal to the task but with no room for complacency.

Financially, RSABI remains in good heart but at the moment our workload can only be sustained by operating on a planned and carefully monitored deficit. This is possible in the short term because of the value of our investments but if the charity's level of activity is to be maintained the deficit will have to be replaced by other income. That is why I am commending to you our Supporters Scheme with its range of individual, business and corporate memberships.

These are all affordable. My particular target is to see a considerable increase in what is an already encouraging uptake.

Ewan Pate
RSABI Chairman.

RSABI

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**REPORT OF THE BOARD OF TRUSTEES
For the year ended 31 March 2018**

Introduction

The Trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2018.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial and Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and Strategy of the Charity

The Trustees adopted a 5-year ongoing Business Plan to ensure RSABI's activities are relevant to the people we help and the environment in which it operates. The Trustees constantly monitor the performance of the charity and review the business plan every year.

The key strategic objectives of the charity remain unchanged, namely:

1. Substantially increase the number of beneficiaries receiving emotional, practical and financial support.
2. Deliver such support to beneficiaries in a professional, confidential and friendly manner, and develop this support in response to changing circumstances and needs.
3. Increase annual income of the charity through the "supporter scheme" to meet the costs of delivering the increased services whilst maintaining current levels of voluntary income.
4. Demonstrate legislative compliance, transparency, efficiency, and good practice in all of the charity's policies, procedures and practices.
5. Develop the capacity and skills of its Trustees and staff in pursuit of these objectives.

Activities, Achievements and Performance

(a) Welfare

Following a review of our acceptance criteria a number of changes were made by the Trustees to allow more effective and targeted support.

Occupational criteria was confirmed to be a minimal of 10 years in the industry or currently working in the industry.

Also, new applicants were subject to a change in financial criteria, whereby disposable income and level of savings were the indicators of need rather than income and savings. This allowed our authorising group to be able to directly compare situations of self-employed, employed and those no longer able to work.

By listing both income and expenditure case officers see the bigger picture of a client's money situation and can offer a broader range of support. This support can help clients improve their own situation, and often without the need for long term financial support from RSABI. Practical and emotional support often require a number of contacts and follow up work.

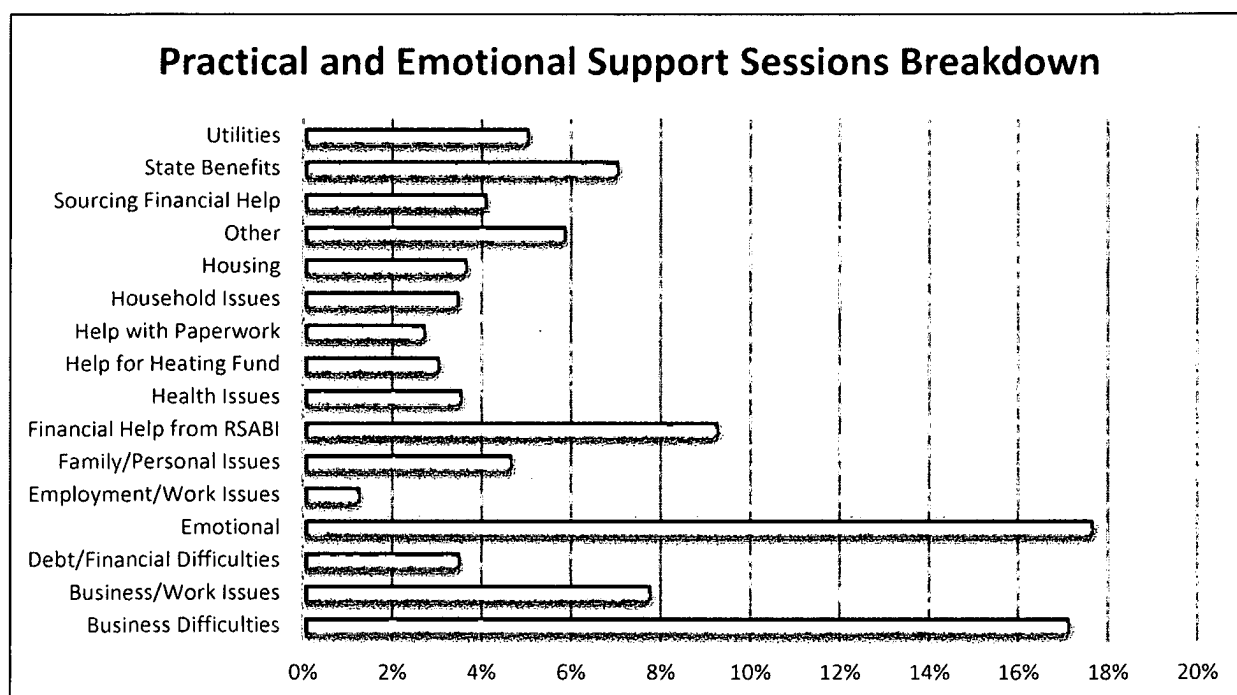
(Fig A) Shows the individuals who have received support, they are counted as one individual irrespective of the amount of support received or how often they received it. It is unusual for a client not to receive more than one type of support.

Fig A

Welfare Activities				
Description	17/18 Individuals	16/17 Individuals	17/18 Payments awarded	16/17 Payments awarded
Direct Payments	621	692	£474,662	£535,643
Support Only	112	158		
Total	733	850	£474,662	£535,643

To truly reflect the service that RSABI deliver and the shift from predominantly financial support to a broader service would be to consider the frequency an applicant uses our service and the duration of each occasion.

(Fig B) Shows the type of practical and emotional support sessions delivered



By way of example:

A farmer calls because he is having difficulty making ends meet. RSABI assess the situation and advise on how to claim working tax credits. The business is not doing well and he is under stress due to pressure from creditors. The farmer takes the opportunity to apply for a Business Efficiency review via RSABI and the Scot Gov. RSABI contact creditors and ask for time to allow review to be completed. RSABI coordinate consultant to undertake the review. Once review is complete RSABI attend the meeting with the consultant and farmer and look at next steps. RSABI supports the farmer with food vouchers to allow time for working tax credits to be paid. RSABI keep in regular contact and support the farmer practically and emotionally in moving his situation out of crisis, this can include exiting from agriculture.

In this case there is likely to be a minimum of 10 hours of support to enable the farmer into a better situation. As an individual he has used all 3 of our services, financial, practical and emotional at various times.

(i) RSABI Direct Payments

Of those receiving Direct Payments, 533 individuals are Annual Beneficiaries who received recurring grants. The majority of annual beneficiaries are those with backgrounds in agriculture who have retired from active work owing to age. Implementation of the new financial criteria for all new applications, has resulted in a reduction in the amount of grants awarded compared to previous years. This is in line with Trustees expectations as resources are targeted toward providing more effective help.

A family with 3 young children when illness meant work had to stop said:

"It became clear during the initial meeting that our lives were no longer all doom and gloom. Just knowing there is someone out there to offer financial help and a listening ear has made a huge difference to our family life."

Single grants were provided for a wide variety of purposes ranging from food vouchers, heating costs and essential household items. Over £6,000 was spent on food vouchers this year.

A young family starting out on a new farm who received food vouchers said:

"We are very grateful to RSABI for the help given at a crucial time."

Twelve farm businesses have completed a Specialist Business Efficiency review, some of which were part funded by RSABI and all qualified for a government grant. These are businesses that are under pressure from creditors or where problems have arisen due to mental health issues or bereavement.

(ii) RSABI Practical Support

Practical support takes many forms, for example maximising state benefits and applying for other charity income.

RSABI have secured additional financial gains for clients of around £290,000.

As well as maximising state benefits, the Welfare team have secured funding on behalf of beneficiaries by assisting with applications to other charities, negotiating with employers through professional mediation services and increasing stock valuations through consultant reviews.

<u>Type of Gain Secured</u>	<u>Amount</u>
State Benefits	£185,791
Other (including Specialist Plans)	£85,265
Other charity income	£15,330
Utilities	£1,748
Debt	£1,628
Total	£289,762

"We chanced upon RSABI when looking for help and at first were unsure if they could help as the name does not automatically make you aware of what they do and how they help, however they proved to be invaluable in our situation and we would recommend the RSABI to any other agricultural workers in a difficult situation seeking help."



"RSABI is here to help everyone, young and old." – Mags Granger, Welfare Manager

(iii) RSABI Emotional Support

It is difficult to quantify emotional support and the difference it makes to someone's life. RSABI spend time with those bereaved, support those in the process of losing animals and farms and supply a listening ear to the vulnerable, lonely and isolated.

We hope to establish a telephone call out support service and 35 individuals are already on the list. The helpline staff call individuals at agreed intervals to listen and check that they are okay. Funding has been applied for from the Royal Highland and Agricultural Society of Scotland to support this work.

The helpline have seen an increase in the amount of working farmers calling for emotional support.

"Without the variety and spread of help and support I have received from RSABI the outcome to date of my life and those around me would probably have been sadly a lot different."

RSABI continues to work closely with other industry bodies. We are a lead body in the formation of Farmwell Scotland, supporting those in agriculture for early recognition of farming issues which could become detrimental to mental wellbeing. We are also a member of the Rural Mental Health Forum to highlight issues with access to services for those living rurally. RSABI joined the Scottish Government's Weather Advisory Panel during the year to assess the impact of adverse weather conditions on the industry.



RSABI's confidential and non-judgemental support is delivered to individuals on a one-to-one basis by experienced staff and volunteers.

(b) Development

At a time of increased uncertainty in farming, and with fundraising becoming ever more challenging for charities, RSABI has enjoyed a successful year overall following a record campaign delivered in 16/17. Despite the difficulties experienced by the sector, financial support has continued to grow in recognition of the important role played by RSABI supporting people in agriculture.

We are enormously grateful to every person in the wider agricultural community and the many clubs and organisations who organised events and raised valuable funds for RSABI throughout the year and aim to encourage more people to support RSABI as their charity of choice.

(i) Supporter Scheme

Colin's business is proudly supporting our work.
You never know what's round the corner.

RSABI
Supporting People in Scottish Agriculture

To donate to our supporter scheme call 0300 111 4166.

RSABI BUSINESS SUPPORTER

www.rsabi.org.uk

One of the charity's key objectives was to increase income from the Supporter Scheme to mitigate stock market volatility and create a stable income stream. The Trustees have committed to spending a substantial amount of our capital under investment due to increased demand on our charity's services. It is envisaged that the Supporter Scheme will, in time, be sufficient to allow the charity to no longer operate at a deficit.

With RSABI continuing to use reserves to help fund the increase in the number of people it helps, focus increased further to build supporter income to help address one of the charity's key objectives.

We continue to see more and more businesses signing up to become supporters of the charity and more pleasingly the vast majority continue to support us year-on-year. With a part-time development officer in place for South East Scotland and a series of mini appeals

launched throughout the winter months covering all of Scotland, new business supporter numbers rose sharply during the second half of the year achieving an overall income of £64,000.

The number of working farm supporters grew following a direct donor appeal, with 47 farm businesses now showing their support.

"To the people RSABI helps, it is a lifeline. Please show your support for RSABI as a working farm business." – David Bell, Fairfield Farms

Development of links with key industry organisations such as NFU Mutual continue to prosper, providing a range of corporate social responsibility outcomes for partners.



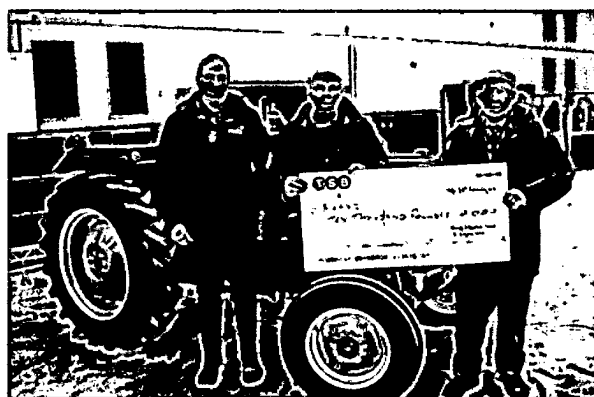
There remains scope to develop the scheme with further initiatives planned in the coming year.

 Supporter Scheme   		15/16	16/17	17/18
Individual		42	121	185
Business		43	103	181
Corporate		23	35	45
Total				
Income		£21k	£42k	£64k

(ii) Donations

Following the success of our "Help us help them" campaign during the previous financial year, voluntary donations exceeded expectations by keeping pace with previous values from individuals, groups, clubs and organisations. RSABI was also fortunate to receive significant donations from trusts over and above regular annual gifts.

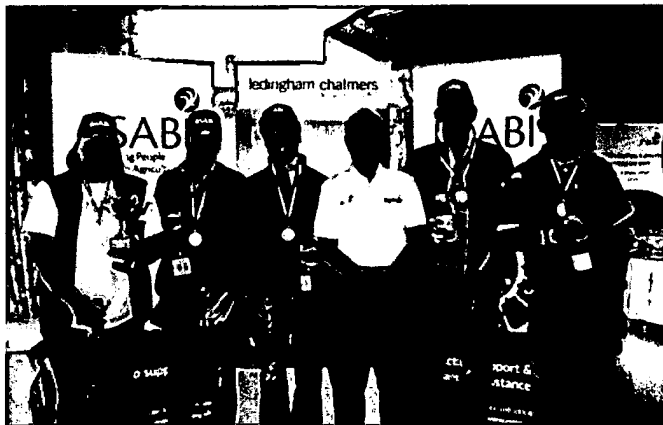
We were grateful in particular for donations from The Royal Northern Agricultural Society, Aberdeen Angus Cattle Society, The Scottish Corn Trade Association, Misses Robinson Trust, Robert Balfour of Dawyck Estates, Frontier Agriculture, The Robertson Trust, Farming Help and The Wiseman Family Charitable Fund.



In addition, the third annual award of £14,000 from the Royal Highland and Agricultural Society of Scotland was invaluable in allowing us to continue the operation of our Helpline.

The Banff & Buchan Tractor & Engine Club successfully restored and auctioned a vintage tractor raising a fantastic £10,000 for RSABI.

(iii) Fundraising



RSABI Great Glen Challenge 2017, our flagship one-day multi-sports fundraising event for rural businesses and organisations, again sponsored by Ledingham Chalmers, solicitors and supported by other leading corporate organisations was very popular once more, attracting a record 27 teams and 108 competitors, raising over £55,000.

Building on strong existing partnerships with a range of corporate organisations and businesses such as Bank of Scotland, Galbraith and Royal Bank of Scotland, RSABI sought to introduce fresh initiatives, welcoming additional new support.

An RSABI Ball in Wigtownshire raised a fantastic £13,850 and RSABI welcomed BBC presenter Adam Henson back to Central Scotland to help promote our supporter scheme and introduce a range of new businesses to RSABI.

Our fundraising events calendar also included a successful summer golf day staged with the assistance of the Angus voluntary committee.



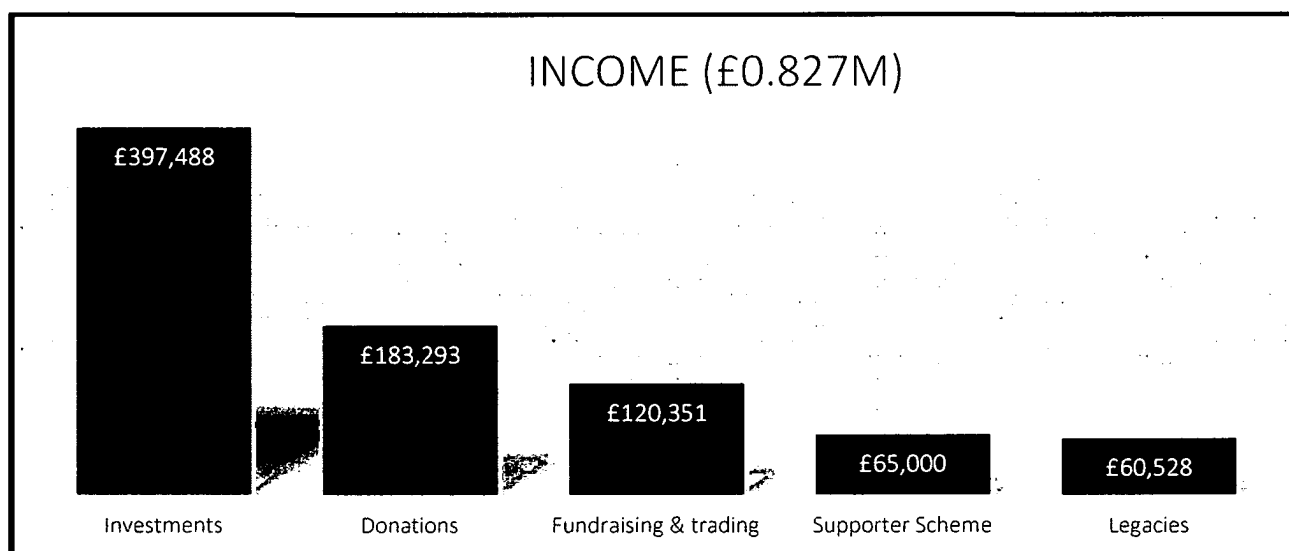
We are enormously grateful to all members of the public and the many clubs and organisations who organised events and raised valuable funds for RSABI throughout the year and hope to encourage more people to support RSABI as their charity of choice.

Financial Review

In order to meet our strategic aims, the Board recognised significant capital expenditure was required and agreed an operational budget accordingly. Since the inception of the new business plan in 2014 a total of £1,300,000 has been drawn down from our investment portfolio.

The Statement of Financial Activities, detailed later in this Report, shows an operating deficit during the year of £273,584. After adjusting for realised and unrealised changes to the investment portfolios, the charity closed the year with total Funds of £10,267,257 which represents an overall decrease in Funds of £790,019.

(a) Income



(i) Investment Policy and Performance

In terms of capital valuation, markets have really demonstrated their volatility during this financial year period. This is reflected in an overall capital depreciation of the investment portfolios by £516,435 (as opposed to an appreciation of £1,361,117 in the prior year). Balance sheet figures only present a snapshot of our investments portfolio and it is more appropriate to consider a long term view when assessing such performance. Nevertheless, the need to accurately plan for our financial future underpins our aim to develop the supporter scheme as a stable income stream.

It is recognised that RSABI faces an increase in demand for our services, be it emotional, practical or financial support. As a result the Trustees have committed to release capital from reserves in line with the 5 year strategy of the Board. In this respect, it was necessary to release £400,000 during the year.

The instruction to Brewin Dolphin (our Investment Managers) on all portfolios is one of balanced income/capital growth, with medium risk, except for the Turnbull Trust Fund where a greater emphasis on income is sought in view of the fact that the capital of this fund cannot be used.

Investment income still remains the most significant of our income sources. As at 31 March 2018 the combined portfolios are generating a gross income yield of approximately 3.6% (£397,488 received during the financial year). Our potential income may be reduced in future years as we continue to make capital withdrawals.

(ii) **Other Income**

Donations reduced to £248,293 (2017: £263,294), mainly due to the added impact of our "Help us help them" campaign in the previous year.

The income generated by the Supporter Scheme contributed £64,000 (2017: £42,000) to this total which is to be an increasingly important aspect of our total income going forward.

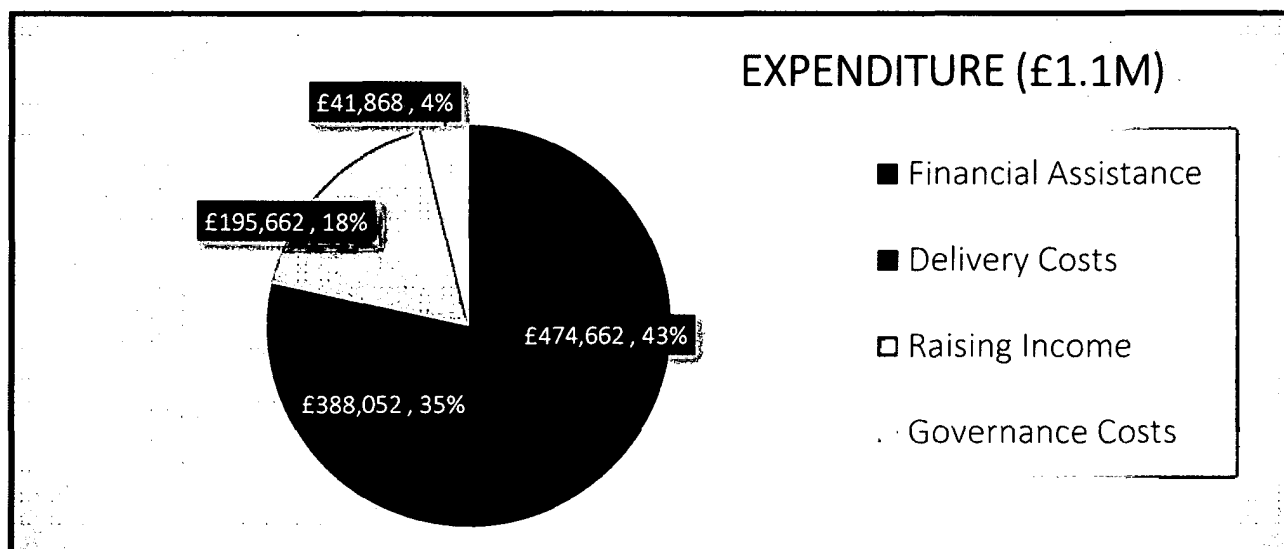
Fundraising Income of £91,493 (2017: £114,626) was raised during the year in line with our increasing trend. The change this year being attributed to the success of our previous year's targeted campaign.

Trading Income was £28,858 (2017: £17,672), increasing mainly due to sales from Andrew Arbuckle's latest book, "Farming Facts and Fake News" which was launched in time for our Christmas sales.



We know that leaving a legacy is a very personal gesture and we very much appreciate those individuals who have chosen to contribute to our work in such a manner. Legacies amounted to £60,528 (2017: £82,477).

(b) Expenditure



Delivery costs as defined above include a proportion of staff costs relating to providing practical support, helpline services, and time taken to assess eligibility for financial assistance. The majority of our beneficiaries receive both practical support and financial assistance, and some on multiple occasions. There has been a marked increase in the provision of practical support services.

Charitable activity expenditure reduced on the previous year to £904,582 (2017: £964,352). This expenditure breaks down into several different categories essential for running a modern charity. Around 82% of our total expenditure is on charitable activities.

(i) Direct Payments

Around £475,000 of this expenditure was directly paid to beneficiaries (2017: £536,000). The reduction was due to both a change in our eligibility criteria and the removal of Christmas vouchers - all designed to direct payments where they are most needed. In addition, in the previous financial year the final payments for our Help for Straw Haulage Scheme were made.

(ii) Delivery Costs

In recent years, the charity has undergone a transformation from delivering solely financial payments to one that also provides emotional and practical support. This is delivered through the Helpline and Welfare Teams.

Delivery costs of £388,052 (2017: £390,239) consist of a proportion of staff costs relating to providing practical support, helpline services, and time taken to assess eligibility for financial assistance.

(iii) Raising Income

The costs of raising income for the charity equalled £195,662 (2017: 182,660). This consists of costs relating to generating voluntary income, fundraising and trading, and investment management fees.

(iv) Governance costs

Ensuring that the charity complies with all relevant legislation and maintains its reputation within the industry it is important to adequately resource governance of the organisation. These costs amounted to £41,868 (2017: £38,470).

All expenditure remains under the close scrutiny of the Trustees and in particular the Finance Committee. Any opportunities to achieve goals in more cost effective ways are continually explored.

(c) Reserves Policy

Over the past 100 years RSABI has built up significant capital reserves. The Trustees believe sustainability is paramount to our beneficiaries and that the level of reserves should allow the charity:

- i. to maintain payments to beneficiaries even over prolonged periods where our income may be reduced until such time as income can be re-developed or all funds are exhausted
- ii. allow for the strategic aims of the charity

The charity's funds mainly consist of unrestricted funds which may be applied or designated to further any of the charity's purpose, and endowment funds (restricted) where the Trustees have no power to expend the capital.

Total Funds	£10,267,257
Restricted and Endowment Funds - the largest of which is the Turnbull Trust	(£2,715,262)
Crisis Fund – Designated fund to respond quickly to any future emergency faced by the industry. The Trustees believe it is important to the reputation of the charity that it retains a capability to respond properly to such calls for support as indeed it did so this year in response to the wet weather crisis in Orkney. The Fund is limited to 10% of charity's current capital under investment at any time	(£607,015)
Centenary Fund – Designated fund which is disbursed to alleviate problems associated with long term illness or disability by providing assistance beyond the scope of existing RSABI resources	(£357,007)
General Fund – remaining (unrestricted) funds	£6,587,973
Less: Tangible fixed assets	(£16,360)
Available Reserves	£6,571,613

i. An analysis of our long term obligation to our current annual beneficiaries indicates a maximum amount required to maintain a minimal administration service and continue to make payments for the next 10 years	(£3,716,827)
ii. Amount estimated by Trustees to cover operational deficits over the next 4 years	(£922,531)
Remaining reserves	£1,932,255

The Trustees feel that RSABI should hold as "remaining reserves" our working capital requirements to competently wind down the charity, if necessary. This would be 12 months of normal operating capital which includes the provision of non-financial support. We have estimated this at £500,000 and therefore we currently hold a surplus in reserves.

In recent years, the charity has only been able to maintain its level of support and financial help to beneficiaries through operating at a financial loss and it is envisaged that this will continue for the foreseeable future. The strategic aim of the charity is that the expansion of the supporter scheme will generate sufficient income to cover all of the deficit in our annual operations by the end of the 5 year period.

The charity's reserves are utilised to cover this shortfall in income and it is the belief of the Trustees that the remaining reserves as stated above are required to allow for the risks associated with stock market volatility, insufficient income being generated by the supporter scheme, any unexpected expenditure and for working capital requirements. In future years, there may, however, be scope for the Trustees to elect to increase spending to beneficiaries if equity markets continue to perform well. The progress against our strategic objectives is closely monitored and the level of reserves will continue to be reviewed annually by the Trustees.

Plans for Future Periods

The future of Scottish agriculture for some will be exciting and will offer a great deal of opportunity but chronic poor weather, general uncertainty regarding the effects of exiting from the European Union on markets and subsidy, price volatility and increasing debt may mean others face a difficult future.

The Trustees believe the need for RSABI's services will increase. The current Business Plan is being implemented under the direction of the Trustees. It has been agreed that continued focus on increasing the number helped and increasing regular income from the Supporters Scheme remains a priority.

In the next 12 months, the Trustees anticipate:

- Following the successful implementation of new financial eligibility criteria (which considers disposable income and savings as an indicator of need) for all new applicants, we aim to apply the same criteria to existing beneficiaries over the coming year. This will more effectively target funds to those that need RSABI's financial assistance and allows a direct comparison of need between those working and not working. It will also allow case officers to assist clients longer term by helping them look at the pressures in their household budget.
- Responding to Industry demand, RSABI will be available to those who need emotional and practical support, not only those in financial difficulty.
- Expansion of the Helpline role to provide outbound telephone support to lonely and vulnerable beneficiaries.
- New database to streamline our processes to respond quicker to beneficiary needs, better management of data and more efficient processes.
- Partnership with Police Scotland to supply helpline stickers for firearms officers to distribute with gun license renewals
- Partnership with more industry bodies to provide awareness of RSABI services and training on how to refer people in difficulty to the charity
- Upgrade the capabilities of our contacts relationship management software to handle growth in our supporter membership and provide a modern platform for marketing.
- Work to integrate website and smart phone functions to showcase our membership offerings more widely and effectively whilst increasing the number of people supporting the charity by donating via direct debit.
- Develop our sales messaging to better highlight the specific benefits provided to people we help.
- We plan to build on existing partnerships and new sponsors to deliver an innovative summer fundraising campaign across three major events in Southern, Central and Northern Scotland, providing a significant boost for funds raised and attracting new supporters to RSABI.
- Implementation of Data Protection policies and procedures to be compliant with EU General Data Protection Regulations (GDPR)

Supporters and Charitable Trust Contributors of RSABI as at 31st March 2018

<u>Corporate</u>	<u>Business & Individual</u>	<u>Trusts</u>
<p>A K Stoddart Ltd ABP (Perth) ANM Group Ltd Bank of Scotland Barclays plc Begbies Traynor Bell Ingram LLP Binn Group Birsay Farmers Ltd British Polythene Industries Ltd Brodies LLP Craig Wilson Ltd Davidson & Robertson East Coast Viners Grain (Drumlithie) Galbraith Haddo Estate Harbro Ltd Highland Wagyu Kramp UK Ltd Lawrie & Symington Ltd Ledingham Chalmers LLP Lothian Machinery Ring Ltd Luffness Mains Margaret & Alan Wiseman Muirhall Energy Ltd NFU Mutual NFU Scotland RHASS Ringlink (Scotland) Ltd Savills UK Limited Scotland Food & Drink Scotland's Rural College Scottish Agricultural Organisation Society Scott-Moncrieff Solway Vets SP Energy Networks Strutt & Parker LLP The Fresh Milk Company (Lactalis) The Moredun Foundation The Royal Bank of Scotland The Royal Northern Agricultural Society The Scottish Farmer United Auctions Watson Seeds Ltd Yara UK Ltd</p>	<p>Supporter numbers reached</p> <p>- 181 Business Supporters</p>  <p>- 185 Individual Supporters</p> 	<p>A M Pilkington Charitable Trust AEH Salvesen Charitable Trust Buccleuch Charitable Foundation Callendar Charitable Trust Demigryphon Trust Geoffrey Clark Charitable Trust George & Margaret Trotter Charitable Trust M V Hillhouse Trust March Brown Charitable Trust Misses Robinson Charitable Trust Psalter Foundation Tay Charitable Trust The Netherton Charitable Trust The Privy Purse Charitable Trust The Robertson Trust The Wiseman Family Charitable Fund The Wood Foundation</p>
 <p>- 45 Corporate Supporters</p>		

Structure, Governance and Management

RSABI is a recognised Scottish charity (No. SC009828) and is a Company limited by guarantee and not having share capital (Company number SC268622). The Memorandum and Articles of Association by which it is governed can be viewed on the RSABI website www.rsabi.org.uk

The Trustees of the charity share responsibility for its management, for strategic planning, for public accountability and for its efficient and cost-effective management. The Trustees are also Directors of RSABI under company law.

RSABI's Trustees are appointed by, and from within, the membership of the charity in accordance with the relevant provisions of the Memorandum and Articles of Association. These provide that the Board may comprise up to 9 elected Trustees and may co-opt a further 3 individuals to assist its work.

The process for appointment of new Trustees, their duties and performance requirements are detailed in RSABI's Trustee Code, *"The role, appointment and conduct of Trustees of RSABI"*. This includes a "skills matrix" defining the range of expertise and experience required within the Board for it to competently discharge its responsibilities in a changing world. A "Board rotation" model is maintained to forecast future Board composition if retirement rules are followed through, and this assists succession planning.

Details of Trustees serving during the reporting period are provided in the Reference and Administrative Information section at the end of this Report.

The Board met formally on a total of five occasions during the year, and while the vast majority of its work was undertaken as a full Board some issues between Board meetings were determined by electronic communication.

Assisting the Trustees, are the following sub committees which meet at least twice per year and report on relevant matters to the Board:

- i. Human Resources & Remuneration subcommittee which consists of two Trustees and a human resources professional. Their remit includes overseeing remuneration, reviewing and benchmarking salaries and contracts, and monitoring the targets & performance of the chief executive.
- ii. Finance subcommittee consists of three Trustees which currently includes a chartered accountant. Their remit includes overseeing the preparation of the annual financial statements in liaison with the auditors and conducting regular oversight of the performance of our investment managers.

Key Management Personnel and Remuneration

The Trustees consider the Board of Trustees, the chief executive, development manager, finance manager, and welfare manager as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely for Board matters.

All Trustee expenses are disclosed in note 11 to the accounts and there were no related party transactions to disclose.

Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the charity's policy withdraw from decisions where a conflict of interest arises.

The pay of the charity's personnel is reviewed annually by its remuneration committee and normally increased in accordance with average earnings. The remuneration is also benchmarked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk Management

At each Board meeting the Trustees formally review the RSABI risk register, particularly focusing on those risks that threaten the financial stability of the charity, its operations and its reputation. Risks associated with new activities or perceptions of new threats are addressed as they arise. It is their view that adequate systems are in place, or appropriate measures being taken, to mitigate exposure to the major risks identified.

The Trustees consider the high dependency upon investments income and market volatility to constitute the charity's major financial risk. This is mitigated by retaining expert investment managers and having a diversified investment portfolio. In addition, we continue to develop our supporter scheme to create a stable source of annual revenue.

The risk of Brexit resulting in an economic downturn for the agricultural industry is mitigated by routinely reviewing policy developments and our beneficiaries' needs. We also collaborate closely with the Scottish Government and other charity organisations.

There is a risk that potential beneficiaries do not come forward because of a lack of awareness or pride. RSABI will continue to actively promote its services to appropriate individuals, groups or organisations to counteract this lack of awareness. In order to mitigate the barrier of pride we will do everything that we can to encourage third party referrals to the charity.

Reference and Administrative Information

Honorary Patron

Her Majesty The Queen

Honorary President

The Duke of Buccleuch and Queensberry KBE FRSE DL

Honorary Vice Presidents

Mrs Margaret Anderson MBE

The Earl of Airlie KT GCVO PC

Jeremy Dewhurst

Robin J Forrest OBE DL FRAGS

Mrs Sheena Lamont

David Purdie

The Earl of Rosebery DL

Dr John Ross CBE FRAGS DVMS LL

John M Stevenson DL FRAGS

Board of Trustees

Ewan Pate FRAGS – Chairman

John Kinnaird DL FRAGS – Chairman (resigned 15 November 2017)

David Leggat MBE FIA (Scot) FRAGS – Vice Chairman

Christine Bowie MSc (Counselling), MBACP

Robin Dandie

Patricia Glennie

Hamish Lean LLB Dip LP

Neil McGowan

James Mclean (appointed on 3 October 2017)

Penny Montgomerie (resigned 15 November 2017)

John Watson FRAGS

Chief Executive and Company Secretary

Nina Clancy ARAGS

Registered and Principal office

The Rural Centre, West Mains of Ingliston, Newbridge, Midlothian EH28 8LT

Auditors

Geoghegans

Chartered Accountants

6 St Colme Street

Edinburgh

EH3 6AD

Investment Managers

Brewin Dolphin

Atria One

144 Morrison Street

Edinburgh

Principal Bankers

Bank of Scotland

38 St Andrew Square

Edinburgh

EH2 2YR

Legal Representatives

Anderson Strathern

1 Rutland Ct

Edinburgh

EH3 8EY

Trustees' Responsibilities in relation to the financial statements

The Trustees (who are also directors of RSABI for the purposes of company law) are responsible for preparing the Report to the Board of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- ❑ select suitable accounting policies and then apply them consistently;
- ❑ observe the methods and principles in the Charity SORP;
- ❑ make judgements and estimates that are reasonable and prudent;
- ❑ state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any 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 charitable company will continue in operation.

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

Statement as to disclosure to our auditors

In so far as the Trustees are aware:

- (a) there is no relevant audit information of which the charitable company's auditor is unaware, and;
- (b) they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees

The Trustees (who are also directors for the purposes of company law), who served during the year and up to the date of this report are set out on page 16.

Auditors

A resolution proposing the re-appointment of Geoghegans as auditors of the company will be placed at the forthcoming Annual General Meeting.

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

Approved by the Board of Directors on the 2nd October 2018 and signed on its behalf by:

Ewan Pate
Chairman



INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF RSABI

Opinion

We have audited the financial statements of RSABI for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, a Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF RSABI (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES AND MEMBERS OF RSABI (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

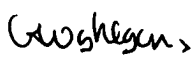
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's directors, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and directors 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 charitable company, the charitable company's members as a body and the charitable company's directors as a body, for our audit work, for this report, or for the opinions we have formed.


Paul Marshall (Senior Statutory Auditor)
for and on behalf of Geoghegans, Statutory Auditor
6 St Colme Street
EDINBURGH
EH3 6AD

2 October 2018

Geoghegans is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

RSABI
**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2018**

	Notes	Unrestricted Funds	Restrict ed Funds	Endowment Funds	Total 2018	Total 2017
		£	£	£	£	£
Income and endowments from:						
Donations and Legacies	4	294,821	14,000	-	308,821	345,771
Other trading activities	5	120,351	-	-	120,351	132,298
Investments	6	278,854	-	118,634	397,488	388,055
Gain on disposal of tangible assets		-	-	-	-	670
Total income		<u>694,026</u>	<u>14,000</u>	<u>118,634</u>	<u>826,660</u>	<u>866,794</u>
Expenditure on:						
Raising Funds	7	191,912	-	3,750	195,662	182,660
Charitable Activities	8	<u>775,698</u>	<u>14,000</u>	<u>114,884</u>	<u>904,582</u>	<u>964,352</u>
Total expenditure		<u>967,610</u>	<u>14,000</u>	<u>118,634</u>	<u>1,100,244</u>	<u>1,147,012</u>
Net income/(expenditure) before investment (losses)/gains		(273,584)	-	-	(273,584)	(280,218)
Net (losses)/gains on investments	14	<u>(321,285)</u>	<u>-</u>	<u>(195,150)</u>	<u>(516,435)</u>	<u>1,361,117</u>
Net (expenditure)/income and net movement in funds	12	(594,869)	-	(195,150)	(790,019)	1,080,899
Total funds brought forward	18,19,20	<u>8,141,875</u>	<u>5,000</u>	<u>2,910,401</u>	<u>11,057,276</u>	<u>9,976,377</u>
Total funds carried forward	18,19,20	<u><u>7,547,006</u></u>	<u><u>5,000</u></u>	<u><u>2,715,251</u></u>	<u><u>10,267,257</u></u>	<u><u>11,057,276</u></u>

The charitable company has no recognised gains or losses other than those included in the statement of financial activities above.

All incoming resources and resources expended derive from continuing activities.

RSABI**SUMMARY INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2018**

	2018 £	2017 £
Income	429,172	478,739
(Losses)/gains on investments	(321,285)	1,026,172
Interest and investment income	<u>397,488</u>	<u>388,055</u>
Gross income	<u>505,375</u>	<u>1,892,966</u>
Expenditure	1,093,079	1,138,111
Depreciation	<u>7,164</u>	<u>8,901</u>
Total expenditure	<u>1,100,244</u>	<u>1,147,012</u>
Net (expenditure)/income	<u>(594,869)</u>	<u>745,954</u>

RSABI

BALANCE SHEET
as at 31 March 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	13	16,360	14,728
Investments	14	9,630,461	10,546,964
		<u>9,646,821</u>	<u>10,561,692</u>
Current assets			
Stock - vouchers		2,375	1,850
Debtors	15	110,452	161,419
Cash in bank and in hand	16	550,650	358,779
		<u>663,477</u>	<u>522,048</u>
Liabilities			
Creditors: amounts falling due within one year	17	(43,041)	(26,464)
Net current assets		<u>620,436</u>	<u>495,584</u>
Total assets less current liabilities		<u>10,267,257</u>	<u>11,057,276</u>
Funds			
Unrestricted Funds			
General fund	18	6,582,983	7,173,158
Designated funds	18	964,023	968,717
Restricted funds	19	5,000	5,000
Endowment funds	20	2,715,251	2,910,401
Total funds		<u>10,267,257</u>	<u>11,057,276</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved and authorised for issue by the Board of Trustees on 2 October 2018 and signed on its behalf by:

Ewan Pate
Chairman



Company Registration Number: SC268622 (Scotland)

RSABI

STATEMENT OF CASH FLOWS
For the year ended 31 March 2018

	Notes	2018 £	2017 £
Net cash used in operating activities	24	<u>(596,889)</u>	<u>(733,372)</u>
Cash flow from investing activities:			
Payments to acquire tangible fixed assets		(8,796)	(6,125)
Proceeds from sale of fixed assets		-	8,470
Proceeds from sales of investments		964,722	1,144,297
Purchase of investments		(568,401)	(793,692)
Interest received		3,377	4,963
Income received from investments		<u>394,111</u>	<u>383,092</u>
Net cash flow from investing activities		<u>785,013</u>	<u>741,005</u>
Net increase in cash and cash equivalents		188,124	7,633
Cash and cash equivalents at 1 April 2017		<u>398,676</u>	<u>391,043</u>
Cash and cash equivalents at 31 March 2018		<u><u>586,800</u></u>	<u><u>398,676</u></u>
<i>Being:</i>			
Cash in hand and in bank		550,650	358,779
Investments – cash deposits		<u>36,150</u>	<u>39,897</u>
		<u><u>586,800</u></u>	<u><u>398,676</u></u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation in the preparation of the financial statements are as follows:

Company status

RSABI is a charitable company limited by guarantee, incorporated in Scotland. The address of the registered office is given in the charity information on page 16 of these financial statements.

(a) Basis of accounting

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 (FRS102) issued on 16 July 2014 (as updated through Bulletin 1 published on 2 February 2016), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

RSABI meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees are of the opinion that there are no material uncertainties with respect to the charitable company and its ability to continue to meet its obligations as they fall due for the foreseeable future. As a consequence, the trustees have prepared the financial statements on the going concern basis.

(b) Income

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably.

Income, including donations, gifts and legacies and grants that provide core funding or are of a general nature are recognised in the period in which they are receivable, which is when the charitable company becomes entitled to the resource. Such income is only deferred when:

- The donor specifies that the grant or donations must only be used in future accounting years; or
- The donor has imposed conditions which must be met before the charitable company has unconditional entitlement.

Income from fundraising and trading activities is recognised when the charitable company has delivered goods or services and is therefore entitled to the resource, receipt is probable and the income can be reliably measured.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company, this is normally upon notification of the interest paid or payable by the Bank.

(c) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and includes any irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018**

(c) Expenditure (continued)

Charitable expenditure comprises those costs incurred by the charitable company 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.

Expenditure on raising funds are those costs directly attributable to the charitable company's efforts to raise funds.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(d) Grants policy

Grants payable are payments made to third parties in the furtherance of the charitable activities of the charitable company. Grants are accounted for where the Trustees have either agreed to pay the grant without condition, the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

(e) Tangible fixed assets

Items are capitalised where expenditure exceeds £500. Items below this limit are written off against revenue in the year in which expenditure is incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less any estimated residual value of each asset over its' expected useful life, as follows:

Motor vehicles – 4 years

Fixtures and fittings – 10 years

Computer equipment – 3 to 5 years

(f) Fixed asset investments

These are included at market value with the gain/loss in the year included in the statement of financial activities.

(g) Stock

The stock of gift vouchers is included at cost.

(h) Debtors

Trade debtors and prepayments are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

(i) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(j) Creditors and provisions

Creditors are recognised where the charitable company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018**

(k) Financial Instruments

The charitable company only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

(l) Taxation

As a charity, RSABI is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

(m) Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the SOFA in the period to which they relate.

(n) Operating leases

Leasing charges in respect of operating leases are recognised in the SOFA over the lives of the lease agreements as incurred.

(n) Fund Accounting

Funds held by the charity fall into one of three categories:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds – these are funds that 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 a particular restricted purpose. These include endowment funds.

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

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2018

3. Summary income and expenditure account

The Summary Income and Expenditure account (page 19) is derived from the Statement of Financial Activities but excludes the capital transactions of the endowment funds.

Reconciliation of total net movement of funds per the Statement of Financial Activities and the Net Income/(Expenditure) per the Summary Income and Expenditure account is as follows:

	2018 £	2017 £
Total net movement in funds on SOFA	790,019	(1,080,899)
Less: net (losses)/gains on investments relating to endowment funds	<u>(195,150)</u>	<u>334,945</u>
Net income/(expenditure) per summary income and expenditure account	<u>594,869</u>	<u>(745,954)</u>

4 Donations and legacies

	2018 £	2017 £
Donations	248,293	263,294
Legacies	<u>60,528</u>	<u>82,477</u>
	<u>308,821</u>	<u>345,771</u>

Total donations and legacies in the year were £308,821 (2017: £345,771) of which £294,821 (2017: £325,771) related to unrestricted funds and £14,000 (2017: £20,000) to restricted funds.

5 Other trading activities

	2018 £	2017 £
Fundraising events	91,493	114,626
Trading income	<u>28,858</u>	<u>17,672</u>
	<u>120,351</u>	<u>132,298</u>

Other trading activities relate to unrestricted funds in both the current and prior year.

6 Investment income

	2018 £	2017 £
Listed investments	393,111	383,092
Unlisted investments	1,000	-
Bank interest	<u>3,377</u>	<u>4,963</u>
	<u>397,488</u>	<u>388,055</u>

Total investment income in the year was £397,448 (2017: £388,055) of which £278,854 (2017: £278,553) related to unrestricted funds and £118,634 (2017: £109,502) to endowment funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

7	Raising funds	2018 £	2017 £
	Generating voluntary income – support costs (note 10)	88,550	66,561
	<i>Fundraising and trading income:</i>		
	Costs of fundraising events	18,510	17,275
	Cost of goods sold	6,515	8,351
	Other direct costs	14,688	3,048
	Support costs (note 10)	44,274	62,863
		83,987	91,537
	Investment management costs	23,125	24,562
		195,662	182,660

Total fundraising costs in the year were £195,662 (2017: £182,660) of which £191,912 (2017: £182,266) related to unrestricted funds and £3,750 (2017: £394) to endowment funds.

8	Charitable activities	2018 £	2017 £
	<i>Basic Benefits Grants</i>		
	Endowment Funds - The Turnbull Trust Fund	111,492	105,849
	- Endowment Funds – Other	3,392	3,259
		114,884	109,108
	Restricted Funds - Crieff Agricultural Show Fund	-	6,000
	Unrestricted Funds	235,160	284,460
	Total Basic Benefit	350,044	399,568
	<i>Single Grants</i>		
	Unrestricted funds - single grants	117,774	113,120
	Designated funds - Centenary Fund	6,844	-
	- Crisis Fund	-	22,955
	Total Single Grant Payments	124,618	136,075
	Total grants	474,662	535,643

	Delivery Costs			2018	2017
	Unrestricted General	Crisis	Restricted Helpline	Total	Total
	£	£	£	£	£
Staff costs	145,239	-	6,194	151,433	149,484
Travel/car expenses	21,067	-	-	21,067	21,546
Advertising	506	-	570	1,076	2,573
Promotional material	778	-	7,236	8,014	234
Legal costs	134	-	-	134	3,181
Direct office costs	3,406	-	-	3,406	2,448
Support costs (note 10)	202,922	-	-	202,922	210,773
	374,052	-	14,000	388,052	390,239
Governance costs (note 9)				41,868	38,470
Total cost of charitable activities				904,582	964,352

Total expenditure on charitable activities in the year totalled £904,582 (2017: £964,352) of which £775,698 (2017: £835,244) related to unrestricted funds, £14,000 (2017: £20,000) to restricted funds and £114,884 (2017: £109,108) to endowment funds.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

9	Governance costs				2018	2017
					£	£
	Meeting costs				980	2,440
	Trustee indemnity insurance				412	478
	Auditors remuneration				6,149	5,970
	Legal costs				1,122	-
	Support costs (Note 10)				33,205	29,582
					<u>41,868</u>	<u>38,470</u>
10	Support costs	Management Costs	Property Costs	Development Costs	Office Admin	2018 Total
		£	£	£	£	£
	Voluntary income (note 7)	28,998	8,763	25,639	25,150	88,550
	Fundraising/Trading (note 7)	14,499	4,381	12,819	12,575	44,274
	Charitable Activity (note 8)	66,453	20,079	58,755	57,635	202,922
	Governance costs (note 9)	10,874	3,286	9,615	9,430	33,205
		<u>120,824</u>	<u>36,509</u>	<u>106,828</u>	<u>104,790</u>	<u>368,951</u>
	2017 Totals	<u>110,407</u>	<u>35,213</u>	<u>100,417</u>	<u>123,742</u>	<u>333,680</u>

The above costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

11	Staff costs	2018	2017
		£	£
	Salaries	348,928	340,212
	Social security costs	30,971	31,684
	Pension costs	17,586	16,355
		<u>397,485</u>	<u>388,251</u>
	Recruitment costs	1,184	3,017
	Other staff costs	5,715	7,844
		<u>404,384</u>	<u>399,112</u>
	Average number of employees	<u>13</u>	<u>13</u>
	Average number of employees (full time equivalent)	<u>11</u>	<u>12</u>

The highest paid employee received emoluments in the range £50,001 to £60,000 in the current and prior year. In addition pension benefits were accrued for this employee under a defined contribution arrangement of £5,000 (2017: £5,000).

The key management personnel of RSABI comprise the trustees, the Chief Executive Officer, Development Manager, Finance Manager, and Welfare Manager. The total employee benefits of the key management personnel of the charitable company were £198,230 (2017: £186,013).

No employee received emoluments of more than £60,000 (2017: none).

There was £2,092 outstanding pension contributions at the year end (2017: £2,723).

No trustee received remuneration in the year (2017: nil).

No trustee received reimbursement of any expenses during the year (2017: nil)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

12 Net income and expenditure	2018	2017
	£	£
Stated after charging :		
Depreciation	7,164	8,901
Auditors' remuneration (excluding VAT)	<u>5,124</u>	<u>4,975</u>

13 Tangible fixed assets	Motor Vehicles	Fixtures and Fittings	Computer Equipment	Total
	£	£	£	£
Cost:				
At 1 April 2017	23,826	5,906	43,202	72,934
Additions	821	2,328	5,647	8,796
Disposals	-	(2,156)	(16,059)	(18,215)
At 31 March 2018	<u>24,647</u>	<u>6,078</u>	<u>32,790</u>	<u>63,515</u>
Aggregate Depreciation:				
At 1 April 2017	14,464	4,535	39,207	58,206
Charge for year	2,886	498	3,780	7,164
Disposals	-	(2,156)	(16,059)	(18,215)
At 31 March 2018	<u>17,350</u>	<u>2,877</u>	<u>26,928</u>	<u>47,155</u>
Net book value at 31 March 2018	<u>7,297</u>	<u>3,201</u>	<u>5,862</u>	<u>16,360</u>
Net book value at 31 March 2017	<u>9,362</u>	<u>1,371</u>	<u>3,995</u>	<u>14,728</u>

14 Investments	Unrestricted Funds	Endowment Funds	Total 2018	Total 2017
	£	£	£	£
Market value at 1 April 2017	7,697,078	2,849,876	10,546,954	9,585,862
Acquisition cost	438,323	130,078	568,401	793,692
Disposal proceeds	(823,213)	(141,499)	(964,712)	(1,144,297)
Movements in cash on deposit	(15,094)	11,347	(3,747)	(49,410)
Net gains/(losses) on investments	<u>(321,285)</u>	<u>(195,150)</u>	<u>(516,435)</u>	<u>1,361,117</u>
Market value at 31 March 2018	<u>6,975,809</u>	<u>2,654,652</u>	<u>9,630,461</u>	<u>10,546,964</u>
Listed Investments	6,943,496	2,638,315	9,581,811	10,494,567
Unlisted Investments	12,500	-	12,500	12,500
Cash Deposits	<u>19,813</u>	<u>16,337</u>	<u>36,150</u>	<u>39,897</u>
	<u>6,975,809</u>	<u>2,654,652</u>	<u>9,630,461</u>	<u>10,546,964</u>
Historical cost of investments	<u>4,907,306</u>	<u>2,049,891</u>	<u>6,957,197</u>	<u>7,281,462</u>

The net investment gain for 2017 totalling £1,361,117 related to £1,026,172 for unrestricted funds and £334,945 in endowment funds.

There are no investments in individual entities held at 31 March 2018 which are over 5% of the portfolio by value.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

15 Debtors				2018	2017
				£	£
Trade debtors				3,733	3,473
Amounts held by brokers				37,644	36,772
Prepayments and accrued income				69,075	114,136
Income tax recoverable				-	7,038
				<u>110,452</u>	<u>161,419</u>
16 Cash in bank and in hand				2018	2017
				£	£
Bank balances				550,486	358,559
Cash in hand				164	220
				<u>550,650</u>	<u>358,779</u>
17 Creditors: Amounts falling due within one year				2018	2017
				£	£
Trade creditors				14,866	1,631
Accruals and deferred income				15,314	11,024
Other creditors				3,941	4,949
PAYE/NIC liabilities				8,920	8,860
				<u>43,041</u>	<u>26,464</u>
18 Unrestricted funds					
2017/18					At
	At 1 April	Incoming	Outgoing	Net gains on	31 March
	2017	Resources	Resources	investments	2018
	£	£	£	£	£
Designated					
Centenary Fund	361,702	9,118	(8,116)	(5,696)	357,008
Crisis Fund	607,015	-	-	-	607,015
	<u>968,717</u>	<u>9,118</u>	<u>(8,116)</u>	<u>(5,696)</u>	<u>964,023</u>
General Fund	7,173,158	684,908	(959,494)	(315,589)	6,582,983
	<u>8,141,875</u>	<u>694,026</u>	<u>(967,610)</u>	<u>(321,285)</u>	<u>7,547,006</u>
Unrestricted income funds	5,628,057				5,478,503
Revaluation reserve	2,513,818				2,068,503
	<u>8,141,875</u>				<u>7,547,006</u>
2016/17					At
	At 1 April	Incoming	Outgoing	Net gains on	31 March
	2016	Resources	Resources	investments	2017
	£	£	£	£	£
Designated					
Centenary Fund	319,259	8,814	(1,205)	34,834	361,702
Crisis Fund	629,970	-	(22,955)	-	607,015
	<u>949,229</u>	<u>8,814</u>	<u>(24,160)</u>	<u>34,834</u>	<u>968,717</u>
General Fund	6,446,692	728,478	(993,350)	991,338	7,173,158
	<u>7,395,921</u>	<u>737,292</u>	<u>(1,017,510)</u>	<u>1,026,172</u>	<u>8,141,875</u>
Unrestricted income funds	5,888,045				5,628,057
Revaluation reserve	1,507,876				2,513,818
	<u>7,395,921</u>				<u>8,141,875</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

18 Unrestricted funds (continued)

The revaluation reserve fund is required by the Companies Act 2006 and represents the amount by which the unrestricted investments exceed or have decreased from their historic cost.

General Fund

General unrestricted funds are available to support the objects of RSABI.

Centenary Fund

The Board of Trustees have established the Centenary Fund as a separate designated fund. The capital of the fund is to be held and the revenue will be disbursed to alleviate problems associated with long term illness or disability by providing assistance beyond the scope of existing RSABI resources e.g. respite for carers of persons qualifying as Beneficiaries under the principal objects of the charity.

Crisis Fund

The Board of Trustees have established the Crisis Fund as a separate designated fund. The fund is disbursed to alleviate problems associated with unforeseen events and crisis beyond the scope of existing RSABI resources. The Fund is limited to 10% of the charity's current capital under investment at any time.

19 Restricted funds

2017/18	At 1 April 2017 £	Incoming Resources £	Outgoing Resources £	At 31 March 2018 £
Helpline Fund	-	14,000	(14,000)	-
R T Griffiths Bequest Fund	5,000	-	-	5,000
	<u>5,000</u>	<u>14,000</u>	<u>(14,000)</u>	<u>5,000</u>
2016/17	At 1 April 2016 £	Incoming Resources £	Outgoing Resources £	At 31 March 2017 £
Crieff Agricultural Show Fund	-	6,000	(6,000)	-
Helpline Fund	-	14,000	(14,000)	-
R T Griffiths Bequest Fund	5,000	-	-	5,000
	<u>5,000</u>	<u>20,000</u>	<u>(20,000)</u>	<u>5,000</u>

Crieff Agricultural Show Fund

Donated by the Strathearn Agricultural Society Trust to be used to benefit existing and future annual beneficiaries, single grant beneficiaries, as well as supporting services and helpline costs for those resident in the county of Perthshire, to the west of the A9.

Helpline Fund

The Helpline Fund was established to provide a single point of contact for Scotland's farming and land based community to access support and financial assistance. During the year, the fund received a £14,000 contribution from the RHASS and this was fully depleted during the year whilst fulfilling this commitment. We continue to provide help and support across a wide range of issues through our new helpline with the assistance of FCN for out of office hours cover.

RT Griffiths Bequest Fund

Donated by The NFU Scotland from the Richard T Griffiths Bequest Fund. The fund is to be used specifically in Perthshire to help people should another disaster occur such as FMD or BSE.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

20 Endowment funds

2017/18

	At 1 April 2017 £	Incoming Resources £	Outgoing Resources £	Net Gains on investments £	At 31 March 2018 £
Turnbull Trust	2,833,898	115,242	(115,242)	(193,080)	2,640,818
The Adamston Augmentation Fund	18,639	814	(814)	(499)	18,140
The Countess of Moray's Hospital Trust	13,751	611	(611)	(373)	13,378
The Sir J Duncan of Kinettles Augmentation Fund	4,360	204	(204)	(123)	4,237
John MacPherson (Shepherds) Fund	39,753	1,763	(1,763)	(1,075)	38,678
	<u>2,910,401</u>	<u>118,634</u>	<u>(118,634)</u>	<u>(195,150)</u>	<u>2,715,251</u>

2016/17

	At 1 April 2016 £	Incoming Resources £	Outgoing Resources £	Net Gains on investments £	At 31 March 2017 £
Turnbull Trust	2,507,154	106,243	(106,243)	326,744	2,833,898
The Adamston Augmentation Fund	16,671	782	(782)	1,968	18,639
The Countess of Moray's Hospital Trust	12,275	587	(587)	1,476	13,751
The Sir J Duncan of Kinettles Augmentation Fund	3,867	196	(196)	493	4,360
John MacPherson (Shepherds) Fund	35,489	1,694	(1,694)	4,264	39,753
	<u>2,575,456</u>	<u>109,502</u>	<u>(109,502)</u>	<u>334,945</u>	<u>2,910,401</u>

The Turnbull Trust Fund (1978)

The income from this fund is to be equally distributed amongst the beneficiaries at the close of the calendar year in accordance with the terms of the will of James Turnbull.

The Adamston Augmentation Fund (1976)

This fund arose from the proceeds of events held in 1976 and 1979 to provide additional supplements to benefits awarded to applicants qualifying from and resident within the counties of Aberdeen, Banff and Moray.

Countess of Moray's Hospital Trust (1995)

This fund is to be used to assist beneficiaries in Fife.

The Sir J Duncan of Kinettles (Augmentation) Fund 1933

This fund provides additional supplements to benefit which is awarded to applicants from and resident within the County of Angus.

John MacPherson (Shepherds) Fund (2009)

This fund arose from a bequest from Mr John MacPherson. It was established as an augmentation fund, distributing the income on an annual basis to beneficiaries who qualify by occupational specification in accordance with the terms of Mr MacPherson's will.

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2018

21 Analysis of net assets between funds

2017/18	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds	16,360	6,975,809	554,837	7,547,006
Restricted Funds	-	-	5,000	5,000
Endowment Funds	-	2,654,652	60,599	2,715,251
	<u>16,360</u>	<u>9,630,461</u>	<u>620,436</u>	<u>10,267,257</u>
2016/17	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Unrestricted Funds	14,728	7,697,092	430,055	8,141,875
Restricted Funds	-	-	5,000	5,000
Endowment Funds	-	2,849,872	60,529	2,910,401
	<u>14,728</u>	<u>10,546,964</u>	<u>495,584</u>	<u>11,057,276</u>

22 Related party transactions

There were no related party transactions in the year (2017: none).

23 Financial Commitments

At 31 March 2018 the charitable company had total commitments under non-cancellable operating leases as follows:

	2018		2017	
	Property £	Other £	Property £	Other £
Due within one year	21,840	1,008	21,840	-
Due between two and five years	76,440	3,528	87,360	-
Due in more than five years	-	-	10,920	-
	<u>98,280</u>	<u>4,536</u>	<u>120,120</u>	

24 Reconciliation of net movement in funds to net cash flow from operating activities

	2018 £	2017 £
Net movement in funds	(790,019)	1,080,899
Depreciation of tangible fixed assets	7,164	8,901
Losses/(gains) on investments	516,435	(1,361,117)
Loss on sale of tangible fixed assets	-	2,975
Income received from investments	(394,111)	(383,092)
Interest receivable	(3,377)	(4,963)
(Increase) in stock	(525)	(1,000)
Decrease/(increase) in debtors	50,967	(75,301)
Increase/(Decrease) in creditors	16,577	(674)
Net cash used in operating activities	<u>(596,889)</u>	<u>(733,372)</u>