

ROYAL SCOTTISH FORESTRY SOCIETY

A SCOTTISH CHARITABLE INCORPORATED ORGANISATION

Charity No. SC 002058



FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2025

Reference and administrative information

For the year ended 31 December 2025

Charity registration number of the Royal Scottish Forestry Society (RSFS) is SC002058.

Trustees

The trustees serving during the year and since the year end were as follows (those in bold form the current board):

David Henderson Howat	Chair appointed 12 th May 2025, became Chair 26 th Aug 2025
Wilma Harper	Chair retired 26 th Aug 2025
Chris Quine	Vice Chair appointed 12 th May 2025, became Vice Chair 26 th Aug 2025
Raymond Henderson	Vice President retired 12 th May 2025
Genia Kolb	Honorary Treasurer appointed 12 th May 2025, became Treasurer 26 th Aug 2025
Dr Thomas Mitchell	Honorary Treasurer retired 26 th Aug 2025
Steve Brown	
Virginia Harden Scott	
Andrew McQueen	
Fenning Welstead	
Gareth Whymant	Retired 25 th Nov 2025

Management team

Cat Wilson	Executive Director
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Editor

Gavin McGregor

Bankers and investment managers

CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ	Quilter Cheviot 20 Castle Terrace Edinburgh EH1 2EN
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Independent Examiner


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**Report of the Trustees
For the year ended 31 December 2025**

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2025. The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, 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 (Charities SORP FRS 102).

Objectives and activities

The Society is an educational charity with voluntary members whose prime objective is the "Advancement of forestry in all its branches". Membership is open to all who wish to support the objectives of the Society.

The Royal Scottish Forestry Society actively seeks to meet the needs for practical forestry and woodland education by supporting those in forestry and woodland management meet their development needs and by promoting sustainable forestry more widely. We do this by:

- Offering membership: personal, corporate and student;
- Our publications: *Scottish Forestry*, *The Kernel* (formerly *eNews*);
- Regional field days and Annual study tour;
- Offering CPD quality training days;
- Promoting forestry education: bursaries and prizes;
- Promoting public engagement with sustainable forestry and woodland management through our subsidiary Cashel Forest Trust which owns Cashel Estate on East Loch Lomondside.

We aspire to continue to move to a model of impact reporting to measure our achievements and performance.

We use each of the six strategic strands to develop objectives and measures against which we will report. It is also our intention to introduce more innovative means of conveying information to readers of these accounts.

The Society's journal *Scottish Forestry*, seeks to disseminate original research and technical innovation that will enhance the creation of diverse woodlands, encourage their management for multiple benefits and ensure the wide enjoyment of Scotland's woodland environment by all. The RSFS promotes a greater understanding of the use of Scotland's woodlands and timber in new, innovative and beautiful ways.

Achievements and performance

To improve readers' understanding we have aligned our achievements with our published strategic goals.

Goal 1 We will be a provider of relevant, practically focussed forestry events,

Providing Regional Study Days with the level of engagement, focus on the topics and benefit sought by those attending

Our programme of Regional Field Days (RFD) continues to be well attended. During 2025 we held 16 RFD across Scotland. These events showcased the breadth of Scotland's woodland types and management objectives. They provide an opportunity for attendees to learn from experts and practitioners addressing a range of issues relevant to contemporary forestry. All field days are published on the homepage of our website and listed in the fortnightly *Kernel*; the replacement for *eNews*. We now expect members to book online. This helps the organisers and allows us to monitor attendance.

Running an Annual Study Tour providing an opportunity to showcase the diversity of forests and the work of the RSFS Annual study tour (AST)

Our Annual Study Tours are a means of providing members an opportunity to understand the diversity of forestry in a particular region and the opportunities and challenges faced by owners and managers. It also brings a wide group of people together to share their expertise and build a network of contacts. The 2025 AST was hosted by North East Region and was based around Deeside.

Report of the Trustees (continued)
For the year ended 31 December 2025

Developing our learning & development offering, including support through bursaries and prizes

Trustees considered that the Society needs to look for opportunities to re-engage with formal forestry education, both participants and providers. Trustees consider this to be a significant area where the Society could deliver a positive benefit and our approach is being reviewed for future years.

This work was taken forward in 2025 following the appointment of an Executive Director. Plans were put in place to launch a new publication, *Understorey*, that will showcase the best work of forestry students - Trustees are most grateful to EGGER (UK) and F&W Forestry for sponsoring this initiative. In addition, our academic awards have been rationalised.

Offering a suite of training days to provide those active in the sector or who are entering it with relevant Continuous Professional Development RSFS training days

Four CPD/training events were held during the year. These are practical courses aimed at:

- Fostering a culture of sharing practical knowledge in the sector;
- Networking opportunities
- Supporting members to meet any CPD requirements they may have as a result of any professional membership they hold;
- Filling gaps in practical education curricula.

Goal 2 We will be a reliable and regular provider of information

Publishing information from diverse sources on current research, thinking and forest practice

We publish a high-quality journal, *Scottish Forestry*, three times a year. *Scottish Forestry* is available in two formats:

- Print - as circulated to all student, individual and corporate members who opt-in to a printed copy; and
- Digital - available on the RSFS website.

Members can access the entire back catalogue of more than 300 editions of *Scottish Forestry* (since 1947) and *Transactions of the Scottish Arboricultural Society* (1858 to 1947) by logging in to our website.

Each year two prizes are awarded for articles appearing in *Scottish Forestry*. Winning articles will be showcased on our website.

This year's and recent winners are:



Report of the Trustees (continued)
For the year ended 31 December 2025

Bringing people together to promote better links and open discussion on forestry topics

A new series of online evening talks was launched under the *Forest Lights* banner, with sessions on dendrochronology, the functioning of Amazonian forest ecosystems, the book *Treekeepers: The Race for a Forested Future* and the play *Three Words for Forest*. These talks are also available on Youtube. In addition, we launched a Facebook community under the *Glade* banner.

Developing our Communications to support delivery of key outcomes for the Society

All members receive a fortnightly eNews, now known as *The Kernel*, which is a comprehensive digest of RSFS news and covers a broad range of other current issues from across the media.

The Kernel is considered to be the most up to date and comprehensive digest of forestry stories in Scotland.

Promoting what the Society does more widely

During the year we commissioned work to rebuild our website. We have a presence on YouTube and LinkedIn.

Goal 3 We will be a body valued by our membership

Developing a more inclusive and diverse membership to better reflect those active in the sector

Work has been undertaken to update membership lists and remove duplications in names between individual members and those sponsored by their corporate member employers. As a result, numbers are lower than those reported in 2024. The Society has around 500 individual members and 420 sponsored members. Efforts are being made to attract more members.

Reviewing its membership framework, particularly for organisations

The Corporate Membership scheme was introduced during 2023 enables organisations to nominate three or more staff members in exchange for a modest discount. The staff named members are then eligible to access all member benefits of the Society.

The revised structure is now:

- Individual – unchanged;
- Corporate – open to organisations sponsoring more than 3 people;
- Large Corporate – open to organisation who wish to sponsor more than 40 people
- Student – any person who is a registered student may claim a maximum of 4 years' membership at a very heavily discounted rate. Trustees feel that is important to provide access to networks, knowledge and practical education to those still engaged in their education.

Developing closer links with key partners and stakeholders

The Executive Director has undertaken a comprehensive programme of introductory visits and meetings with key partners and stakeholders to discuss opportunities for developing stronger links with RSFS.

Goal 4 We will be an outward facing and forward- looking land manager

Establishing a clear strategy for Cashel in support of RSFS and a plan to implements it

RSFS is the parent body of Cashel Forest Trust (CFT). During 2025 the CFT Trustees placed the Cashel farmhouse and associated buildings on the market; the sale was completed after the end of this reporting year. Close liaison was maintained between CFT and RSFS Trustees during the sale process. The RSFS Library that was at Cashel has been transferred to the Royal Botanic Gardens of Edinburgh (RBGE) on the understanding that RBGE will incorporate the publications they want into their library, with the remainder being offered to their students or sold for charity.

Providing facilities and access for education, research, leisure, and wellbeing through the restoration and maintenance of Cashel's natural and built assets

Cashel remains open to the public and those who wish to use it for education and research purposes.

**Report of the Trustees (continued)
For the year ended 31 December 2025**

The second and final phase of the Peatland Restoration work was completed. This was funded by Scottish Government through the National Park Authority.

Goal 5 We will be a well-run and developing charity

Developing our day-to-day operations to facilitate planned growth of the Society

During the year, the Trustees reviewed the Governance of the Society and the resources needed to support the running of the Society.

At the AGM the Constitution was amended to allow the Society to elect a broader range of Trustees to its Board, to introduce time limits on Trustee terms of office, and to change some of the language (including renaming the "President" as "Chair". Three new Trustees were elected. In addition, the Executive Director was appointed.

Delivery of the journal and *The Kernel* is outsourced to Gavin McGregor, an independent editor. Financial management, governance and secretariat are outsourced to CGPM Consulting LLP.

Trustees thanked the following outgoing members of the Board for their many years of service to the Society: Wilma Harper (former President), Raymod Henderson (former Vice President), Dr Tom Mitchell (former Treasurer) and Gareth Whyment (former Chairman, Northern Region).

Diversifying our funding streams to support the delivery of our ambitions

Trustees are most grateful to those who have generously supported the RSFS through donations and sponsorship. In addition to those mentioned elsewhere in this Report, major contributions in recent years include the Davidson (Educational) and Murgatroyd funds which support education and professional development. At the donor's request, the Glen Grant Fund is being used to create a small area of riparian woodland within the Spey catchment.

RSFS is a small charity, and needs to ensure that it treads a careful path between meeting the necessary standards of compliance and good governance while looking for ways to streamline its operations and keep things as simple as it can. Like most charities, the RSFS depends on the support of people who volunteer for various roles or take on particular tasks. Fulfilling a voluntary role is satisfying in its own right, and can provide a range of experience and contribute to professional development. New volunteers are always welcome. The Society's lifeblood is enriched by new – particularly young – people with fresh ideas and enthusiasm.

In summary, RSFS depends on its members, people who share a belief in and passion for all the benefits offered by Scotland's trees, woods and forests.

We continue to align more closely our reporting of achievements and performance with our charitable objectives and delivery programme. Trustees will continue to refine our approach in order that we can demonstrate to members and those who provide valuable support to us for the work of the Society to provide practical forestry education.

Going concern and post-balance sheet events

The Society remains reasonably financially secure, as the bulk of our income is increasingly derived from a broad spectrum of activities. Over the past 10 years we have broadened our income sources from primarily membership dues to include investment income, fees from courses and a small number of large donations.

The investment portfolio performed better than in 2024 but still lags industry benchmarks, showing an unrealised gain of £24.8k (2024: £13.4k gain). The underperformance of the portfolio is the result of the Investment Manager actively deciding not to hold shares in, or funds holding, the so-called "Magnificent 7" technology stocks that were behind many of the market gains in recent years. Most of the gains in the year accrued following the change in Investment Manager in May 2025.

Taking all of the foregoing into account, the trustees have formed the view that the Society remains a Going Concern and has adequate funds in place to sustain its on-going operations.

**Report of the Trustees (continued)
For the year ended 31 December 2025**

Financial Review

Results for the year

The results for the year are as stated in the Statement of Financial Activities on page 12.

The Charity had unrestricted fund income amounting to £109.2k (2024: £103.2k) and unrestricted fund expenditure of £107.3k (2024: 71.3k) resulting in a net surplus for the year of £2.3k (2024: £36.9k). Around half of our unrestricted costs are attributable to the costs of producing the Society's journal '*Scottish Forestry*' and outsourced corporate services. This proportion journal costs is falling due to improved efficiencies achieved.

Our surpluses continue to be invested in the future of the Society and its activities.

The investment assets valuation increased the general fund by £17.3k (2024: increase £8.4k).

The movements on restricted funds are confirmed in pages 24 to 25.

The Society continued to operate as a charity between 1 January 2025 and 31 December 2025 wholly in terms of its objectives, details of which have been submitted to OSCR.

Investment Policy and Performance

The Charity, having regard to its liquidity requirements, holds a portfolio of shares. The shareholdings are held for long-term capital growth and the Charity will invest in shares within the London Stock Exchange Index of 100 Leading Shares. Performance of the portfolio is reviewed every quarter. The Society's portfolio is managed by Quilter Cheviot on a discretionary basis. In 2025, surplus cash is held in deposit accounts with CAF (Charities Aid Foundation) Bank Limited and in cash products with Quilter Cheviot.

During 2024, the Society reviewed its investment performance and likely treasury management needs over the next 2 to 3 years. CFT trustees were included in this review. The conclusion was to retender the investment management service with an objective of appointing a provider who was able to offer both a longer-term discretionary management service for the existing investment portfolio as well as cash and cash-fund products for our shorter-term needs in to obtain a better return (c4%) than available in a current account (c0.25%) for surplus short-term cash balances. Quilter Cheviot was successful and the portfolios were migrated to them during the year.

Risk Management

The Charity has for a number of years actively managed its risk profile and considers its Risk Register at each Board meeting. Measures have been taken to mitigate the risk posed by overreliance on too few people by recruiting new Trustees, an Executive Director and new Regional Committee members. Trustees remain aware of the need to diversify income sources and have also identified the future management of Cashel as a matter requiring close attention.

The Board regularly reviews all of the risks to which the charity is exposed and the procedures in place to manage these risks.

Reserves policy

The Charity has considered the reserves required and have taken into account their current and future liabilities. The trustees aim to maintain free reserves in unrestricted funds to fund the equivalent of three months unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to ensure that support and governance costs are covered.

An analysis of Net Assets between Reserve Funds is disclosed in Note 16 of the accounts. At 31 December 2025 free reserves amounted to £292,533 (2024: £272,849). The charity has in excess of 12 months unrestricted reserves available.

**Report of the Trustees (continued)
For the year ended 31 December 2025**

Plans for the future

Production of a new strategic plan for the Society was completed during 2023 setting out plans for RSFS 2023 to 2028. In 2026 we will continue to deliver against the objectives that were set in the plan.

The overarching purpose of RSFS remains to:

Meet the needs for practical forestry and woodland education through supporting those in forestry and woodland management meet their development needs and by promoting sustainable forestry more widely.

To do this we will continue:

- Developing our learning & development offering;
- Collating information on current research, thinking and forest practice from diverse sources and promulgating that through publications, events and other channels;
- Establishing a clear strategy for Cashel supporting RSFS and implementing it;
- Reviewing our membership framework;
- Developing a more inclusive and diverse membership to better reflect those active in the sector;
- Developing closer links with key partners and stakeholders;
- Professionalising the operation of the charity.

Recognising the role of RSFS as a Scottish charity which supports practical forestry education, consideration will be given as to how we can:

- Ensure that our Regional Study Days and Annual Study Tour provide the level of engagement, focus on the topics and benefit sought by those attending; and
- Further develop our suite of training days to provide those active in the sector or who are entering it with relevant training and Continuous Professional Development.

These will require us to:

- Promote what we do more widely;
- Continue developing and maintaining effective governance, health and safety, financial, technology & delivery strategies;
- Enhance our range of printed and on-line publications and communications material, including the launch of a new website; and
- Maintain efforts to improve operational resilience and seek new sources of funding.

It is recognised that some of these actions, such as building the new web-site, will bring short-term costs but the Trustees take the view that this represents prudent investment of the Society's assets in its future development.

As ever, the RSFS depends to a very great extent on the voluntary support of its members, including especially those who give their time to the Society in many different capacities. We are pleased report the successful recruitment of new members of our Regional Committees in all parts of Scotland and thank them for their hard work in preparing for the 2026 Regional Field Days and Annual Study Tour.

Structure, Governance and Management

Governing Document

On 9 May 2017 Royal Scottish Forestry Society was incorporated as a Scottish Charitable Incorporated Organisation (SCIO) in terms of the new Constitution adopted on 9 May 2017 by the members and approved by the Office of the Scottish Charity Regulator (OSCR) on 5 December 2016. The charity was previously an unincorporated association, and the assets of the unincorporated association were transferred to the SCIO on 9 May 2017. The unincorporated association was instituted on 16th February 1854 and was registered as a charity by OSCR with effect from 2004 charity number SCO2058.

**Report of the Trustees (continued)
For the year ended 31 December 2025**

We have retained our charity number on incorporation. Prior to 2004, the Society was granted charitable status by HM Revenue & Customs. The Constitution was amended at the AGM held on 12 May 2025.

Appointment of New Trustees (Board Members)

The trustees of the Society are listed on page 1. New trustees are proposed by the Board and confirmed by a vote of the members at the Annual General Meeting which is ordinarily held in May or June each year. The Board may also co-opt up to two trustees for a period of up to one year. Office bearers are appointed by the trustees

Induction and training of Board members

New Board members are briefed on their legal obligations under charity law, the content of the Constitution, the decision-making processes and recent performance of the charity.

Structure

The Board decide the policy and programme of the Society and meet on a quarterly basis or more often if necessary. Regional Committees organise activities within their Regions.

Parent Undertaking

Royal Scottish Forestry Society submitted an application for membership of Cashel Forest Trust (then called RSFS Forest Trust Company) on 1 January 2017 and thereby became a Parent Member of that organisation with the rights attached to that membership in terms of its Articles of Association. The two organisations have similar objectives, align strategic plans and share resources.

Key management personnel remuneration

The trustees consider themselves to comprise the key management personnel of the charity in charge of directing and controlling the charity. Three contractors were engaged during 2025 to deliver:

- Editorial Services – to produce *Scottish Forestry* and the fortnightly *RSFS eNews*; and
- Secretariat and Governance Services – to act as Board Secretary; and
- Finance Services – to maintain the financial records of the charity, produce budgets and management accounts and the statutory accounts ready for independent examination.

All trustees give of their time freely and no remuneration was paid to them during in the year in respect of their duties as a trustee. Details of trustee expense payments are disclosed in note 3.

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

Reference and administrative information

The information is contained in page 1 of the report.

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in Scotland requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

Report of the Trustees (continued)
For the year ended 31 December 2025

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charity Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The financial statements were approved and signed on behalf of the Board of the Society on **2nd June 2026**.

Wilma Harper
Chair

until 26 August 2025

David Henderson Howat
Chair

from 26 August 2025

**Independent Examiner's Report to the trustees of the Society
For the year ended 31 December 2025**

I report on the accounts of the Society for the year ended 31 December 2025 which are set out on pages 12 to 26.

Respective responsibilities of committee and independent 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 Independent examiner's statement

My examination is 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 Society and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the Council 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 in the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 44 (1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulationshave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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Statement of Financial Activities
For the year ended 31 December 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £	Total Funds 2024 £ Restated
Income from:						
Donations and legacies	4	76,856	-	-	76,856	75,369
Charitable activities	5	4,709	5,880	-	10,589	14,057
Investment income	6	7,773	1,449	-	9,222	13,463
Other trading activities	7	20,358	-	-	20,358	8,336
Total income		109,696	7,329	-	117,025	111,225
Expenditure on:						
Raising funds	8	47	-	-	47	35
Charitable activities	9	107,275	18,677	-	125,952	87,324
Total expenditure		107,322	18,677	-	125,999	87,359
Net income		2,374	(11,348)	-	(8,974)	23,866
Gain/(loss) on revaluation of investment assets	12	17,310	7,104	424	24,838	13,356
Net movement on funds		19,684	(4,244)	424	15,864	37,222
Fund balances brought forward	15	325,899	182,532	5,425	513,856	476,634
Fund balances carried forward	15	345,583	178,288	5,849	529,720	513,856

Balance Sheet
At 31 December 2025

	Note	2025 £	2024 £ Restated
Fixed assets			
Tangible assets	11	53,050	53,050
Investments			
	12	313,150	290,279
Current assets			
Debtors	13	28,576	24,665
Cash at bank and in hand		252,316	246,460
		280,892	271,125
Creditors – amounts falling due within one year	14	(117,372)	(100,598)
		163,520	170,527
Net current assets			
		529,720	513,856
Net assets			
		529,720	513,856
Funds			
Permanent endowment fund	15	5,849	5,425
Unrestricted funds	15	345,583	325,899
Restricted funds	15	178,288	182,532
		529,720	513,856
Total charitable funds		529,720	513,856

The notes on pages 14 to 26 form part of these accounts.

The financial statements were approved and signed on behalf of the Board of the Society on **2nd June 2026**.

Dr Thomas Mitchell
Honorary Treasurer
until 26 August 2025

Genia Kolb
Honorary Treasurer
from 26 August 2025

1. Statutory information

Royal Scottish Forestry Society is a Scottish Charitable Incorporated Association (SCIO) which was registered in its current legal form on 9 May 2017. The charity was previously an unincorporated association which transferred its assets to the SCIO on 9 May 2017.

The company's registration number and registered office address can be found on the Reference and Administrative Details on page 1.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

2. Accounting Policies

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

a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention unless otherwise specified, within these accounting policies and in accordance with:

- United Kingdom Accounting Standards, including Financial Reporting Standard 102. 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102") (United Kingdom Generally Accepted Accounting Practice);
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP - FRS 102 effective 1 January 2019);
- Update Bulletin 1 to the SORP published in February 2016;
- The Charities and Trustee Investment (Scotland) Act 2005; and
- The Charities Accounts (Scotland) Regulations 2006 (as amended).

Advantage has been taken of the exemption permitted in section 1A of FRS102 not to prepare a Cash Flow Statement and accompanying notes.

Royal Scottish Forestry Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant notes to these accounts.

b) Going Concern

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items as fair value. The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern as it has sufficient available funds to meet its anticipated expenditure. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Accounting Policies (continued)

c) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Endowment funds represent those assets which must be held permanently by the charity, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against the fund.

Further explanation of the nature and purpose of each fund are disclosed in note 15.

d) Income recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations and grants are recognised when they have been communicated in writing with notification of both the amount and settlement date. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Advertising income is recognised in the year in which the edition of '*Scottish Forestry*' was issued in which the adverts appear.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

e) Government and other grants

Government and other grants are recognised at fair value when the charity has entitlement, after any performance condition is met, where it is probably that the income will be received, and the amount can be measured reliably.

f) Donated services

The society benefits greatly from the involvement and support of its volunteers. In accordance with FRS 102 and the Charity's SORP (FRS 102) economic contribution of volunteers is not recognised in the accounts.

2. Accounting Policies (continued)

g) Expenditure recognition

Expenditure is recognised 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.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

All expenditure relates to charitable actions and governance costs being an Independent Examiner, bookkeeper and investment manager.

h) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

i) Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised and valued at historical cost. Depreciation is charged from the year of acquisition on operating assets on a 25% straight line method and on Monitor Woods development at 20% straight line. Artefacts which have been gifted to the Society over many years have been introduced at independent historic valuation and are subject to an annual impairment review.

j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

k) Fixed asset investments

Investments are initially recognised at their transaction value and subsequently measured by the investment manager at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

l) Stocks

The stock of merchandise on hand is valued at the lower of cost price or net realisable value.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank and cash in hand includes costs 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.

2. Accounting Policies (continued)

o) Creditors and provisions

Creditors and provisions are recognised where the charity 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 or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Pension contributions

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. At the year-end £0 of contributions remained to be paid over to the provider (2024: £0).

q) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are finally recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are realistically measured at amortised cost using the effective interest method.

r) Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

s) Taxation

No provision for corporation tax is necessary as the charity does not trade. The charity suffers input VAT on some of its expenditure which it is unable to recover.

t) Consolidated financial statements

As permitted by Charities SORP (FRS 102), advantage has been taken of the exemption available to small groups not to prepare consolidated accounts as the combined gross income of the Royal Scottish Forestry Society and the RSFS Forest Trust Company is less than £500,000.

3 Related party transactions and trustees' expenses and remuneration

The trustees were not paid or received any other benefits from employment. Services were provided by CGPM Consulting LLP £5,355 (2024 £6,300), a partnership in which Dr Thomas Mitchell is a partner.

The value of expenses paid to trustees during the year was £0 (2024: 2 trustees, £567.04).

Royal Scottish Forestry Society is the parent member of Cashel Forest Trust (CFT). Where Cashel Forest Trust generates revenues via debit and credit cards and Paypal, it uses the RSFS merchant accounts. RSFS incurs certain costs on behalf of CFT and recharges them. Recharges between RSFS and CFT are through and intercompany account with periodic settlement of any balances. The amounts due to and from CFT are disclosed in notes 13 and 14.

Payments to the key management personnel of the charity in the year amounted to £21,969 (2024: £13,241).

	Unrestricted Funds £	Restricted Funds £	Total £
4 Donations and legacies 2025			
Personal subscriptions	33,608	-	33,608
Corporate subscriptions	34,933	-	34,933
Gift Aid recovery	7,000	-	7,000
Donations	1,315	-	1,315
	<u>76,856</u>	<u>-</u>	<u>76,856</u>
Donations and legacies 2024 Restated			
Personal subscriptions	40,389	-	40,389
Corporate subscriptions	22,039	-	22,039
Gift Aid recovery	7,956	-	7,956
Donations	2,985	-	2,985
Legacies	2,000	-	2,000
	<u>75,369</u>	<u>-</u>	<u>75,369</u>
5 Charitable activities 2025			
Journal sales	1,866	-	1,866
Publication income	7	-	7
Annual Study Tour	-	5,880	5,880
Training events	2,573	-	2,573
Other events	263	-	263
	<u>4,709</u>	<u>5,880</u>	<u>10,589</u>
Charitable activities 2024			
Journal sales	1,103	-	1,103
Publication income	71	-	71
Annual Study Tour	-	7,928	7,928
Training events	4,955	-	4,955
	<u>6,129</u>	<u>7,928</u>	<u>14,057</u>

	Unrestricted Funds £	Restricted Funds £	Total £
6 Investment income 2025			
Dividends on listed investments	3,222	1,707	4,929
Bank interest	4,841	-	4,841
Realised gains and (losses)	(290)	(258)	(548)
	<u>7,773</u>	<u>1,449</u>	<u>9,222</u>
Investment income 2024			
Dividends on listed investments	9,714	-	9,714
Bank interest	5,148	-	5,148
Realised gains and (losses)	(1,399)	-	(1,399)
	<u>13,463</u>	<u>-</u>	<u>13,463</u>
7 Other trading activities 2025			
Advertising in the journal	19,345	-	19,345
Journal Royalties	966	-	966
Other income	47	-	47
	<u>20,358</u>	<u>-</u>	<u>20,358</u>
Other trading activities 2024			
Advertising in the journal	7,381	-	7,381
Journal Royalties	955	-	955
	<u>8,336</u>	<u>-</u>	<u>8,336</u>
8 Expenditure on raising funds 2025			
Fundraising costs	47	-	47
	<u>47</u>	<u>-</u>	<u>47</u>
Expenditure on raising funds 2024			
Fundraising costs	35	-	35
	<u>35</u>	<u>-</u>	<u>35</u>

	Unrestricted Funds £	Restricted Funds £	Total £
9 Charitable activities 2025			
<i>Cost of direct activities</i>			
Staff employment costs	37,270	-	37,270
Other staff expenses	1,308	120	1,428
<i>Scottish Forestry costs</i>	39,317	-	39,317
Education Bursaries	300	250	550
Annual Study Tour	-	4,615	4,615
Regional field days	409	-	409
Training event costs	2,268	-	2,268
Event costs	-	240	240
Project delivery costs	-	4,270	4,270
Publication costs	14	-	14
	<u>80,886</u>	<u>9,495</u>	<u>90,381</u>
<i>Cost of overheads</i>			
Corporate office	3,742	-	3,742
Sundry office costs	557	-	557
Investment management fees	2,093	-	2,093
IT costs	10,762	9,182	19,944
Professional fees	2,660	-	2,660
Financial costs	3,328	-	3,328
Governance costs (<i>see below</i>)	3,247	-	3,247
	<u>26,389</u>	<u>9,182</u>	<u>35,571</u>
Total direct and overhead costs	<u>107,275</u>	<u>18,677</u>	<u>125,952</u>
<i>Governance costs</i>			
Board secretariat	2,025	-	2,025
Legal & professional	22	-	22
Independent examination	1,200	-	1,200
	<u>3,247</u>	<u>-</u>	<u>3,247</u>

	Unrestricted Funds £	Restricted Funds £	Total £
9 Charitable activities 2024			
<i>Cost of direct activities</i>			
Staff costs	9,819	-	9,819
Other staff expenses	1,971	-	1,971
Scottish Forestry costs	31,482	-	31,482
Education Bursary	600	10,850	11,450
Training & event costs	3,585	479	4,064
Publication costs	9	-	9
Annual Study Tour	-	4,468	4,468
	47,466	15,797	63,263
<i>Overheads</i>			
Corporate office	5,882	-	5,882
Investment management fees	2,024	-	2,024
IT costs	1,896	-	1,896
Professional fees	4,295	-	4,295
Financial costs	5,128	250	5,378
Governance costs (see below)	4,586	-	4,586
	23,811	250	24,061
Total direct and overhead costs	71,277	16,047	87,324
<i>Governance costs</i>			
Board secretariat	2,900	-	2,900
Independent examination	1,119	-	1,119
Trustees' expenses	567	-	567
Total governance costs	4,586	-	4,586

	2025 £	2024 £
10 Staff costs		
Wages and salaries	35,178	9,035
Social security costs	-	-
Pension contributions	4,092	100
	37,270	9,135
No employee earned £60,000 or more in 2025 or 2024.		
Average number of staff in the year	2	1

**Notes to the Financial Statements
For the Year ended 31 December 2025 (continued)**

11 Tangible fixed assets	Operating Assets £	Canopy Development £	Heritage Assets £	Trophies & Prizes £	Total £
<i>Cost or valuation</i>					
At 31 st December 2024	1,176	6,525	40,000	13,050	60,751
Valuation	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 st December 2025	1,176	6,525	40,000	13,050	60,751
<i>Depreciation</i>					
At 31 st December 2024	1,176	6,525	-	-	7,701
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 st December 2025	1,176	6,525	-	-	7,701
<i>Net book value</i>					
At 31 st December 2025	-	-	40,000	13,050	53,050
At 31 st December 2024	-	-	40,000	13,050	53,050

Artefacts which have been gifted to the Society over many years have been included at independent valuation and are subject to an annual impairment review.

	2025 £	2024 £
12 Investments		
Market value at 1 January	290,279	278,322
(Decrease)/Increase in amounts held as cash	(1,942)	(2,534)
Additions at cost (net of equalisations)	274,220	13,617
Disposals at carrying value	(277,268)	(12,482)
Income capitalised	3,023	-
Net gain on revaluation	24,838	13,356
Market value at 31 December	313,150	290,279

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The Society manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Society does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5-year period will normally be corrected.

	2025 £	2024 £ Restated
13 Debtors		
Trade receivables	16,984	20,956
Other debtors	9,013	2,755
Prepayments	2,579	450
Intercompany account	-	504
	28,576	24,665
	28,576	24,665
14 Creditors		
<i>Amounts falling due within one year</i>		
Creditors & accruals	60,028	39,903
Intercompany account	33,645	27,789
Other taxes and social security costs	3,494	172
Income in advance	20,205	32,734
	117,372	100,598
	117,372	100,598
Income in advance – membership		
Opening balance	32,734	15,729
Income released in the year	(32,734)	(15,729)
Income received in advance	20,205	32,734
	20,205	32,734
<i>Being subscriptions relating to the new financial year received (individual) or paid (corporate) during current financial year</i>	20,205	32,734
Income in advance – Journal subscription		
Opening balance	-	487
Income released in the year	-	(487)
Income received in advance	-	-
	-	-
<i>Being subscriptions relating to the new financial year received during current financial year</i>	-	-
Income in advance – Annual study tour		
Opening balance	-	2,450
Income released in the year	-	(2,450)
Income received in advance	-	-
	-	-
<i>Being income relating to the annual study tour relating to the new financial year received during current financial year.</i>	-	-

ROYAL SCOTTISH FORESTRY SOCIETY

Notes to the Financial Statements
For the Year ended 31 December 2025 (continued)

15 Statement of funds 2025	Balance at 1 January 2025 £	Income £	Expenditure £	Investment Revaluation £	Balance at 31 December 2025 £
Unrestricted funds	325,899	109,696	(107,322)	17,310	345,583
Conference Fund	1,284	-	(129)	-	1,155
Educational Fund	32,998	781	-	3,120	36,899
Excursions Fund	8,800	5,880	(4,737)	-	9,943
Glen Grant Fund	63,830	-	(4,389)	-	59,441
Jeffrey Schools Competition Fund	10,428	-	-	-	10,428
Lecture Fund	111	-	(111)	-	-
Monitor Woods Fund	18,844	-	(9,061)	-	9,783
Murgitroyd Fund	44,808	668	(250)	3,984	49,210
Overseas Groups Fund	409	-	-	-	409
Trophy Fund	1,020	-	-	-	1,020
Restricted funds total	182,532	7,329	(18,677)	7,104	178,288
Permanent Endowment	5,425	-	-	424	5,849
Total funds	513,856	117,025	(125,999)	24,838	529,270

The restricted funds of the Society and the purposes for which they have been given are:

Restricted fund name	Purpose
Conference fund	Amounts donated for the purpose of supporting RSFS attendance at conferences and seminars.
Education fund	Donations made to fund educational prizes.
Excursion fund <i>Incorporating the Gilbert Brown Memorial fund George Leven Memorial fund</i>	The surpluses accrued on sponsorship received in support of the attendance of young foresters at the Society's Annual Study Tour.
Hunter-Blair Trophy fund	A grant made to fund the maintenance of the RSFS trophies.
Glen Grant fund	A donation made by the Glen Grant to fund riparian planing and its maintenance in the Glen Grant vicinity and other projects agreed with the donor.
Jeffrey Schools Competition fund	A grant made Mrs Jeffrey on the passing of former RSFS President Graham Jeffrey During the year, the trustees sought and received consent from OSCR to modify the terms of the fund to extend its geographic reach to include East Dumbartonshire and to permit the application of the funds for the amended purposes of supporting transport costs and to providing prizes to P7 children for written or media work in connection with Cashel or Cashel's activities in alignment with Curriculum for Excellence or any successor thereto.
Lecture fund	The surpluses accrued from RSFS lectures to fund future lectures.
McNeil Bequest	A bequest made by Mrs McNeil to support tree planting by school children in Midlothian to further their education.

15 Statement of funds (continued)

Monitor Woods fund	A grant to fund the pilot study for the benchmarking of exemplar forest and woodlands and the systems and processes to support this.
Murgitroyd fund	A bequest made for the purpose of funding a range of bursaries and prizes in memory of Ian Murgitroyd.
Overseas Groups fund	A donation made to support overseas foresters attend RSFS events in the UK.
Trophy valuation fund	Representing the revaluation reserve on valuation of perviously unrecognised trophies.

15 Statement of funds 2024 Restated

	Balance at 1 January 2024 £	Income £	Expenditure £	Investment Revaluation £	Balance at 31 December 2024 £
Unrestricted funds	285,488	103,297	(71,312)	8,426	325,899
Conference Fund	1,763	-	(479)	-	1,284
Educational Fund	35,654	-	(5,600)	2,944	32,998
Excursions Fund	5,590	7,928	(4,718)	-	8,800
Glen Grant Fund	63,830	-	-	-	63,830
Jeffrey Schools Competition Fund	10,428	-	-	-	10,428
Lecture Fund	111	-	-	-	111
Monitor Woods Fund	18,844	-	-	-	18,844
Murgitroyd Fund	48,294	-	(5,250)	1,764	44,808
Overseas Groups Fund	409	-	-	-	409
Trophy Fund	1,020	-	-	-	1,020
Restricted funds total	185,943	7,928	(16,047)	4,708	182,532
Permanent Endowment	5,203	-	-	222	5,425
Total funds	476,634	111,225	(87,359)	13,356	513,856

16 Analysis of net assets between funds 2025

	Fixed Assets £	Investment Portfolio £	Cash £	Net Current Liabilities £	Total £
Unrestricted funds	53,050	140,162	241,167	(88,796)	345,583
Restricted funds	-	167,139	11,149	-	178,288
Permanent endowment	-	5,849	-	-	5,849
	53,050	313,150	252,316	(88,796)	529,720

16 Analysis of net assets between funds (continued)

Analysis of net assets between funds 2024 Restated	Fixed Assets £	Listed Investments £	Cash £	Net Current Liabilities £	Total £
Unrestricted funds	53,050	173,939	174,843	(75,933)	325,899
Restricted funds	-	110,915	71,617	-	182,532
Permanent endowment	-	5,425	-	-	5,425
	<u>53,050</u>	<u>290,279</u>	<u>246,460</u>	<u>(75,933)</u>	<u>513,856</u>

**17 Prior year Statement of Financial Activities
Restated**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £
Income from:					
Donations and legacies	4	75,369	-	-	75,369
Charitable activities	5	6,129	7,928	-	14,057
Investment income	6	13,463	-	-	13,463
Other trading activities	7	8,336	-	-	8,336
Total income		<u>103,297</u>	<u>7,928</u>	<u>-</u>	<u>111,225</u>
Expenditure on:					
Raising funds	8	35	-	-	35
Charitable activities	9	71,277	16,047	-	87,324
Total expenditure		<u>71,312</u>	<u>16,047</u>	<u>-</u>	<u>87,359</u>
Net income		31,985	(8,119)	-	23,866
Gain/(loss) on revaluation of investment assets	12	8,426	4,708	222	13,356
Net movement on funds		<u>40,411</u>	<u>(3,411)</u>	<u>222</u>	<u>37,222</u>
Fund balances brought forward	15	285,488	185,943	5,203	476,634
Fund balances carried forward	15	<u>325,899</u>	<u>182,532</u>	<u>5,425</u>	<u>513,856</u>

18 Events after the reporting date

Following the year end, the trustees of Cashel Forest Trust, a charity in which RSFS holds 75% of the voting rights, sold the farmhouse and buildings and approached the RSFS to hold preliminary discussions in connection with the potential for gifting the residual assets of Cashel Forest Trust in the event of its winding up. Discussions are ongoing.

19 Prior Year Adjustment

During the preparation of these financial statements, income was found to have been overstated in 2023 and 2024 as a result of the duplication of a small number of income transactions. Income in 2024 was restated by way of a prior year adjustment £4,933 and in 2023 £2,749.