Registered number: SC010100

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	J D Scott J Chapman S Christie
Company secretary	J D Scott
Registered number	SC010100
Registered office	8 Needless Road Perth PH2 0JW
Independent auditors	Findlays 11 Dudhope Terrace Dundee DD3 6TS

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)
(A Company Limited by Guarantee)

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THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)
(A Company Limited by Guarantee)

ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The chairman presents his statement for the period.

Principal activities:

The principal activity of the Federation during the year continued to be the provision of advice, support and training services to the meat trade.

The Federation has no share capital and is a private company limited by guarantee with each member undertaking to subscribe, up to a limit of £1, such amounts as may be necessary to pay the debts and liabilities in the event of being wound up.

Results for the year:

The profit for the year (after tax) amounted to £4,305 (2017 (loss) – £7,939).

Chief Executive's review of activities and future developments:

This year the Federation reached its 100th birthday and organisations do not reach such milestones without being of benefit to its members. Issues have changed continually over the decades but with the guidance of its Executive Committee, the Federation continues to provide a meaningful service to its members through the Members Services and Training Services sides of the business.

Member Services promotes the consumer facing image of Scottish Craft Butchers and Training Services operate under the name Scottish Meat Training. Both sides aim to provide quality support to the meat industry and the craft butcher sector in particular. They also perform the role of representing the sector and responding to consultations and consumer questions / requests. Members' subscriptions only fund Member Services. Scottish Meat Training is a wholly owned standalone subsidiary whose objective is to promote and sustain the craft skills of the industry.

The Federation is delighted to provide administrative support to the Guild of Q Butchers. This service to over 100 butchers GB wide operates out of the Perth office and this provides a valuable contribution to overheads.

Federation members continue to have issues over inconsistency of food safety regulation and varying interpretations on guidance, but the SFMTA Chief Executive's membership of the Scottish Food Enforcement Liaison Committee continues to provide an important and useful contact with the enforcement community.

We are constantly advising members to have EHO's recommendations formally documented so that all parties can try to achieve some semblance of uniformity of approach.

Food safety's hot topic of the year was use by dates and durability. Yet again practices far removed from the average craft butcher created bedlam for members. Now there has to be much greater care given to production processes, labelling, traceability and setting of use by dates.

The ridiculously unmanageable 1% tolerance on carry over between species raised its head again recently but the Federation was ready with FSS approved Recommended Methods of Operations to distribute to members. This advised members best ways of avoiding species and possibly even more importantly allergen carry over.

Representation continues on the Scottish Government's Animal Health and Welfare Stakeholder Group and the Federation is proud of its working partnerships with the likes of the National Sheep Association, the Scottish Association of Meat Wholesalers, the Institute of Auctioneers and Appraisers and the National Farmers Union Scotland.

Membership has held up well in the face of economic uncertainty. Some shops have opened, there continues to be a few retirals but focus is now on assisting with succession planning. Many butcher businesses are now

owned by older owners who will be wanting to sell up. In many cases these are very good and viable businesses and it is a matter of identifying potential new owners who will undoubtedly inherit good going businesses with good returns.

The number of shops in Federation Membership at 395 is exactly the same on last year: 304 businesses (302 in 2017) plus 91 branches (93 in 2017).

Competition continues to be fierce out there with discounters making a bigger impact and hurting not just independents but multiples who have been forced into discounting meat prices to try and retain their individual shares of the grocery market.

It has been increasingly important for the Federation to provide members with guidance and advice to enable business to continue to trade profitably. Federation members have been kept up to speed with all the developments in the meat industry, regional meetings have been a critical interface with the administration and product evaluation events have kept the independent butcher in the news identifying quality meat products. We feel it is vitally important that all channels should be used to promote business and attract new and younger customers.

Both sides of the Federation - Member Services and Training Services continue to be well used and appreciated by the membership.

Our training arm, Scottish Meat Training (SMT), continues to contract SDS for funding and SMT successfully tendered for Modern Apprenticeship places. 206 trainees are currently on funded training, 117 trainees achieved Modern Apprenticeships in the last contract year. A huge number of 162 trainees came on to training in the last contract year while 90 of the allocated 133 places in the current contract have been taken up. 3 Craft certificates and 5 Federation Diplomas were presented during the year.

SFMTA continues to be an awarding body in partnership with Scottish Qualifications Authority (SQA). Distance Learning Foundation Hygiene and Foundation HACCP are delivered to our trainees but there remains to be low demand for Intermediate Hygiene courses. Under the guidance of Paul Bache four Meat Managers HACCP and Hygiene Courses were held in Perth during the year with the 40 candidates attending achieving a high standard of certification.

Regional meetings have been held throughout the country – Galashiels, Ayr, Stepps, Renfrew, Inchture, Dumfries, Carfraemill, Perth, Oldmeldrum, North Queensferry, Oban, Inverness, Elgin, Stornoway and Lerwick. All have been very well attended and well received.

The newsletter has been published timeously on the first day of each month.

ANNUAL REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

We have 36 Corporate members, the same as last year. They have been great supporters to the Federation and hopefully they have gained sufficient business in return to justify their continued support. Many have made good use of free inserts or adverts in the Newsletters and the platform available through regional meetings.

A Savoury Pastry Evaluation was held in November and results were announced in January. Beefburger and Speciality Burger evaluations were held in March and The Scottish Beef Sausage Championship and Scottish Black Pudding Championship were judged at the regional meetings held in April. Good PR for independent butchers was generated from these evaluations and competitions. More recently we have completed the Traditional Sliced Sausage Championships and an evaluation of Speciality Sausage. Next up in January we will be announcing the winners in a Pork Products evaluation and a Make it with Haggis evaluation.

Our Employment Law advisers continue to enhance the services offered by the Federation and a further benefit introduced at the request of the members at the 2014 AGM – indemnity cover for cost of employment law tribunals. A Health and Safety adviser is also retained to provide members with advice.

The ninety ninth Annual General Meeting was held at Forth Valley College, Stirling on 22nd November 2017 when Paul Boyle was elected a President for a second year. The Craft Butchers Training Awards were again held in conjunction with the AGM and this created a very positive day with a great show of the emerging talent in our industry.

The Federation continues to work with Quality Meat Scotland to get the best value for levy payments.

The Federation remains highly accessible to members and members' views are constantly canvassed when either telephoning, attending meetings or visited by any of the Scottish Meat Training assessors.

Finally I would like to record the contribution made by all members of staff. In particular, Bruce McCall continues to be the popular first point of contact for members and Claire Simpson whose is responsible for all things training.

Name J D Scott
Chief Executive

Date 24 October 2018

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The directors present their report and the financial statements for the year ended 31 August 2018.

Directors' responsibilities statement

The directors are responsible for preparing theDirectors' Report and thefinancial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

J D Scott
J Chapman
S Christie

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Findlays, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2018

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 24 October 2018 and signed on its behalf.

J D Scott
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)

Opinion

We have audited the financial statements of The Scottish Federation of Meat Traders Associations (Incorporated) (the 'Company') for the year ended 31 August 2018, which comprise the Statement of Income and Retained Earnings, the Balance Sheet and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2018 and of its profit 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

Opinion 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, the directors 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 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 Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED) (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lesley Campbell (Senior Statutory Auditor)
for and on behalf of
Findlays
11 Dudhope Terrace
Dundee
DD3 6TS

24 October 2018

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)
(A Company Limited by Guarantee)

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Scottish Meat Training		**260,753**	*272,410*
Member Services		**172,151**	*196,540*
Gross profit		**432,904**	*468,950*
Member Services		**(182,762)**	*(203,480)*
Scottish Meat Training		**(275,682)**	*(281,681)*
Gain from changes in fair value of listed investments		**23,268**	*710*
Operating loss		**(2,272)**	*(15,501)*
Income from fixed assets investments		**6,541**	*7,728*
Interest receivable and similar income		**31**	*91*
Profit/(loss) before tax		**4,300**	*(7,682)*
Tax on profit/(loss)		**5**	*(257)*
Profit/(loss) after tax		**4,305**	*(7,939)*
Retained earnings at the beginning of the year		**430,317**	*438,256*
		430,317	*438,256*
Profit/(loss) for the year		**4,305**	*(7,939)*
Retained earnings at the end of the year		**434,622**	*430,317*

The notes on pages 11 to 19 form part of these financial statements.

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)
(A Company Limited by Guarantee)
REGISTERED NUMBER: SC010100

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note		2018 £		2017 £
Fixed assets					
Tangible assets	4		**195,698**		*198,999*
Investments	5		**187,602**		*102,528*
			383,300		*301,527*
Current assets					
Stocks	6	**1,357**		*1,974*	
Debtors: amounts falling due within one year	7	**40,197**		*31,563*	
Cash at bank and in hand	8	**69,413**		*161,031*	
		110,967		*194,568*	
Creditors: amounts falling due within one year	9	**(59,645)**		*(65,778)*	
Net current assets			**51,322**		*128,790*
Total assets less current liabilities			**434,622**		*430,317*
Net assets			**434,622**		*430,317*
Capital and reserves					
Profit and loss account	11		**434,622**		*430,317*
			434,622		*430,317*

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 October 2018.

J D Scott
Director

The notes on pages 11 to 19 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

1. General information

Scottish Federation of Meat Traders Association is a private company, limited by guarantee, domiciled in Scotland, registration number SC010100. The address of the registered office is given in the company information page of these financial statements.

The financial statements are presented in sterling which is the functional currency of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Subscriptions and other receipts are credited to income in year in which they are invoiced. Trade fair income is credited to income in the financial year in which the trade fair takes place.

2. Accounting policies (continued)

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Income and Retained Earnings at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Income and Retained Earnings in the same period as the related expenditure.

2.5 Interest income

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

2.6 Pensions

The company operates a defined contributions scheme for the benefit of its employees. Contributions payable are recoginised in the profit and loss account when due.

2.7 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.8 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2. Accounting policies (continued)

2.8 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using a straight line or reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 0.12% straight line
Fixtures and fittings	- 20% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

2.9 Valuation of investments

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Income and Retained Earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2. Accounting policies (continued)

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 7 *(2017 - 7)*.

4. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 September 2017	**190,992**	**75,513**	**266,505**
At 31 August 2018	**190,992**	**75,513**	**266,505**
Depreciation			
At 1 September 2017	**7,354**	**60,152**	**67,506**
Charge for the year on owned assets	**229**	**3,072**	**3,301**
At 31 August 2018	**7,583**	**63,224**	**70,807**
Net book value			
At 31 August 2018	**183,409**	**12,289**	**195,698**
At 31 August 2017	*183,638*	*15,361*	*198,999*

4. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2018 £	*2017 £*
Freehold	**183,409**	*183,638*
	183,409	*183,638*

5. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 September 2017	**102,377**	**151**	**102,528**
Additions	**61,806**	**-**	**61,806**
Revaluations	**23,268**	**-**	**23,268**
At 31 August 2018	**187,451**	**151**	**187,602**
Net book value			
At 31 August 2018	**187,451**	**151**	**187,602**
At 31 August 2017	*102,377*	*151*	*102,528*

Listed investments have been revalued at market value. This is based on a independent valuation which is carried out by Redmayne Bentley. The original cost of the listed investments is £66,462.

There has been no recent valuation of the unlisted investments including the president's chain and trophies. The wholly owned subsidiary Scottish Meat Training Limited was dormant throughout the financial year.

6. Stocks

	2018	*2017*
	£	*£*
Finished goods and goods for resale	**1,357**	*1,974*
	1,357	*1,974*

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018

7. Debtors

	2018 £	2017 £
Trade debtors	18,146	30,572
Other debtors	13,100	-
Prepayments and accrued income	8,951	991
	40,197	31,563

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	69,413	161,031
	69,413	161,031

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	1,487	4,327
Corporation tax	-	230
Other taxation and social security	5,320	5,651
Other creditors	43,955	44,588
Accruals and deferred income	8,883	10,982
	59,645	65,778

10. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	**69,564**	*161,181*

Financial assets measured at fair value through profit or loss comprise of cash at bank.

11. Reserves

Profit and loss account

Includes £120,989 from the revalution of listed investements to market value which is considered to be an undistributable reserve.

12. Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

13. Contingent liabilities

The Federation receives grant funding from Skills Development Scotland. This grant may be repayable should the Federation not comply with the grant conditions.

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £2,265 (2017 - £2,017). Contributions totalling £669 (2017 - £258) were payable to the fund at the balance sheet date and are included in creditors.

15. Commitments under operating leases

At 31 August 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	*2017 £*
Not later than 1 year	**3,384**	*2,604*
Later than 1 year and not later than 5 years	**6,768**	*-*
	10,152	*2,604*

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS
(A Company Limited by Guarantee)

DETAILED INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 AUGUST 2018

MEMBERS SERVICES

	2018	2017	2016
		£	£
OPERATING INCOME			
Subscriptions	89,888	88,011	89,320
Advertisements Handbook	-	275	2,290
Sundry Income	230	94	38
Corporate Memberships	20,567	21,397	19,633
Competition Entry Fees	9,438	9,586	7,827
Room Hire	40	-	80
Newsletter Income	1,705	2,514	2,999
Golf Income	1,582	1,412	824
Sponsorship	4,833	5,340	4,800
Awarding Body Income	870	640	910
Sale of Merchandise	4,323	5,001	5,296
Trade Fair Receipts	-	22,920	-
AGM Income	740	-	-
Savoury Pastry Awards	7,935	7,350	-
Q Guild	30,000	32,000	28,000
	172,151	196,540	162,017
OPERATING EXPENSES	182,762	203,480	166,419
Operating surplus/(deficit)	(10,611)	(6,940)	(4,402)
Other interest receivable and similar income			
Bank interest received	18	50	77
Income from Investments			
Dividends received from listed investments	6,541	5,922	5,010
Gain on sale of investments	-	1,806	55,000
Movement in Market Value of listed investments	23,268	710	97,011
Net surplus/(deficit) for the year	19,216	1,548	152,696

SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 AUGUST 2018

MEMBERS SERVICES

OPERATING EXPENSES	2018	2017	2016
	£	£	£
Regional Meetings	8,150	6,591	6,857
Cost of Merchandise	2,087	2,541	3,416
Travel Expenses C.E.	3,989	2,782	3,163
Handbook	-	120	3,800
Competition Expenses	11,636	12,973	5,263
Subscriptions	105	99	-
Salaries & Wages	64,034	63,181	60,227
Bookkeeping Services	3,296	3,053	2,710
Consultancy Fees	21,200	20,245	20,801
Repairs & Maintenance	1,342	2,284	2,457
Telephone	706	808	751
Rates	(842)	1,937	(766)
Heat & Light	965	817	1,050
Audit & Accountancy Fee	1,691	1,895	1,512
Savoury Pastry Awards	7,691	8,800	-
Stationery/Printing	6,608	3,320	3,394
Bank Charges	1,308	1,630	1,285
Presidents Outlays	1,092	1,387	1,387
Internet	169	677	37
Postage	9,657	3,111	3,328
Golf Expenses	2,295	1,550	812
Executive Meetings and Travel Expenses	2,190	1,683	2,107
Joint Adverts/Promotions	16,089	23,533	26,243
Meals & Meetings	232	187	143
General Expenses	275	447	768
AGM Expenses	1,114	1,765	1,230
Member Support Services	750	490	453
Depreciation	1,362	1,662	1,276
Office Cleaning	392	268	410
Computer Supplies	1,273	2,192	2,490
Insurance	743	775	556
Staff Training	87	-	267
Q Guild	8,228	10,228	7,432
Equipment Hire	1,823	781	781
Travel Expenses	-	-	779
Legal & professional	405	-	-
Trade Fair	620	19,668	-
	182,762	203,480	166,419

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS
(A Company Limited by Guarantee)

DETAILED INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 AUGUST 2018

SCOTTISH MEAT TRAINING DEPARTMENT

	2018	2017	2016
OPERATING INCOME	£	£	£
Skills Development Scotland	240,204	254,559	250,108
Apprentice Admin Income	1,500	2,000	-
H & I Grant	-	59	(116)
Food Distance Ess Hyg Course	1,355	1,749	2,415
SDS Certificate of Work Readiness	-	-	-
Craft Certificates	2,160	1,200	6,240
Course Income	13,545	5,500	6,760
Sponsorship	-	4,870	-
Private Training	-	1,828	564
HACCP Course	-	45	-
Sundry Income	1,989	600	15,012
	260,753	272,410	280,983
Operating expenses	(275,682)	(281,681)	(273,643)
OPERATING SURPLUS/(DEFICIT)	(14,929)	(9,271)	11,969
Other interest receivable and similar income			
Bank interest received	13	41	49
Net surplus/(deficit) for the year	(14,916)	(9,230)	12,018

SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES FOR THE YEAR ENDED 31 AUGUST 2018

SCOTTISH MEAT TRAINING DEPARTMENT

OPERATING EXPENSES	2018 £	2017 £	2016 £
Sundry Expenses	470	264	472
Room Hire	-	-	-
Training Materials	3,451	3,378	1,627
Travel	30,480	32,660	31,103
Bookkeeping	3,400	3,360	3,369
SVQ Registrations	17,423	12,187	16,442
Other SVQ expenses	-	-	225
H&I SVQ Registrations	4,203	2,449	3,459
Meat Skills Workshops	1,535	6,966	(240)
Skills workshops	-	-	-
Course Expenses	9,379	4,641	6,540
Salaries & National Insurance	173,354	167,481	167,088
Professional fees	945	-	-
Training Awards	500	1,581	-
Staff Training	51	-	292
Telephone	3,462	3,519	3,423
Stationery/Printing	8,524	9,886	9,230
Postages	5,542	11,216	11,911
Marketing	-	855	1,310
Electricity/Gas	1,830	1,783	2,450
Internet	717	823	86
Computer Supplies	2,630	2,675	3,594
Irrecoverable VAT	166	(194)	-
Repairs & Maintenance	1,242	2,493	3,144
Office Cleaning	613	558	603
Insurance	1,371	1,319	1,229
Rates	(764)	4,520	(1,788)
Subscriptions	453	440	987
Audit Fee	1,679	2,220	1,986
Bank Charges	306	372	323
Profit/Loss on sale of asset	-	-	(50)
Depreciation	1,939	2,406	3,005
Photocopier Lease	781	1,823	1,823
	275,682	281,681	273,643