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 2019

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

COMPANY INFORMATION

Directors	J D Scott (resigned 15 May 2019) J Chapman S Christie J G King (appointed 15 May 2019) S Jarron (appointed 13 March 2019)
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 2019

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 £288 (2018 – £4,305).

Executive Manager's review of activities and future developments:

It has been a year that has seen the meat trade under what feels like continual attack from veganism, calls to reduce red meat consumption to save the planet and expectations to reduce plastic packaging. That against a background of uncertainty created by Brexit that has dent both business and consumer confidence, and the continued weakening of traditional shopping locations with closures of numerous retail outlets from large stores down to bookmakers.

A year where butchers more than ever need the flow of advice, support and training services that the Federation continues to provide.

It was also the year when Douglas Scott retired after almost 18 years as Chief Executive. After interviews and careful consideration, Gordon King was chosen to be the successor.

Having reached and celebrated its 100th birthday at the 2018 Annual Meeting, the Federation has a century of experience behind it. Issues have changed continually over the decades but with the guidance of its President and his 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 Executive Manager'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.

The Federation has assisted where the need for allergen advice has emerged with renewed focus. Safe methods for accepting customers own re-usable containers have also been advised to members.

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 given the aforesaid. Some shops have opened, there continues to be a few retirals, but focus is still required on assisting with succession planning, business takeover and introducing new young owners. In many cases butcher's shops 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 is 389: 297 businesses (304 in 2018) plus 92 branches (91 in 2018).

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.

A closer relationship with Quality Meat Scotland has created heightened support and a better understanding of the Craft butcher sector and its importance to the meat industry
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. 186 trainees are currently on funded training, 110 trainees achieved Modern Apprenticeships in the last contract year. 147 trainees came on to training in the last contract year while 63 of the allocated 145 places in the current contract have been taken up. 5 Craft certificates and 2 Federation Diplomas were presented during the year.

In order to maximise the opportunities that have presented themselves to us, and to provide training across a wider field in the food and drink industry in Scotland, Scottish Meat Training will be rebranded as "Craft Skills Scotland"

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.
Under the guidance of Paul Bache 2 Meat Managers HACCP and Hygiene Courses were held during the year with the 23 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 2019

We have 29 Corporate members, (36 in 2018). 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.
With the backing of the Robert Burns World Federation and Grampian Oats Products, 2019 was designated The Year of The Haggis.

A Pork Products and Haggis Products Evaluation was held in November and results were announced in January. A Barbecue Product and Ready to Cook with Verstegen evaluations were held in March and The Scottish Pork Sausage Championship and Scottish Haggis Championship were judged at the Scottish Craft Butchers Trade Fair held in May. Increased resource to take professional photographs and generate professional press releases has generated good PR for independent butchers from these evaluations and competitions. More recently we have completed the Traditional Steak Pie, Mince Round and Speciality Pie Championships.

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.
For the One Hundredth Annual General Meeting, the Federation returned to the place of its birth, Glasgow. It was held on 18th November 2018 in the Grand Central Hotel where Scott Jarron was elected President. The very well attended meeting was fortunate to attract top speakers from Scotland, England, Ireland and Wales - Simon Howie, Ed Garthwaite, Pat Whelan and Ieuan Edwards - all of whom had fantastic stories to tell that proved inspirational to all who attended.

The Craft Butchers Training Awards were again held in conjunction with the AGM. Generously supported by QMS this complemented what was a very positive day and again there was a great show of the emerging talent in our industry.

2019 was a trade fair year and this year's event was yet another great success. The trade stands sold out in record time and the attendance was very good. Those attending stayed longer undoubtedly attracted by the revamped meat skills competition in a 'Butcher Wars' format. The 45 minute challenge was taken up by twelve pairs and eleven singles contestants. Sponsorship allowed the stage presentation to outshine anything previously seen in Britain and the skills and displays were compulsive viewing.

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 G King
Executive manager

Date 23 October 2019

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their report and the financial statements for the year ended 31 August 2019.

Directors' responsibilities statement

The directors are responsible for preparing theDirectors' Report and the financial 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 (resigned 15 May 2019)
J Chapman
S Christie
J G King (appointed 15 May 2019)
S Jarron (appointed 13 March 2019)

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 2019

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 23 October 2019 and signed on its behalf.

J G King
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 2019, 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 2019 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

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

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

23 October 2019

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Scottish Meat Training		**263,459**	*260,753*
Member Services		**198,112**	*172,151*
Gross profit		**461,571**	*432,904*
Member Services		**(203,904)**	*(182,762)*
Scottish Meat Training		**(272,550)**	*(275,682)*
Gain from changes in fair value of listed investments		**7,628**	*23,268*
Operating loss		**(7,255)**	*(2,272)*
Income from fixed assets investments		**7,427**	*6,541*
Interest receivable and similar income		**116**	*31*
Profit before tax		**288**	*4,300*
Tax on profit		**-**	*5*
Profit after tax		**288**	*4,305*
Retained earnings at the beginning of the year		**434,622**	*430,317*
		434,622	*430,317*
Profit for the year		**288**	*4,305*
Retained earnings at the end of the year		**434,910**	*434,622*

The notes on pages 11 to 17 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note		2019 £		2018 £
Fixed assets					
Tangible assets	4		**195,576**		*195,698*
Investments	5		**195,230**		*187,602*
			390,806		*383,300*
Current assets					
Stocks		**480**		*1,357*	
Debtors: amounts falling due within one year	6	**31,647**		*40,197*	
Cash at bank and in hand	7	**81,658**		*69,413*	
		113,785		*110,967*	
Creditors: amounts falling due within one year	8	**(69,681)**		*(59,645)*	
Net current assets			**44,104**		*51,322*
Total assets less current liabilities			**434,910**		*434,622*
Net assets excluding pension asset			**434,910**		*434,622*
Net assets			**434,910**		*434,622*
Capital and reserves					
Profit and loss account	9		**434,910**		*434,622*
			434,910		*434,622*

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 23 October 2019.

J G King
Director

The notes on pages 11 to 17 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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 *(2018 - 7)*.

4. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 September 2018	190,992	75,513	266,505
Additions	-	3,204	3,204
At 31 August 2019	190,992	78,717	269,709
Depreciation			
At 1 September 2018	7,583	63,224	70,807
Charge for the year on owned assets	229	3,097	3,326
At 31 August 2019	7,812	66,321	74,133
Net book value			
At 31 August 2019	183,180	12,396	195,576
At 31 August 2018	*183,409*	*12,289*	*195,698*

5. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 September 2018	**187,451**	**151**	**187,602**
Revaluations	**7,628**	**-**	**7,628**
At 31 August 2019	**195,079**	**151**	**195,230**

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 (2018 - £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. Debtors

	2019 £	2018 £
Trade debtors	16,577	18,146
Other debtors	12,350	13,100
Prepayments and accrued income	2,720	8,951
	31,647	40,197

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	81,658	69,413
	81,658	69,413

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,120	1,487
Other taxation and social security	4,735	5,320
Other creditors	45,347	43,955
Accruals and deferred income	18,479	8,883
	69,681	59,645

9. Reserves

Profit and loss account

Includes £128,768 (2018 - £120,989) from the revalution of listed investments to market value which is considered to be an undistributable reserve.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

10. 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.

11. 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.

12. 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 £3,778 (2018 - £2,265). Contributions totalling £1,396 (2018 - £669) were payable to the fund at the balance sheet date and are included in creditors.

13. Commitments under operating leases

At 31 August 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	*2018* *£*
Not later than 1 year	**3,384**	*3,384*
Later than 1 year and not later than 5 years	**3,384**	*6,768*
	6,768	*10,152*

Registered number: SC010100

THE SCOTTISH FEDERATION OF MEAT TRADERS ASSOCIATIONS (INCORPORATED)

(A Company Limited by Guarantee)

DETAILED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2019

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

DETAILED INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 AUGUST 2019

MEMBERS SERVICES

	2019	2018 £	2017 £
OPERATING INCOME			
Subscriptions	92,164	89,888	88,011
Advertisements Handbook	-	-	275
Sundry Income	210	230	94
Corporate Memberships	19,484	20,567	21,397
Competition Entry Fees	11,625	9,438	9,586
Room Hire	80	40	-
Newsletter Income	3,735	1,705	2,514
Golf Income	2,013	1,582	1,412
Sponsorship	6,100	4,833	5,340
Awarding Body Income	660	870	640
Sale of Merchandise	2,216	4,323	5,001
Trade Fair Receipts	26,015	-	22,920
AGM Income	2,440	740	-
Savoury Pastry Awards	-	7,935	7,350
Q Guild	31,370	30,000	32,000
	198,112	172,151	196,540
OPERATING EXPENSES	203,904	182,762	203,480
Operating surplus/(deficit)	(5,792)	(10,611)	(6,940)
Other interest receivable and similar income			
Bank interest received	68	18	50
Income from Investments			
Dividends received from listed investments	7,427	6,541	5,922
Gain on sale of investments	-	-	1,806
Movement in Market Value of listed investments	7,628	23,268	710
Net surplus/(deficit) for the year	9,331	19,216	1,548

SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 AUGUST 2019

MEMBERS SERVICES

OPERATING EXPENSES	2019	2018	2017
	£	£	£
Regional Meetings	5,678	8,150	6,591
Cost of Merchandise	1,156	2,087	2,541
Travel Expenses C.E.	2,771	3,989	2,782
Handbook	-	-	120
Competition Expenses	20,745	11,636	12,973
Subscriptions	119	105	99
Salaries & Wages	66,944	64,034	63,181
Bookkeeping Services	3,024	3,296	3,053
Consultancy Fees	21,571	21,200	20,245
Repairs & Maintenance	1,299	1,342	2,284
Telephone	975	706	808
Rates	464	(842)	1,937
Heat & Light	897	965	817
Audit & Accountancy Fee	2,036	1,691	1895
Savoury Pastry Awards	-	7,691	8,800
Stationery/Printing	4,555	6,608	3,320
Bank Charges	1,730	1,308	1,630
Presidents Outlays	942	1,092	1,387
Internet	72	169	677
Postage	8,815	9,657	3,111
Golf Expenses	2,694	2,295	1,550
Executive Meetings and Travel Expenses	3,085	2,190	1,683
Joint Adverts/Promotions	8,021	16,089	23,533
Meals & Meetings	359	232	187
General Expenses	1,340	275	447
AGM Expenses	5,519	1,114	1,765
Member Support Services	891	750	490
Depreciation	1,759	1,362	1,622
Office Cleaning	600	392	268
Computer Supplies	1,754	1,273	1,192
Insurance	732	743	775
Staff Training	95	87	-
Q Guild	7,815	8,228	10,228
Equipment Hire	2,956	1,823	781
Executive Managers expenses	663	-	-
Legal & professional	856	405	-
Trade Fair	20,972	620	19,668
	203,904	182,762	203,480

DETAILED INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 AUGUST 2019

SCOTTISH MEAT TRAINING DEPARTMENT

OPERATING INCOME	2019	2018	2017
	£	£	£
Skills Development Scotland	247,526	240,204	254,559
Apprentice Admin Income	-	1,500	2,000
H & I Grant	-	-	59
Food Distance Ess Hyg Course	2,295	1,355	1,749
SDS Certificate of Work Readiness	-	-	-
Craft Certificates	360	2,160	1,200
Course Income	6,510	13,545	5,500
Sponsorship	5,348	-	4,870
Private Training	-	-	1,828
HACCP Course	-	-	45
Sundry Income	1,420	1,989	600
	263,459	260,753	272,410
Operating expenses	(272,550)	(275,682)	(281,681)
OPERATING SURPLUS/(DEFICIT)	(9,091)	(14,929)	(9,271)
Other interest receivable and similar income			
Bank interest received	48	13	41
Net surplus/(deficit) for the year	(9,043)	(14,916)	(9,230)

SCHEDULE OF DISTRIBUTION COSTS AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 AUGUST 2019

SCOTTISH MEAT TRAINING DEPARTMENT

	2019	2018	2017
OPERATING EXPENSES	£	£	£
Sundry Expenses	1,319	470	264
Room Hire	-	-	-
Training Materials	2,556	3,451	3,378
Travel	30,887	30,480	32,660
Bookkeeping	3,360	3,400	3,360
SVQ Registrations	16,845	17,423	12,187
Other SVQ expenses		-	-
H&I SVQ Registrations	1,731	4,203	2,449
Meat Skills Workshops	2,789	1,535	6,966
Skills workshops		-	-
Course Expenses	5,461	9,379	4,641
Salaries & National Insurance	175,741	173,354	167,481
Professional fees	856	945	-
Training Awards	1,348	500	1,581
Staff Training	1,175	51	-
Telephone	3,203	3,462	3,519
Stationery/Printing	3,735	8,524	9,886
Postages	4,962	5,542	11,216
Marketing	119	-	855
Electricity/Gas	2,094	1,830	1,783
Internet	856	717	823
Computer Supplies	3,135	2,630	2,675
Irrecoverable VAT	(275)	166	(194)
Repairs & Maintenance	1,265	1,242	2,493
Office Cleaning	1,306	613	558
Insurance	1,319	1,371	1,319
Rates	1,082	(764)	4,520
Subscriptions	492	453	440
Audit Fee	2,516	1,679	2,220
Bank Charges	256	306	372
Depreciation	1,567	1,939	2,406
Profit on sale of assets	(417)		
Photocopier Lease	1,267	781	1,823
	272,550	275,682	281,681