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FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:	NFU Scotland
Year ended:	*31 October 2015*
List No:	N/A 5036E
Head or Main Office:	Rural Centre West Mains Ingliston EH28 8LT
Website address (if available)	www.nfus.org.uk
Has the address changed during the year to which the return relates?	Yes [ ] No [✓] *(Tick as appropriate)*
General Secretary:	*Scott Walker (Chief Executive)*
Contact name for queries regarding the completion of this return:	Colin Gordon
Telephone Number:	0131 472 4011
e-mail:	c.gordon@nfus.org.uk

PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.
Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Employers' Associations based in England and Wales:
Certification Office for Trade Unions and Employers' Associations
22nd Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Employers' Associations based in Scotland:
Certification Office for Trade Unions and Employers' Associations
Melrose House, 69a George Street, Edinburgh EH2 2JG

(Revised February 2011)

RETURN OF MEMBERS

(see note 9)

NUMBER OF MEMBERS AT THE END OF THE YEAR				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
8,369				**8,369**

OFFICERS IN POST

(see note 10)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which this form relates, with the title of each persons office.

CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
Director	Nigel Miller	Jamie Smart	10 February 2015
Director	John Smith	Martin Kennedy	10 February 2015
Director	Cecil Eunson	Ian Sands	10 February 2015
Director	Russell Brown	Graeme Kilpatrick	10 February 2015
Director	Andrew Moir	Paul Ross	10 February 2015
Director	Lachlan MacLean	Roderick Kennedy	10 February 2015
Director	James Adam		10 February 2015

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	INCOME			
2,041,644	From Members	Subscriptions, levies, etc	2,067,018	
55,141	Investment income	Interest and dividends (gross)	67,349	
5,912		Bank interest (gross)	4,394	
164,971		Other (specify)	203,941	
16,958	Other income	Rents received	18,287	
537,000		Miscellaneous Receipts (Donation)	558,000	
141,253		Unrealised surplus on property revaluation	Nil	
9,407		Gain/ loss on sale of assets and investments	7,353	
2,972,286				2,926,342
		TOTAL INCOME		
	EXPENDITURE			
	Administrative expenses			
1,503,588		Remuneration and expenses of staff	1,530,896	
143,039		Commission	128,245	
378,329		Expenses and Representation	321,829	
207,709		Regional Costs	236,010	
254,338		Promotional Costs	262,687	
314,193		Other administration and property expenses	309,079	
2,801,196			2,788,746	
8,281	Other charges	Bank charges	6,578	
64,468		Depreciation	66,297	
121,524		Debtors Prior year adjustment	Nil	
10,080		Audit Fees	10,180	
7,527	Taxation		4,344	
3,013,076		**TOTAL EXPENDITURE**		2,876,145
(40,790)		Surplus/Deficit for year		50,197
1,971,514		Amount of fund at beginning of year		1,930,724
1,930,724		Amount of fund at end of year		1,980,921

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 2			Fund Account
Name of account:		£	£
Income			
	From members Investment income Other income (specify)		
	Total Income		
Expenditure			
	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 3			Fund Account
Name of account:		£	£
Income			
	From members Investment income Other income (specify)		
	Total Income		
Expenditure			
	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 4			Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNT 5			Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
	Total Income		
Expenditure	Administrative expenses Other expenditure (specify)		
	Total Expenditure		
	Surplus (Deficit) for the year		
	Amount of fund at beginning of year		
	Amount of fund at the end of year (as Balance Sheet)		

ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND

(see notes 17 to 18)

ACCOUNT 6			Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

ACCOUNT 7			Fund Account
Name of account:		£	£
Income	From members Investment income Other income (specify)		
		Total Income	
Expenditure	Administrative expenses Other expenditure (specify)		
		Total Expenditure	
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

BALANCE SHEET AS AT [31st October 2015]

(see notes 19 and 20)

Previous Year		£	£
550,916	**Fixed Assets** (as at page 11)	583,022	
	Investments (as per analysis on page 13)		
913,024	Quoted (Market value £1,400,189)	913,617	
450,390	Unquoted	450,390	
1,914,330	**Total Investments**		1,947,029
	Other Assets		
96,128	Sundry debtors	120,951	
549,161	Cash at bank and in hand	513,220	
645,289	**Total of other assets**		634,171
2,559,619	**TOTAL ASSETS**		2,581,200
	Liabilities		
	Loans		
	Bank overdraft		
	Tax payable		
628,895	Sundry creditors		600,279
	Accrued expenses		
	Provisions		
	Other liabilities		
628,895	**TOTAL LIABILITIES**		600,279
1,930,724	**TOTAL ASSETS**		1,980,921

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION At start of period	418,675	2,582	129,659	550,916
Additions during period		546	107,413	107,959
Less: Disposals during period			(9,559)	(9,559)
Less: DEPRECIATION:				
Total to end of period		(1,341)	(64,953)	(66,294)
BOOK AMOUNT at end of period	418,675	1,787	162,560	583,022
Freehold	418,675			
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET	418,675	1,787	162,560	583,022

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	61,518
	British Municipal and County Securities	Nil
	Other quoted securities (to be specified)	852,099
	TOTAL QUOTED (as Balance Sheet)	913,617
	*Market Value of Quoted Investments	1,400,189
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	450,390
	*Market Value of Unquoted Investments	n/a

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 23 to 25)

Does the association, or any constituent part of the association, have a controlling interest in any limited company? If YES name the relevant companies:	YES	NO ✓

COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)

INCORPORATED EMPLOYERS' ASSOCIATIONS

Are the shares which are controlled by the association registered in the association's name If NO, please state the names of the persons in whom the shares controlled by the association are registered.	YES ✓	NO

COMPANY NAME	NAMES OF SHAREHOLDERS

UNINCORPORATED EMPLOYERS ASSOCIATIONS

Are the shares which are controlled by the association registered in the names of the association's trustees? If NO, state the names of the persons in whom the shares controlled by the association are registered.	YES	NO

COMPANY NAME	NAMES OF SHAREHOLDERS

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	2,067,018		2,067,018
From Investments	67,349		67,349
Other Income (including increases by revaluation of assets)	784,622		784,622
Total Income	2,918,989		2,918,989
EXPENDITURE (including decreases by revaluation of assets) **Total Expenditure**	2,868,792		2,868,792
Funds at beginning of year (including reserves)	1,930,724		1,930,724
Funds at end of year (including reserves)	1,980,921		1,980,921
ASSETS			
Fixed Assets			583,022
Investment Assets			1,364,007
Other Assets			634,171
Total Assets			2,581,200
LIABILITIES **Total Liabilities**			600,279
NET ASSETS (Total Assets less Total Liabilities)			1,980,921

NOTES TO THE ACCOUNTS

(see note 36)

All notes to the accounts must be entered on or attached to this part of the return.

ACCOUNTING POLICIES

(see notes 37 and 38)

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Finance Director's	Chief Executive's
Signature: Colin A Gordon	Signature: Scott Walker (or other official whose position should be stated)
Name: Colin Gordon	Name: Scott Walker
Date: 28 Mar '16	Date: 28 March 2016

CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	✓	~~NO~~	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	✓	~~NO~~	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	✓	~~NO~~	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	✓	~~NO~~	
IS A RULE BOOK ENCLOSED? (see Note 40)	~~YES~~		NO	✓
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	✓	~~NO~~	

AUDITOR'S REPORT

(see notes 42 to 47)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?
   (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

   YES/NO
   If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
   (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
   (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
   (c) whether the accounts to which the report relates agree with the accounting records?
   (See section 36(3) of the 1992 Act, set out in note 43)

   YES/NO
   If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
   (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
   (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
   (See section 36(4) of the 1992 Act set out in note 43)

   YES/NO
   If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR27 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.
   (See note 45)

AUDITOR'S REPORT (continued)

Signature(s) of auditor or auditors:	Johnston Carmichael LLP	
Name(s):	JOHNSTON CARMICHAEL LLP	
Profession(s) or Calling(s):	CA	
Address(es):	7-11 MELVILLE ST. EDINBURGH EH3 7PE	
Date:	30 MARCH 2016	
Contact name and telephone number:	SCOTT HOLMES 0131 220 2203	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

Directors' Report and Financial Statements for the year ended 31 October 2015

The directors present their report and financial statements for the year ended 31 October 2015.

Principal activities

The principal activity of the company continued to be that of a member body for farmers and other related rural businesses in Scotland.

Members

Each member is liable to contribute an amount (not exceeding £1) to the assets of the company in the event of it being wound up.

Directors

The following directors have held office since 1 November 2014:

George Templeton Lawrie	
Nigel Alexander Miller	(Resigned 10 February 2015)
John Millar Smith	(Resigned 10 February 2015)
Cecil Robert Hugh Eunson	(Resigned 10 February 2015)
Gerald Peter Banks	
Scott Alexander Walker	
Charles Robert Adam	
John Henry Wildman	
Walter Allan Bowie	
Russell Brown	(Resigned 10 February 2015)
Andrew McCornick	
James Rae Adam	(Resigned 10 February 2015)
Gary Leslie Dixon Mitchell	
Andrew Moir	(Resigned 10 February 2015)
Robert Neil Livesey	
Lachlan Alexander MacLean	(Resigned 10 February 2015)
John Semple	
Thomas Aitken French	
Kevin John Gilbert	
Roderick Catto	
Stuart Wilson McNicol	
James Johnston Whiteford	
Jamie Brown Smart	(Appointed 10 February 2015)
Martin Colin Kennedy	(Appointed 10 February 2015)
Ian Kerr Sands	(Appointed 10 February 2015)
Roderick Kennedy	(Appointed 10 February 2015)
William Graeme Kilpatrick	(Appointed 10 February 2015)
Paul Henry Ross	(Appointed 10 February 2015)

Auditors

Johnston Carmichael LLP were appointed as auditors to the company in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements 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 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.

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

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board

Scott Alexander Walker
Director
30 November 2015

Independent Auditors' Report to the Members of NFU Scotland

We have audited the financial statements of NFU Scotland for the year ended 31 October 2015 set out on pages 3 to 7. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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' exemption in preparing the directors' report and from preparing a strategic report.

David Holmes (Senior Statutory Auditor)
for and on behalf of Johnston Carmichael LLP

30 November 2015

Chartered Accountants
Statutory Auditor 7-11 Melville Street
Edinburgh
EH3 7PE

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2015

	Notes	2015 £	2014 £
Turnover		2,828,959	2,743,615
Administrative expenses		(2,864,445)	(2,874,618)
Other operating income		18,287	16,958
Operating loss	2	(17,199)	(114,045)
Investment income	3	67,349	55,141
Other interest receivable and similar income	3	4,394	5,912
Interest payable and similar charges		(3)	-
Profit/(Loss) on ordinary activities before taxation		54,541	(52,992)
Tax on profit/(loss) on ordinary activities	4	(4,344)	(7,527)
Profit/(Loss) for the year	11	50,197	(60,519)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 OCTOBER 2015

	Notes	2015 £	2014 £
Profit/(Loss) for the financial year		50,197	(60,519)
Unrealised (deficit)/surplus on revaluation of properties		-	141,253
Total recognised gains and losses relating to the year		50,197	80,734
Prior year adjustment		-	(121,524)
Total gains and losses recognised since last financial statements		50,197	(40,790)

BALANCE SHEET AS AT 31 OCTOBER 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	5&6		583,022		550,916
Investments	7		1,364,007		1,363,414
			1,947,029		1,914,330
Current assets					
Debtors	8	120,951		96,128	
Cash at bank and in hand		513,220		549,161	
		634,171		645,289	
Creditors: amounts falling due within one year	9	(600,279)		(628,895)	
Net current assets			33,892		16,394
Total assets less current liabilities			1,980,921		1,930,724
Capital and reserves					
Revaluation reserve	11		369,356		369,356
Profit and loss account	11		1,611,565		1,561,368
Members' funds	12		1,980,921		1,930,724

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on 30 November 2015.

George Templeton Lawrie
Director

Scott Alexander Walker
Director

Company Registration No. SC214564

Notes to the Financial Statements for the year ended 31 October 2015

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties and unlisted investments.

1.2 Turnover

Turnover comprises subscriptions received from members, donations received, and other sundry income.

Subscriptions received from members are recognised when received. Subscriptions relate to a calendar year, so at the financial year end, an adjustment to defer a portion of this income relating to November and December is made.

Donations and other sundry income is recognised when received.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	33% Straight Line
Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	33% Straight Line

Investment properties are included in the balance sheet at their open market value and are not depreciated.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for Investment Properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Listed investments are stated at cost less provision for permanent diminution in value. Unlisted investments are stated at directors' valuation.

1.6 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.7 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.8 Legal status

NFU Scotland is a company limited by guarantee which has been granted exemption, under Section 60 of the Companies Act 2006, from including 'Limited' in its name. There is no share capital. The liability of each member of the company, in the event of winding up, is limited to £1.

2 Operating loss

	2015 £	2014 £
Operating loss is stated after charging:		
Depreciation of tangible assets	66,294	63,868
Operating lease rentals	62,152	62,152
Auditors' remuneration	9,750	9,750
Directors' remuneration	263,242	242,359
and after crediting:		
Government grants	(115,848)	(98,440)
Profit on disposal of tangible assets	(8,473)	-

Notes to the Financial Statements for the year ended 31 October 2015 (continued)

3 Investment income

	2015 £	2014 £
Income from fixed asset investments	67,349	55,141
Bank interest	4,394	5,912
	71,743	61,053

4 Taxation

	2015 £	2014 £
Domestic current year tax		
U.K. corporation tax	4,488	6,340
Adjustment for prior years	(144)	1,187
Total current tax	4,344	7,527
Factors affecting the tax charge for the year		
Profit/(loss) on ordinary activities before taxation	54,541	(52,992)
Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 20.00%)	10,908	(10,598)
Effects of:		
Adjustments to previous periods	(144)	1,187
Chargeable disposals	-	1,684
Exempt dividend income	(13,757)	(10,825)
Income not taxable	(5,051)	(1,881)
Non-assessable items	12,388	27,960
	(6,564)	18,125
Current tax charge for the year	4,344	7,527

5 Tangible fixed assets

	Plant & machinery etc £
Cost or valuation	
At 1 November 2014	304,626
Additions	107,959
Disposals	(66,680)
At 31 October 2015	345,905
Depreciation	
At 1 November 2014	172,385
On Disposals	(57,121)
Charge for the year	66,294
At 31 October 2015	181,558
Net book value	
At 31 October 2015	164,347
At 31 October 2014	132,241

6 Tangible fixed assets

	Investment properties £
Cost or valuation	
At 1 November 2014 and at 31 October 2015	418,675
Net book value	
At 31 October 2015	418,675
At 31 October 2014	418,675

Investment properties are included in the accounts at the directors estimate of their market value as at 31 October 2015.

The historic cost of assets included in investment properties is £277,422 (2014 - £277,422).

Notes to the Financial Statements for the year ended 31 October 2015 (continued)

7 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 November 2014	913,024	450,390	1,363,414
Additions	60,639	-	60,639
Disposals	(60,046)	-	(60,046)
At 31 October 2015	913,617	450,390	1,364,007
Net book value			
At 31 October 2015	913,617	450,390	1,364,007
At 31 October 2014	913,024	450,390	1,363,414

	Market value £	Directors' valuation £	Total £
At 31 October 2015	1,400,189	450,390	1,850,579
At 31 October 2014	1,415,948	450,390	1,866,338

Holdings of more than 20% - The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	Shares held %
Participating interests			
The Scottish Agricultural & Rural Development Centre Limited	Scotland	Ordinary	43.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principal activity	Capital and reserves 2015 £	Profit/(loss) for the year 2015 £
The Scottish Agricultural & Rural Development Centre Limited	Management of office property occupied by organisations mainly operating in the agricultural and rural sector	1,201,966	69,542

The historical cost of unlisted investments amounts to £222,287 (2014 : £222,287).

8 Debtors

	2015 £	2014 £
Trade debtors	24,369	40,572
Other debtors	96,582	55,556
	120,951	96,128

9 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	46,185	104,003
Taxation and social security	45,976	41,795
Other creditors	508,118	483,097
	600,279	628,895

10 Retirement Benefits

Defined contribution scheme

The company operates a defined contribution pension scheme with NFU Mutual for the benefit of employees. 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. Pension contributions were paid during the year in respect of 2 directors (2014 - 1).

	2015	2014
Contributions payable by the company for the year	110,269	112,609

NFU Scotland

Notes to the Financial Statements for the year ended 31 October 2015 (continued)

11 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 November 2014	369,356	1,561,368
Profit for the year	-	50,197
Balance at 31 October 2015	369,356	1,611,565

12 Reconciliation of movements in members' funds

	2015	2014
	£	£
Profit/(Loss) for the financial year	50,197	(60,519)
Other recognised gains and losses	-	141,253
Net addition to members' funds	50,197	80,734
Opening members' funds	1,930,724	1,849,990
Closing members' funds	1,980,921	1,930,724

13 Financial commitments

At 31 October 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 October 2016:

	Land and buildings 2015	Land and buildings 2014
	£	£
Operating leases which expire:		
Between two and five years	62,154	62,154
	62,154	62,154

14 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2015	2014
	Number	Number
Head office staff	30	31

Employment costs

	2015	2014
	£	£
Wages and salaries	1,267,798	1,232,041
Social security costs	126,814	125,774
Other pension costs	110,269	112,609
	1,504,881	1,470,424

15 Related party relationships and transactions

Listed below are the transactions between the company and The Scottish Agricultural & Rural Development Centre Limited, a company in which George Lawrie and Scott Walker are also directors and in which the company owns a 43% investment.

Purchases £94,164 (2014 - £79,482).
Sales £64,404 (2014 - £58,279).
Included in debtors is £23,690 (2014 - £2,793).

The company paid rent and service charges to the Scottish Agricultural & Rural Development Centre Limited in the year amounting to £75,784 (2014 - £64,929).

George Lawrie, Nigel Miller and Charles Adam are directors of the company and are also trustees of NFU Scotland Centenary Trust. NFU Scotland provides administrative support to the Trust and collects donations and other income on behalf of the Trust.

MANAGEMENT INFORMATION

Detailed trading and profit & loss account for the year ended 31 October 2015

This does not form part of the statutory accounts and is for information purposes only

	2015	2014
	£	£
Turnover		
Subscriptions	2,067,018	2,041,644
Donation from NFU Mutual	558,000	537,000
Sponsorship and services	42,987	50,090
Government Grants	115,848	98,440
Other income	45,106	16,441
	2,828,959	2,743,615
Administrative expenses	(2,864,445)	(2,874,618)
	(35,486)	(131,003)
Other operating income		
Rent receivable	18,287	16,958
Operating loss	(17,199)	(114,045)
Other interest receivable and similar income		
Bank interest	4,394	5,912
Income from investments		
Investment income	67,349	55,141
Interest payable		
Other interest - paid	(3)	
Profit/(loss) before taxation	54,541	(52,992)

Schedule of Administrative Expenses for the year ended 31 October 2015

	2015 £	2014 £
Administrative expenses		
Wages and salaries (excl. N.I.)	1,004,556	985,782
Office bearers' remuneration	263,242	246,259
Employer's NI contributions	126,814	125,774
Staff pension costs defined contribution	110,269	112,609
Property costs	2,998	2,564
Staff recruitment and training	26,015	33,164
Commission and incentives	128,245	143,039
Expenses and representation	321,829	378,329
Branch costs and regional support	236,010	207,709
Promotional costs	262,687	254,338
Administration costs	306,081	312,229
Audit fees	10,180	10,080
Bank charges	6,578	8,281
Depreciation	66,294	63,868
Loss/(gain) on investment	1,120	(9,407)
(Gain) on sale of tangible assets	(8,473)	-
Total Administration Expenses	**2,864,445**	**2,874,618**

Review of Holdings and Values at 31 October 2015

The following represents assets held within the accounts of NFU Scotland.

Group 1: Centrally Held, Centrally Controlled *Investments at Speirs and Jeffrey.*

Name	Market Value £	Bank £	2015 Total £	2014 Total £
NFUS Head Office Consolidated Fund	**1,121,475**	**4,113**	**1,125,588**	**1,141,203**

Group 2: Centrally Held, Local and Central Control *Investments at Speirs and Jeffrey.*

Name	Market Value £	Bank £	2015 £	2014 £
Arran	3,982	191	4,173	3,832
Balfron & Menteith (B)	1,954	94	2,048	1,880
Banff	33,364	2,652	36,016	39,572
Black Isle & Mid Ross	4,015	192	4,207	3,863
Borders	10,842	520	11,362	10,433
Caithness	18,635	893	19,528	17,931
Easter Ross	6,278	301	6,579	6,041
Fife & Kinross	984	47	1,031	947
Kintyre	3,150	151	3,301	3,031
Lanark	28,538	1,368	29,906	27,710
Lochaber (B)	395	19	414	380
Lothians	6,648	319	6,967	6,397
Mid Argyll	2,630	126	2,756	2,531
Moray, Nairn and Strathspey	2,500	120	2,620	2,850
North Argyll	2,701	129	2,830	2,599
Total	**126,616**	**7,122**	**133,738**	**129,997**

Group 3: Listed investments held locally and administered by local committee

Name	Market Value £	Cash £	2015 £	2014 £
Angus	75,777	75	75,852	67,511
Ayr	55,198	5,871	61,069	62,160
Bute		2,184	2,184	2,184
Dumfries	22,094	27,779	49,873	50,629
Forth Valley	-	1,998	1,998	1,998
Islay and Jura	-	1,085	1,085	1,085
Orkney (shares at cost)	8,000	60,058	68,058	64,191
Wigtownshire	-	3,349	3,349	3,347
Total	**161,069**	**102,399**	**263,468**	**253,105**
Grand Total	**1,409,160**	**113,634**	**1,522,794**	**1,524,305**

Property at market values	£	In the Name of;
Roseburn Maltings	213,675	NFU Scotland
6 King Street, Castle Douglas	82,500	Dumfries and Stewartry Former Area Fund
83 North Street, Forfar	27,500	Angus Area Executive
60 Junction Road, Kirkwall	95,000	Orkney Area Executive

NFUScotland