

DO NOT STAPLE
PRINT ON ONE SIDE ONLY

FORM AR27

Trade Union and Labour Relations (Consolidation) Act 1992

ANNUAL RETURN FOR AN EMPLOYERS' ASSOCIATION

Name of Employers' Association:

Year ended:

List No:

Head or Main Office:

Website address (if available)

Has the address changed during
the
year to which the return relates?

Yes

No

(Tick as appropriate)

General Secretary:

Contact name for queries
regarding
the completion of this return:

Telephone Number:

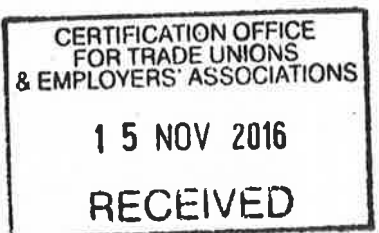
e-mail:

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



SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

COMPANY INFORMATION

Directors	Mr A J S Smith Mr W A Burgess Mr I Grieve Mr J S Kinghorn Mr D R W Robertson Mr C A R Ramsay Mr C McGeoch Mr A Campbell Mr G Greenwood Mr G Gall Mrs H Graham	(Appointed 25 June 2015)
Secretary	Mrs M A Gaynor	
Company number	SC005898	
Registered office	Palmerston House 10 The Loan South Queensferry Edinburgh EH30 9NS	
Auditors	Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB	
Business address	Palmerston House 10 The Loan South Queensferry Edinburgh EH30 9NS	
Bankers	Co-operative Bank plc 96 Fountainbridge Edinburgh EH3 9QA Royal Bank of Scotland 36 St Andrew Square Edinburgh EH2 2YB Bank of Scotland 20/22 Shandwick Place Edinburgh EH2 4RN	
Solicitors	Anderson Strathern LLP 1 Rutland Court Edinburgh EH3 8EY	

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
1030	1			1031

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	N/A	Mrs H Graham	25 June 2015

REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year		£	£
	INCOME		
	From Members Subscriptions, levies, etc		
	Investment income Interest and dividends (gross) Bank interest (gross) Other (specify)		
	Other income Rents received Insurance commission Consultancy fees Publications/Seminars Miscellaneous receipts (specify)		
	TOTAL INCOME		
	EXPENDITURE		
	Administrative expenses Remuneration and expenses of staff Occupancy costs Printing, Stationery, Post Telephones Legal and Professional fees Miscellaneous (specify)		
	Other charges Bank charges Depreciation Sums written off Affiliation fees Donations Conference and meeting fees Expenses Miscellaneous (specify)		
	Taxation		
	TOTAL EXPENDITURE		
	Surplus/Deficit for year		
	Amount of fund at beginning of year		
	Amount of fund at end of year		

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 []
(see notes 19 and 20)

Previous Year	£	£
<p>Fixed Assets (as at page 11)</p> <p>Investments (as per analysis on page 13)</p> <p style="padding-left: 20px;">Quoted (Market value £)</p> <p style="padding-left: 20px;">Unquoted</p> <p style="text-align: right; padding-right: 20px;">Total Investments</p> <p>Other Assets</p> <p style="padding-left: 20px;">Sundry debtors</p> <p style="padding-left: 20px;">Cash at bank and in hand</p> <p style="padding-left: 20px;">Stocks of goods</p> <p style="padding-left: 20px;">Others (specify)</p> <p style="text-align: right; padding-right: 20px;">Total of other</p> <p>assets</p>		
	TOTAL ASSETS	
<p>Liabilities</p> <p style="padding-left: 20px;">Loans</p> <p style="padding-left: 20px;">Bank overdraft</p> <p style="padding-left: 20px;">Tax payable</p> <p style="padding-left: 20px;">Sundry creditors</p> <p style="padding-left: 20px;">Accrued expenses</p> <p style="padding-left: 20px;">Provisions</p> <p style="padding-left: 20px;">Other liabilities</p>	<p style="padding-left: 20px;">Fund (Account)</p> <p style="padding-left: 20px;">Fund (Account)</p> <p style="padding-left: 20px;">Fund (Account)</p> <p style="padding-left: 20px;">Revaluation Reserve</p>	
	TOTAL LIABILITIES	
	TOTAL ASSETS	

FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
COST OR VALUATION				
At start of period				
Additions during period				
Less: Disposals during period				
Less: DEPRECIATION:				
Total to end of period				
BOOK AMOUNT at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
AS BALANCE SHEET				

ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £
QUOTED	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Quoted Investments	
UNQUOTED	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted securities (to be specified)	
	TOTAL QUOTED (as Balance Sheet)	
	*Market Value of Unquoted Investments	

* 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?		YES	X	NO
If YES name the relevant companies:				
COMPANY NAME Scotsure Insurance Company Limited Andstrat (No.288) Limited The Scottish Motor Show Limited SMTA (Trading Partners) Limited Scotsure MBI Limited	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered): SC127665 SC077926 SC121085 SC342972 SC352229			
INCORPORATED EMPLOYERS' ASSOCIATIONS				
Are the shares which are controlled by the association registered in the association's name		YES	X	NO
If NO, please state the names of the persons in whom the shares controlled by the association are registered.				
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?		YES	NO	X
If NO, state the names of the persons in whom the shares controlled by the association are registered.				
COMPANY NAME	NAMES OF SHAREHOLDERS			

SUMMARY SHEET

(see notes 26 to 35)

	All funds except Political Funds £	Political Funds £	Total Funds £
INCOME			
From Members	297,419		297,419
From Investments	21,655		21,655
Other Income (including increases by revaluation of assets)	1,896,557		1,896,557
Total Income	2,215,631		2,215,631
EXPENDITURE (including decreases by revaluation of assets)	2,278,669		2,278,669
Total Expenditure			
Funds at beginning of year (including reserves)	2,261,361		2,261,361
Funds at end of year (including reserves)	2,198,323		2,198,323
ASSETS			
Fixed Assets			575,691
Investment Assets			357,041
Other Assets			1,821,553
		Total Assets	2,754,285
LIABILITIES			
		Total Liabilities	555,962
NET ASSETS (Total Assets less Total Liabilities)			2,198,323

NOTES TO THE ACCOUNTS

(see note 36)

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

See attached Annual Report.

ACCOUNTING POLICIES

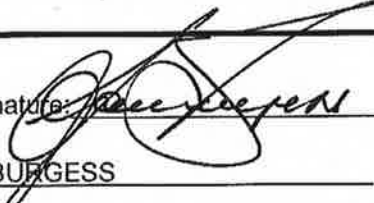

(see notes 37 and 38)

See attached Annual Report.

SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature:  Name: <u>S BURGESS</u> Date: <u>05.10.16</u>	President's Signature:  Name: <u>C MCGEOCH</u> Date: <u>05.10.16</u>
---	---

CHECK LIST

(see note 41)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 3)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE RETURN BEEN SIGNED? (see Note 38)	YES	<input checked="" type="checkbox"/>	NO	
HAS THE AUDITOR'S REPORT BEEN COMPLETED (see Note 39)	YES	<input checked="" type="checkbox"/>	NO	
IS A RULE BOOK ENCLOSED? (see Note 40)	YES		NO	<input checked="" type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Notes 6 and 25 to 34)	YES	<input checked="" type="checkbox"/>	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

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

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

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)

SEE ATTACHED

AUDITOR'S REPORT (continued)

See attached Accounts

Signature(s) of auditor or auditors:		
Name(s):	Andrew Croxford	
Profession(s) or Calling(s):	CA	
Address(es):	Thomson Cooper 3 Castle Court Dunfermline Fife, KY11 8PB	
Date:	6/10/16	
Contact name and telephone number:	01383 628800	

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



SMTA

Scottish Motor Trade Association

Annual Report 2016



NOTICE OF MEETING

Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Scottish Motor Trade Association Limited, will be held in Palmerston House, 10 The Loan, South Queensferry on WEDNESDAY 29 JUNE 2016 at 12 noon.

By Order of the Board of Directors

M A Gaynor
Secretary

South Queensferry, 3 June 2016

Agenda

1. To receive the Report from the Board of Directors
2. To receive the Accounts presented by the Board of Directors and the Auditors' Report thereon
3. To permit Issuing to members summary accounts with full accounts made available to all members on request with effect from accounts for the year ended 31 March 2017
4. To reappoint the Auditors and to authorise the Directors to agree their remuneration for the ensuing year
5. To elect one Office Bearer
6. To elect four persons to the Board of Directors

After the conclusion of the formal business of the meeting, it is intended that a short period be available for members' questions and discussions on any subject relating to the Association and not covered in the formal agenda items.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5
Profit and loss account	6
Group balance sheet	7
Company balance sheet	8
Notes to the financial statements	9 - 16

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present the strategic report and financial statements for the year ended 31 March 2016.

Encourage, Promote and Protect

The thinking behind the creation of the Scottish Motor Trade Association in 1903, holds just as true today as it did then! We have experienced lots of change over the preceding 113 years and we continue to see change today, indeed change is now the only constant in our industry. Our role as Scotland's only indigenous Motor Trade body has developed over the decades - we operate locally, we communicate and influence nationally and we research and interact globally. The market place in Scotland is more diverse than the rest of the UK given the geography of our nation and this itself brings challenges for communications and travel, best understood by the people who live and work here!

So, with a complex and challenging market place and the real need for a strong political voice within Scotland there is lots for us to be attending to, ensuring that we continue to represent the Motor Trade within Scotland in a way that consistently meets the needs of our members.

We have chosen to "simplify" the manner of our communications to Members by reducing the amount of information we share within our traditional Annual Accounts. At the same time we have taken the decision to further reduce both cost and waste, by creating a PDF set of accounts and sending these out to our membership by email where possible.

We are proposing, by resolution at the Annual General Meeting of the SMTA, that from 31 March 2017 we will provide summarised accounts within the June edition of our Members Bulletin. A full set of the audited accounts will be available to all members on request.

Review of the business

The year end to 31 March 2016 has produced a SMTA consolidated deficit of £63,038. This is an increase from the previous year which recorded a deficit of £30,268. The Board have reviewed these results and are comfortable with the factors that have created this outcome. Within this report we will provide an update on the four operational divisions of the business. It should be noted that a significant component of the deficit has been the rebranding, subsequent relaunch and marketing activity associated with the repositioning of these business elements.

SMTA

The core business of the SMTA is its membership and we are pleased to confirm that membership continues to grow at an acceptable level. We have been very active in raising the profile of the industry across various media channels and have forged strong relationships with both BBC Scotland TV and BBC Radio Scotland programmers. Further success has been experienced with the recognised national motor trade media titles *Motortrader* and *Automotive Management* as well as the continued relationship with *Scots Autoscene*. These platforms ensure that the SMTA has a voice that is heard and recognised across Scotland and beyond.

We have increased our lobbying activities in Holyrood and Westminster on issues that affect our industry. The most recent was the Action Against 4-1-1 which saw over 1,000 respondents to our online campaign against the introduction of the first MOT test being put back to the fourth anniversary of first registration. We have met with the SNP in Westminster to put our case across, supported by our colleagues in England the RMI. At the time of writing this is very much work in progress, but the SMTA are leading the way for our members in this business critical aspect.

Our newly introduced membership support packages for employment law and pension planning have been well received by those who have used them and we would expect that area of the business to develop over the next year. The insurance arrangement with A J Gallagher's has produced significant savings for many members who have accepted their offer to complete a review of their current insurance arrangements. This offer is still available on a "free of charge" basis.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

MOT QMS

We have noted significant growth in this area of business with more members requesting MOT Quality Management System inspections every week. The next stage of this will be the introduction of additional team members to enable us to better manage demand.

Our recent tie up with the IMI has also been very successful in providing our members with a "one stop shop" option for their MOT needs. We are planning to further enhance this with the introduction of a single access web based portal for all elements of the compliance requirements of the MOT business. Further details of this programme will be released in the second quarter.

Scotsure Warranty

This has been significantly rebranded and relaunched with the new tag line "you can judge a car by its cover". We completed a full review of the products on offer, creating a higher level of cover for the consumer. In addition to this we have agreed with Car Care Plan to deliver a renewal process as well as offering insured products such as GAP via their UK based outbound centre. All products will be branded as Scotsure.

There are further exciting products coming to market via Scotsure over the next few months.

Skills Solutions

We continue to manage over 300 apprentices across Scotland and on many of the islands. This would not be possible without the support of our partner GTG Training for which we are most grateful.

Exciting new online distance learning packages are about to be launched in partnership with Learnguistics and this will open up access for all our members to manufacturer recognised digital content which they will then be able to apply the knowledge gained to their own business requirements.

We understand there may well be some difficulties ahead for certain local college delivery offerings. We are working with those colleges to ensure that we have alternative solutions available to our members in advance of any cessation programmes.

Grampian Motor Training Trust continue to offer support for members seeking to hire an apprentice or develop their staff within the Grampian area. We are also delighted to be able to announce the introduction of a support package created by the kindness of the George Pettigrew Trust. Further details of this and the exciting award programme targeted at education and training aspect of the industry will be available in the second quarter.

Trading Partners

Growth has slowed on previous years; however, this is predominantly down to the reduction in value of tyres rather than the reduction of units as we are actually selling more product. Again there are new products coming to market in the second quarter and we are at advanced stage discussions with some new suppliers.

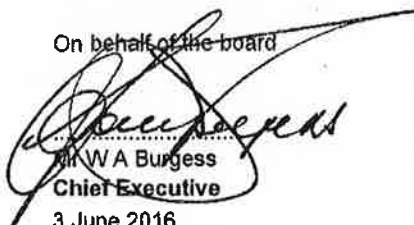
Summary

In conclusion, although we have had a challenging year, we have rebranded and repositioned the entire business. We have made significant investments in premises, processes and products to allow us to better manage and develop the SMTA going forward.

The outlook for this year is positive with the ambition to return to a small surplus by 31 March 2017.

We will continue to deliver value to our membership by ensuring that we are pro-active in all areas of our business model.

On behalf of the board


Mr W A Burgess
Chief Executive

3 June 2016



Mr C McGeogh
President

3 June 2016

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The directors present their annual report and financial statements for the year ended 31 March 2016.

Principal activities

The principal activity of the company and of the group continued to be that of a member body which exists to represent all aspects of the retail motor trade in Scotland. Details of the activities of the group's subsidiaries are set out in the accounts and in the Strategic Report.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A J S Smith
Mr W A Burgess
Mr I Grieve
Mr J S Kinghorn
Mr D R W Robertson
Mr C A R Ramsay
Mr C McGeoch
Mr A Campbell
Mr G Greenwood
Mr G Gall
Mrs H Graham

(Appointed 25 June 2016)

Results and dividends

The results for the year are set out on page 6. The directors do not recommend the payment of a dividend.

Auditors

In accordance with the company's articles, a resolution proposing that Thomson Cooper be reappointed as auditors of the group will be put to the Annual General Meeting.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually 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.

On behalf of the board



Mr W A Burgess

Director

3 June 2016

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

We have audited the financial statements of Scottish Motor Trade Association Limited for the year ended 31 March 2016 which comprise the Consolidated Profit And Loss Account, the Consolidated Balance Sheet, the Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, Section 1A.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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, 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

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2016 and of its loss 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.

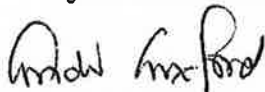
Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Andrew Croxford (Senior Statutory Auditor)

for and on behalf of Thomson Cooper, Statutory Auditor

Dunfermline

6 June 2016

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	2016 £	2015 £
Turnover	2	2,193,976	2,233,442
Cost of sales		(1,141,883)	(1,123,779)
Gross profit		<u>1,052,093</u>	<u>1,109,663</u>
Administrative expenses		(1,094,820)	(1,170,367)
(Losses)/gains on investments		(41,966)	5,032
Operating loss	3	<u>(84,693)</u>	<u>(55,672)</u>
Interest receivable and similar income	7	21,655	25,404
Loss before taxation		<u>(63,038)</u>	<u>(30,268)</u>
Taxation	8	-	-
Loss for the financial year	14	<u><u>(63,038)</u></u>	<u><u>(30,268)</u></u>

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

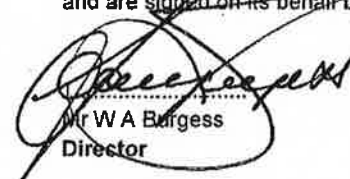
GROUP BALANCE SHEET

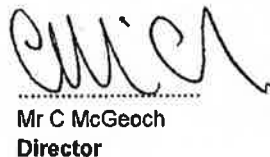
AS AT 31 MARCH 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	9		575,691		571,496
Current assets					
Debtors	10	541,204		493,778	
Investments	11	357,041		487,738	
Cash at bank and in hand		1,280,349		1,325,970	
		2,178,594		2,307,486	
Creditors: falling due within one year	12	(555,962)		(617,621)	
Net current assets			1,622,632		1,689,865
Total assets less current liabilities			2,198,323		2,261,361
Capital and reserves					
Profit and loss reserves	14		2,198,323		2,261,361

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 3 June 2016 and are signed on its behalf by:


 Mr W A Burgess
 Director


 Mr C McGeoch
 Director

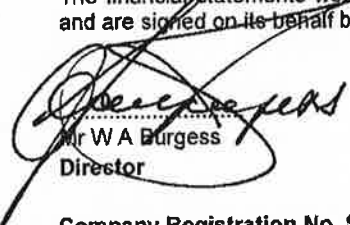
SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

COMPANY BALANCE SHEET AS AT 31 MARCH 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	9		575,691		571,496
Investments	15		797,556		797,556
			<u>1,373,247</u>		<u>1,369,052</u>
Current assets					
Debtors	10	357,460		347,224	
Cash at bank and in hand		511,891		526,724	
		<u>869,351</u>		<u>873,948</u>	
Creditors: falling due within one year	12	<u>(1,439,989)</u>		<u>(1,383,777)</u>	
Net current liabilities			<u>(570,638)</u>		<u>(509,829)</u>
Total assets less current liabilities			<u>802,609</u>		<u>859,223</u>
Capital and reserves					
Profit and loss reserves	14		<u>802,609</u>		<u>859,223</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 3 June 2016 and are signed on its behalf by:


Mr W A Burgess
Director


Mr C McGeoch
Director

Company Registration No. SC005898

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

Company information

Scottish Motor Trade Association Limited ("the Company") is a company limited by Guarantee and not having share capital. The liability of the members who constitute the Association is limited to £1 per member. The company is domiciled and incorporated in Scotland. The registered office is Palmerston House, 10 The Loan, South Queensferry, Edinburgh, EH30 9NS.

The Group consists of Scottish Motor Trade Association Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 31 March 2016 are the first financial statements of Scottish Motor Trade Association Limited and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 April 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

As permitted by s408 Companies Act 2006, the Company has not presented its own profit and loss account and related notes. The Company's loss for the year was £56,614 (2015 - £46,014 loss).

1.2 Basis of consolidation

The consolidated financial statements incorporate those of Scottish Motor Trade Association Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 March 2016.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from annual membership is deferred over the membership period and training income is recognised when the appropriate milestone has been reached.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	No depreciation charge
Computer equipment	33 1/3% straight line
Fixtures and fittings	10-20% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.7 Financial Instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016	2015
	£	£
Turnover		
Annual subscriptions	297,419	274,145
Training and seminars	446,935	509,406
Administration fees	187,815	209,031
Commissions	94,777	96,823
Members' services	1,141,883	1,123,779
Other income	25,147	20,258
	<u>2,193,976</u>	<u>2,233,442</u>
Other significant revenue		
Interest income	<u>1,176</u>	<u>3,717</u>

3 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of tangible fixed assets	45,051	41,538
Gain on disposal of fixed assets	(6,491)	(3,117)
	<u></u>	<u></u>

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

4 Auditors' remuneration	2016	2015
	£	£
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	7,500	7,300
Audit of the company's subsidiaries	6,550	6,400
	<u>14,050</u>	<u>13,700</u>

5 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2016	2015
	Number	Number
Total	12	13

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	437,612	450,324
Social security costs	47,789	50,950
Pension costs	45,367	57,787
	<u>530,768</u>	<u>559,061</u>

6 Directors' remuneration

	2016	2015
	£	£
Remuneration paid to directors	123,389	101,579

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 1).

7 Interest receivable and similar income

	2016	2015
	£	£
Other interest receivable and similar income	21,655	25,404

8 Taxation

Based on the trading results of the group for the year and the preceding year, there is no corporation tax liability.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

9 Tangible fixed assets

Group	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2015	479,218	195,535	674,753
Additions	-	123,878	123,878
Disposals	-	(115,862)	(115,862)
At 31 March 2016	479,218	203,551	682,769
Depreciation and impairment			
At 1 April 2015	-	157,840	157,840
Depreciation charged in the year	-	45,051	45,051
Eliminated in respect of disposals	-	(95,813)	(95,813)
At 31 March 2016	-	107,078	107,078
Carrying amount			
At 31 March 2016	479,218	96,473	575,691
At 31 March 2015	479,218	92,278	571,496
Company			
	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2015	479,218	195,535	674,753
Additions	-	69,295	69,295
Disposals	-	(74,571)	(74,571)
At 31 March 2016	479,218	190,259	669,477
Depreciation and impairment			
At 1 April 2015	-	103,257	103,257
Depreciation charged in the year	-	45,051	45,051
Eliminated in respect of disposals	-	(54,522)	(54,522)
At 31 March 2016	-	93,786	93,786
Carrying amount			
At 31 March 2016	479,218	96,473	575,691
At 31 March 2015	479,218	92,278	571,496

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

10 Debtors

	Group 2016 £	2015 £	Company 2016 £	2015 £
Amounts falling due within one year:				
Trade debtors	207,903	186,900	26,010	15,713
Amounts due from related parties	-	-	24,204	41,021
Other debtors	333,301	306,878	307,246	290,490
	<u>541,204</u>	<u>493,778</u>	<u>357,460</u>	<u>347,224</u>

11 Current asset investments

	Group 2016 £	2015 £	Company 2016 £	2015 £
Listed Investments	<u>357,041</u>	<u>487,738</u>	<u>-</u>	<u>-</u>

Listed investments are valued by reference to quoted market prices.

12 Creditors: falling due within one year

	Group 2016 £	2015 £	Company 2016 £	2015 £
Other taxation and social security	13,268	14,654	8,719	10,382
Trade creditors	327,632	337,543	97,878	102,708
Amounts due to group undertakings	-	-	1,210,552	1,140,564
Other creditors	215,064	265,424	122,840	130,123
	<u>555,962</u>	<u>617,621</u>	<u>1,439,989</u>	<u>1,383,777</u>

13 Retirement benefit schemes

	2016 £	2015 £
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	<u>45,367</u>	<u>57,787</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

14 Reserves

	Group 2016 £	2015 £	Company 2016 £	2015 £
At the beginning of the year	2,261,361	2,291,629	859,223	905,237
Profit/(loss) for the year	(63,038)	(30,268)	(56,614)	(46,014)
At the end of the year	<u>2,198,323</u>	<u>2,261,361</u>	<u>802,609</u>	<u>859,223</u>

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2016 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held Direct
Scotsure Insurance Co. Limited	Scotland Investment company	Ordinary	100.00
Scotsure MBI Limited	Scotland Administration of mechanical breakdown insurance policies	Ordinary	100.00
SMTA (Trading Partners) Limited	Scotland Buying group for members of SMTA	Ordinary	100.00
The Scottish Motor Show Limited	Scotland Organisation of motor shows	Ordinary	100.00



Palmerston House
10 The Loan
South Queensferry
EH30 9NS

t 0131 331 5510
f 0131 331 4296
www.smta.co.uk