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# 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:

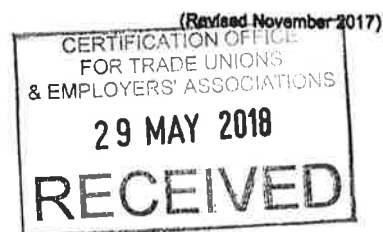
e-mail:

**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: 0330 109 3602

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  
Lower Ground Floor, Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX

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





**S**cottish  
**D**ecorators'  
**F**ederation

**Officers in post list 2017**

**Ian H Rogers- Chief Executive**

**Neil B Rogers- Deputy Chief Executive**

**Donald McDonald- President**

**Mark Johnston- Senior Vice President**

**Ralph Skene- Honorary Treasurer**

*Setting the Professional Standard Since 1878*

Ian H. Rogers Chief Executive  
Castlecraig Business Park, Players Road, Stirling, FK7 7SH  
Tel 01786 448838 Fax 01786 450541 Email [info@scottishdecorators.co.uk](mailto:info@scottishdecorators.co.uk) Website [www.scottishdecorators.co.uk](http://www.scottishdecorators.co.uk)

# 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
250	0	0	0	250 .

## 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
NO CHANGES .			

# REVENUE ACCOUNT/GENERAL FUND

(see notes 11 to 16)

Previous Year			£	£
	<b>INCOME</b>			
169,486	From Members	Subscriptions, levies, etc		176,415
7,016	Investment income	Interest and dividends (gross)	6,275	36,942
9,025		Bank interest (gross)	7,424	
10,300		Other (grant)	23,243	
2,078	Other income	Rents received	2,100	8,456
1,631		Publications/Seminars	4,423	
3,087		Miscellaneous receipts (specify)	1,933	
202,623	<b>TOTAL INCOME</b>			221,813
	<b>EXPENDITURE</b>			
	Administrative expenses			
116,900		Remuneration and expenses of staff	116,230	
21,441		Occupancy costs	17,141	
8,927		Printing, Stationery, Post	11,901	
2,966		Computer costs	4,692	
6,811		Legal and Professional fees	6,494	
397		Subscriptions	-	
2,766		Miscellaneous (specify)	2,152	
680		Advertising	23	
-	Other charges	Bank charges	25	178,519
22,496		Depreciation	22,445	
6,555		Motor expenses	8,709	
2,394		Leasing	2,924	
3,115		Hire purchase interest	1,852	
2,154		Conference and meeting fees	7,306	
-		Donations	2,477	
(8,574)		Gain on disposal of fixed assets	-	
(47,981)		(Gain)/loss on fixed asset investments	(25,852)	
2,108		Taxation		
143,155	<b>TOTAL EXPENDITURE</b>			183,780
59,468	Surplus/Deficit for year			38,033
1,109,039	Amount of fund at beginning of year			1,168,507
1,168,507	Amount of fund at end of year			1,206,540

**ACCOUNTS OTHER THAN THE REVENUE ACCOUNT/GENERAL FUND**  
(see notes 17 to 18)

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

<b>ACCOUNT 3</b>		<b>Fund Account</b>	
<b>Name of account:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
	<b>Total Income</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
	<b>Total Expenditure</b>		
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)

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

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

## BALANCE SHEET AS AT 31 DECEMBER 2017

(see notes 19 and 20)

Previous Year		£	£
426,134	<b>Fixed Assets</b> (as at page 11)		408,577
	<b>Investments</b> (as per analysis on page 13)		
593,619	Quoted (Market value £ )	632,516	
	Unquoted	-	
	<b>Total Investments</b>		632,516
	<b>Other Assets</b>		
	Trade debtors	6,892	
	Taxation repayable	4,289	
5,505	Sundry debtors	7,921	
247,645	Cash at bank and in hand	211,149	
79	Stocks of goods	-	
	Others (specify)	-	
253,229	<b>Total of other</b>		230,251
	<b>assets</b>		
1,272,982		<b>TOTAL ASSETS</b>	1,271,344
1,168,507	Fund (General)		1,206,540
	Fund (Apprenticeship registration)		
	Fund (Training)		
	Fund (Training certification)		
	<b>Liabilities</b>		
33,504	Loans	25,337	
	Bank overdraft	-	
6,214	Tax payable	7,203	
2,265	Sundry creditors	3,629	
62,492	Accrued expenses	28,635	
	Provisions		
	Other liabilities		
104,475		<b>TOTAL LIABILITIES</b>	64,804
1,272,982		<b>TOTAL ASSETS</b>	1,271,344



## FIXED ASSETS ACCOUNT

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
<b>COST OR VALUATION</b>				
At start of period	486,945	56,032	72,334	615,311
Additions during period			4,888	4,888
Less: Disposals during period			(21,046)	(21,046)
Less: DEPRECIATION:				
At start of period	97,389	56,032	35,756	189,177
Charge for the year	9,739		12,076	22,445
Eliminated on disposal			(21,046)	(21,046)
Total to end of period	107,128	56,032	27,416	190,576
<b>BOOK AMOUNT at end of period</b>	<b>379,817</b>	<b>-</b>	<b>28,760</b>	<b>408,577</b>
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>AS BALANCE SHEET</b>	<b>379,817</b>	<b>-</b>	<b>28,760</b>	<b>408,577</b>

# ANALYSIS OF INVESTMENTS

(see note 22)

		Other Funds £	
<b>QUOTED</b>	British Government & British Government Guaranteed Securities		
	British Municipal and County Securities		
	Other quoted securities:		
	Standard Life Global IL Bond	59,483	
	Treasury index-Linked 2029	80,347	
	Treasury 1.25% Index-Linked 2032	99,895	
	S&W Short Dated Corporate Bond Z Inc	50,343	
	Standard Life	71,221	
	Threadneedle UK Corp Bond 2 Inc	58,663	
	Aberforth smaller companies	19,227	
	City of London	14,926	
	HICL Infrastructure Co	14,289	
	Murray Income trust	20,324	
	Banker Investment trust	20,692	
	Fundsmith Equity Inc	10,592	
	Henderson far east income	9,854	
	JP Morgan American IT	22,297	
	Murray International	12,670	
	Newton Global Higher Income W Inc	16,379	
	RIT Capital Partner	15,696	
	Sarasin Gbl Higher Dividend P Inc	14,878	
	Polar Capital technology Trust	22,740	
		<b>TOTAL QUOTED (as Balance Sheet)</b>	<b>632,516</b>
	<b>*Market Value of Quoted Investments</b>		
<b>UNQUOTED</b>	British Government Securities		
	British Municipal and County Securities		
	Mortgages		
	Other unquoted securities (to be specified)		
		<b>TOTAL QUOTED (as Balance Sheet)</b>	
		<b>*Market Value of Unquoted Investments</b>	

\* 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)

<b>Does the association, or any constituent part of the association, have a controlling interest in any limited company?</b>		<input type="checkbox"/>	<input checked="" type="checkbox"/> NO
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>INCORPORATED EMPLOYERS' ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the association's name</b>		<input checked="" type="checkbox"/> YES	<input type="checkbox"/>
If NO, please state the names of the persons in whom the shares controlled by the association are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		
<b>UNINCORPORATED EMPLOYERS ASSOCIATIONS</b>			
<b>Are the shares which are controlled by the association registered in the names of the association's trustees?</b>		<input type="checkbox"/>	<input checked="" type="checkbox"/> NO
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 £
<b>INCOME</b>			
From Members	176,415		176,415
From Investments	36,942		36,942
Other Income (including increases by revaluation of assets)	8,456		8,456
<b>Total Income</b>	<b>221,813</b>		<b>221,813</b>
<b>EXPENDITURE</b> (including decreases by revaluation of assets)	178,519		178,519
	5,261		5,261
<b>Total Expenditure</b>	<b>183,780</b>		<b>183,780</b>
<b>Funds at beginning of year</b> (including reserves)	1,168,507		1,168,507
<b>Funds at end of year</b> (including reserves)	1,206,540		1,206,540
<b>ASSETS</b>			
Fixed Assets			408,577
Investment Assets			632,516
Other Assets			230,251
		<b>Total Assets</b>	<b>1,271,344</b>
<b>LIABILITIES</b>		<b>Total Liabilities</b>	<b>64,804</b>
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			<b>1,206,540</b>

# NOTES TO THE ACCOUNTS

(see note 36)

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

## 1. ACCOUNTING POLICIES

### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The following principal accounting policies have been applied:

#### - **Subscriptions**

Subscription income represents total amount receivable for membership of the Federation from individual members and branches excluding VAT.

#### - **Investments**

Listed investments are included at market value based on the closing middle market prices at the balance sheet date.

Gains and losses arising on the annual re-valuation of these listed investments is recognised in the Income and Expenditure Account.

#### - **Operating Leases**

The Federation enters into lease arrangements for the use of plant and equipment. The classification of such leases requires the Federation to determine, based on evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Where it is determined that the significant risks and rewards of ownership of these assets does not transfer to the Federation the rental payments are allocated to the Income and Expenditure Account on a straight line basis when they fall due.

#### - **Hire Purchase Agreements**

Assets held under hire purchase contracts are capitalised in the balance sheet and depreciated over the assets useful lives. A corresponding liability is recognised for the lower of fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction in the lease liability and finance charges in the Income and Expenditure Account so as to achieve a constant rate of interest on the remaining balance.

#### - **Pensions**

The Federation operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Federation pays fixed contributions into a separate entity. Once the contributions have been paid the Federation has no further payment obligations.

The contributions are recognised as an expense in the Income and Expenditure Account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Federation in independently administered funds.

## 1. ACCOUNTING POLICIES (continued)

### - Tangible fixed assets

Tangible fixed assets 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.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold Property	-2% on cost
Fixture and fittings	-20% on cost
Motor vehicles	-25% on cost
Computer equipment	-20% on cost

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 Income and Expenditure account.

## 2. SUNDRY INCOME

	2017	2016
	£	£
Publications	4,423	1,631
SCORE receipts	1,700	885
Training income	18	1,500
Miscellaneous	215	702
	<u>6,356</u>	<u>4,718</u>

## 3. EMPLOYEES

The average number of employees during the year was 4 (2016 - 4).

**4. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2017	486,945	56,032	47,007	25,327	615,311
Additions	-	-	-	4,888	4,888
Disposals	-	-	-	(21,046)	(21,046)
At 31 December 2017	<u>486,945</u>	<u>56,032</u>	<u>47,007</u>	<u>9,169</u>	<u>599,153</u>
<b>DEPRECIATION</b>					
At 1 January 2017	97,389	56,032	12,015	23,741	189,177
Charge for year	9,739	-	11,664	1,042	22,445
Eliminated on disposal	-	-	-	(21,046)	(21,046)
At 31 December 2017	<u>107,128</u>	<u>56,032</u>	<u>23,679</u>	<u>3,737</u>	<u>190,576</u>
<b>NET BOOK VALUE</b>					
At 31 December 2017	<u>379,817</u>	<u>-</u>	<u>23,328</u>	<u>5,432</u>	<u>408,577</u>
At 31 December 2016	<u>389,556</u>	<u>-</u>	<u>34,992</u>	<u>1,586</u>	<u>426,134</u>

**Hire Purchase agreements**

Included within the net book value of £408,577 is £23,328 (2016 - £34,992) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of these assets amounted to £11,664 (2016 - £11,664).

**5. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2017	593,619
Additions	190,683
Disposals	(177,638)
Revaluations	<u>25,852</u>
At 31 December 2017	<u>632,516</u>
<b>NET BOOK VALUE</b>	
At 31 December 2017	<u>632,516</u>
At 31 December 2016	<u>593,619</u>

Investments are at market value as at 31 December 2017 as valued by Speirs and Jeffrey Stockbrokers.

**6. STOCKS**

	2017	2016
	£	£
Stocks	<u>-</u>	<u>79</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	6,892	-
VAT debtor	4,289	-
Other debtors	<u>7,921</u>	<u>5,505</u>
	<u>19,102</u>	<u>5,505</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	As restated 2016
	£	£
Hire purchase	8,722	8,166
Trade creditors	3,629	2,265
Taxation and social security	7,203	6,214
Other creditors	<u>28,635</u>	<u>62,492</u>
	<u>48,189</u>	<u>79,137</u>

**9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Hire purchase	<u>16,615</u>	<u>25,338</u>

**10. TAXATION: ANALYSIS OF THE TAX CHARGE**

The tax charge for the year was as follows:

	2017	2016
	£	£
Current Tax: UK Corporation Tax	<u>5,261</u>	<u>2,108</u>

**11. PRIOR YEAR ADJUSTMENT**


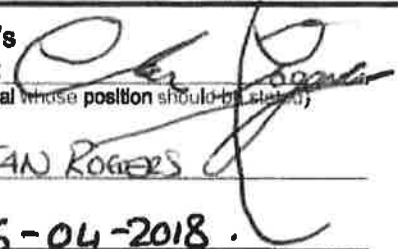
It was noted that deferred income had been overstated in the financial statements at 31 December 2016 as members subscription income for 2016 had been incorrectly treated as income for 2017. The financial statements have been restated to reflect the revised deferred income figure. Other creditors at 1 January 2016 have been reduced by £28,105 with a corresponding increase in members subscription income.



# SIGNATURES TO THE ANNUAL RETURN

(see notes 39 and 40)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u></u> Name: <u>NEIL ROGERS</u> Date: <u>06-04-2018</u>	Chairman's Signature: <u></u> (or other official whose position should be stated) Name: <u>IAN ROGERS</u> Date: <u>06-04-2018</u>
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## 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

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)

# AUDITOR'S REPORT (continued)

## REPORT OF THE INDEPENDENT AUDITORS TO THE MANAGEMENT COMMITTEE OF SCOTTISH DECORATORS' FEDERATION

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### Opinion

We have audited the financial statements of Scottish Decorators' Federation for the year ended 31 December 2017, set out on pages 6 to 11. 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 Federation's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004.

### 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 Federation 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 management committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the management committee have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Federation'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 management committee are responsible for the other information. The other information comprises the information included in the Report of the National Council, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the National Council for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the National Council has 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 Federation and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the National Council.

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004 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
- we have not received all the information and explanations we require for our audit.

**Responsibilities of the National Council**

The management committee are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view, and for such internal control as the management committee 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 management committee are responsible for assessing the Federation'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 Federation or to cease operations, or have no realistic alternative but to do so.

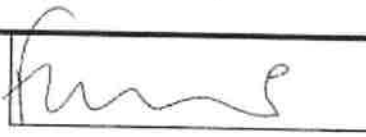
**Auditors' responsibilities for the audit of the financial statements**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

This report is made solely to members of the Federation, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004. Our audit work has been undertaken so that we might state to the Federation'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 Federation and the Federation's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signature(s) of auditor or auditors:		
Name(s):	French Duncan	
Profession(s) or Calling(s):	Chartered Accountants & Statutory Auditors	
Address(es):	Macfarlane Gray House Castlecraig Business Park Springbank Road, Stirling FK7 7WT	
Date:	18/05/2018	
Contact name and telephone number:	01786 451745	

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

**EVERY EMPLOYERS' ASSOCIATION IS REQUIRED BY LAW TO COMPLETE THIS RETURN. THE REFUSAL OR WILFUL NEGLECT TO PERFORM THIS DUTY IS A CRIMINAL OFFENCE.**

**THERE IS NO LEGAL REQUIREMENT FOR THIS RETURN TO BE "APPROVED" BY THE GOVERNING BODY OF THE ASSOCIATION BEFORE SUBMISSION TO THE CERTIFICATION OFFICE**

## GUIDANCE ON COMPLETION

### GENERAL

1. Unless the Employers' Association has been authorised to make its annual return to another date, this return must be made to 31 December and sent to the Certification Officer as soon as possible, and at any event before 1 June.
2. The accounts must, in accordance with the Act, give a true and fair view of the matters to which they relate.