

Form AR27

Trade Union and Labour relations (Consolidation) Act 1992

Employers' Association's details

Name of Employers' Association:

SCOTTISH & NORTHERN IRELAND PLUMBING EMPLOYERS
FEDERATION

Year ended:

31ST DECEMBER 2018

List number:

5016E

Head or Main Office:

BELLEVUE HOUSE
22 HOPETOUN STREET
EDINBURGH
EH7 4GH

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

Yes

No

(Tick as appropriate)

Website address (if available)

General Secretary:

FIONA HODGSON

Contact name for queries regarding
the completion of this return:

LAUREN SMITH

Telephone Number:

0131 556 0600

E-mail:

lauren.smith@snipef.org

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 Salsbury 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.



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
692	61			753

Change of officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer Appointed	Date of Change
PRESIDENT	GERRY WOODS	GORDON MATHESON	01/06/2018
VICE- PRESIDENT	GORDON MATHESON	NEIL HADDEN	01/06/2018
JUNIOR VICE - PRESIDENT	NEIL HADDEN	BRIAN WARRENDER	01/06/2018
PAST PRESIDENT	BRIAN WARRENDER	GERRY WOODS	01/06/2018

Officers in post

(see note 10)

Please insert a complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
GORDON MATHESON	PRESIDENT
NEIL HADDEN	VICE PRESIDENT
BRIAN WARRENDER	JUNIOR VICE-PRESIDENT
GERRY WOODS	PAST PRESIDENT

Accounts other than the revenue account/general fund

(See notes 11 to 16)

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)		

Scottish & Northern Ireland Plumbing Employers' Federation
 Revenue Account (Page 3)

Attachment

Miscellaneous (specify)

	<u>2018</u>	<u>2017</u>
Staff Training & Recruitment	£ 17,011	£ 2,982
Guarantee of work	£ 1,321	-
Inspection Costs	£ -	£ 171
Apprentice Prize & Sport	£ 636	£ 242
Local Association Funding	£ 55,831	£ 56,954
Trophies	£ 14	£ 16
Photography	£ -	£ 190
Data Storage	£ 1,137	£ 2,319
Computer Consultancy	£ 21,389	£ 23,987
Applying Member SNIJIB Fees	£ 882	-
Course technical materials	£ 2,484	£ 1,362
Vehicle Leasing	£ 10,817	£ 9,907
Gain disposal of assets	£ -	£ 120
Professional Fees S75	£ 48,436	£ 45,974
Write off bad debts	£ -	£ 5,483
	£ 158,686	£ 148,983

Accounts other than the revenue account/general fund

(See notes 11 to 16)

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 December 2018

(see notes 19 and 20)

Previous Year		£	£
868,234	Fixed Assets (as at page 8)		836,880
	Investments (as per analysis on page 9)		
0	Quoted (Market value £)	0	
2,351	Unquoted	2,351	
	Total Investments		839,321
	Other Assets		
87,467	Sundry debtors	98,865	
790,698	Cash at bank and in hand	819,748	
0	Stocks of goods	0	
132,137	Amounts owed by subsidiaries	137,302	
	Total of other assets		1,055,915
1,880,887		Total assets	1,895,146
1,479,843	Profit & Loss Account		1,416,274
100	General Reserve		100
0	Capital Reserve		
197,062	Revaluation Reserve		195,741
	Liabilities		
0	Loans	0	
0	Bank overdraft	0	
0	Tax payable	0	
94,275	Sundry creditors	135,088	
109,607	Accrued expenses	147,943	
	Provisions		
	Other liabilities		
203,882		Total liabilities	283,031
1,880,807		Total assets	1,895,146

Fixed Assets Account

(see note 21)

	Land & Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total
	£	£	£	£
Cost or valuation				
At start of period	994,215	206,374	0	1,200,589
Additions during period	0	6,308	0	6,308
Less: Disposals during period	0	0	0	0
Less: DEPRECIATION:	(178,753)	(191,264)	0	(370,017)
Total to end of period	815,462	21,418	0	836,880
Book amount at end of period				
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
As balance sheet	815,462	21,418	0	836,880

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	
	Plutos Holidays (1972) Ltd	51
	SNIPEF Securities Ltd	100
	SNIPEF Training Services Ltd	100
	Plumbing Pensions(UK) Administration Ltd	50
	BPEC Services Ltd	50
	Plumbing & Heating Contractor's Alliance Ltd	2,000
	Other unquoted securities (to be specified)	
Total quoted (as Balance Sheet)	2,351	
*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)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
Company name Plutos Holidays (1972)Ltd SNIPEF Securities Ltd SNIPEF Training Services Ltd Plumbing Pensions (UK) Administration Ltd BPEC Services Ltd Plumbing & Heating Contractor's Alliance	Company registration number (if not registered in England & Wales, state where registered) SCO51975 SCO38331 SCO82700 SCO55959 2978578 7639690		
Incorporated Employers' Associations			
Are the shares which are controlled by the association registered in the association's name		YES <input checked="" type="checkbox"/>	NO <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		
Unincorporated Employers' Associations			
Are the shares which are controlled by the association registered in the names of the association's trustees?		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the association are registered.			
Company name	Names of shareholders		

should all be 'zeros' not '0's'

Summary sheet
(see notes 24 to 33)

	All funds except Political Funds £	Political Funds £	Total Funds £
Income			
From Members	556,544	0	556,544
From Investments	149,643	0	149,643
Other Income (including increases by revaluation of assets)	354,678	0	354,678
Total Income	1,060,865	0	1,060,865
Expenditure (including decreases by revaluation of assets)	1,125,755	0	1,125,755
Total Expenditure	1,125,755	0	1,125,755
Funds at beginning of year (including reserves)	1,677,005	0	1,677,005
Funds at end of year (including reserves)	1,612,115	0	1,612,115
Assets			
	Fixed Assets		836,880
	Investment Assets		2,351
	Other Assets		1,055,915
	Total Assets		1,895,146
Liabilities			
	Total Liabilities		283,031
Net assets (Total Assets less Total Liabilities)			1,612,115

Notes to the accounts

(see note 34)

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

General Information

SNIPEF Management LTD. is incorporated and domiciled in Scotland with registered company number SC056633. The registered office is Bellevue House, 22 Hopetoun Street, Edinburgh, EH7 4GH.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Turnover

Turnover is the total amount of subscriptions, sponsorship income and management fees and service charges due to the Company for the year as follows:

	2018	2017
	£	£
Annual subscriptions	470,373	461,548
Associate fees	10,858	7,787
Approved Certifier of Construction Fees	56,343	40,468
Course Fees	18,970	9,980
Management fees	<u>133,493</u>	<u>133,948</u>
Salary recharges	142,631	129,626
Service charges	56,292	47,461
Warranty and insurance schemes	11,523	7,525
Medical insurance	510	610
Technical event	11,710	-
Plumbheat commission	(1,522)	5,752
Board room charge	41	-
	<u>911,222</u>	<u>844,705</u>

5. Loss on ordinary activities before taxation

	2018	2017
	£	£
Loss on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation	37,662	36,014
Gain on disposal of fixed assets	-	(120)
Auditor's remuneration		
- audit services	4,430	4,300
- other services	2,117	2,075
- payroll fees	1,007	1,182
	<u>37,662</u>	<u>40,151</u>

6. Income from shares in group companies

	2018	2017
	£	£
Subsidiary Companies		
Plutos Holidays (1972) Limited	15,300	22,950

SNIPEF Securities Ltd.	65,000	45,000
SNIPEF Training Services Ltd.	15,000	20,000
BPEC Services Limited	50,000	50,000
	<u>145,300</u>	<u>137,950</u>

7. Directors

2018	2017
£	£

Aggregate emoluments for the directors – in respect of qualifying services were:

-	-
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8. Employees

The average number of employees during the year was 22 (2017: 20).

9. Tangible assets	Property £	Office Equipment & Furniture £	Total £
Cost			
At 1 January 2018	994,215	206,374	1,200,589
Additions	-	6,308	6,308
Disposals	-	-	-
At 31 December 2018	<u>994,215</u>	<u>212,682</u>	<u>1,206,897</u>
Depreciation			
At 1 January 2018	158,869	173,486	332,355
Charge for the year	19,884	17,778	37,662
Disposals	-	-	-
At 31 December 2018	<u>178,753</u>	<u>191,264</u>	<u>370,017</u>
Net book value			
At 31 December 2018	<u>815,462</u>	<u>21,418</u>	<u>836,880</u>
At 31 December 2017	<u>835,346</u>	<u>32,888</u>	<u>868,234</u>

10. Investments	Investment £	Year Ended	Capital and reserves 2018 £	Profit/(loss) after tax 2018 £	Holding %
Subsidiary company					
Plutos Holidays (1972) Limited,					
Ord A shares	51	31.12.18	86,606	40,259	51
SNIPEF Securities Ltd.	100	31.12.18	335,578	13,746	100
SNIPEF Training Services	100	31.12.18	530,040	234,300	100

Ltd.					
Plumbing Pensions (UK) Administration Limited	50	05.04.18	10,100	-	50
BPEC Services Limited	50	31.12.18	264,517	64,559	100
Plumbing and Heating Contractors' Alliance Ltd	2,000	31.05.18	4,092	70	50

At 1 January 2018	2,351				

At 31 December 2018	2,351				
	=====				

All of the above entities are incorporated in the United Kingdom. The principal activity of the above subsidiary undertakings are as follows:

Plutos Holidays (1972) Limited operates an annual and public holidays with pay credit scheme for the Plumbing and Mechanical Services Industry in Scotland and Northern Ireland.

SNIPEF Securities Ltd. holds and administers investments on behalf of the Scottish and Northern Ireland Plumbing Employers' Federation.

SNIPEF Training Services Ltd. administers the Modern Apprenticeship and Adult Training Schemes on behalf of members of the Scottish and Northern Ireland Plumbing Employers' Federation and the payment of grants under that Scheme on behalf of Skills Development Scotland.

Plumbing Pensions (UK) Administration Limited administers and manages the Pension Scheme on behalf of the Plumbing and Mechanical Services (UK) Industry Pension Scheme.

10. Investments (continued)

BPEC Services Limited promotes and sells training and assessment materials to assist in meeting the needs of operatives in the UK Plumbing and Heating Industry.

Plumbing and Heating Contractors' Alliance Ltd is an employers' organisation for the Plumbing and Heating Industry. The company has ceased operating and it is intended to wind up the company during 2019.

11. Debtors

	2018	2017
	£	£
Amounts owed by subsidiary undertakings:		
- SNIPEF Welfare	15,635	11,763
- SNIJIB	29,657	18,385
- SNIPEF Education & Training Trust	2,389	462
- SNIPEF Securities Ltd.	4,140	686
- SNIPEF Training Services Ltd.	50,497	50,300
- Plumbing Pensions (UK) Admin Limited	4,931	10,221
- Plutos Holidays (1972) Limited	53	10,320
- BPEC Services Limited	15,000	15,000
- BPEC Certification Limited	15,000	15,000
Other debtors	98,865	87,467
	-----	-----
	236,167	219,604
	=====	=====

12. Sundry Creditors

	2018	2017
	£	£
Amounts owed to subsidiary undertakings		
- SNIPEF Training Services Ltd.	-	533
- Plumbing Pensions (UK) Admin Limited	9,830	6,483
- SNIJIB	882	1,103
Other taxes and social security costs	13,778	13,230
Other creditors	110,598	72,926
	<u>135,088</u>	<u>94,275</u>

13. Taxation

Factors affecting future tax charges

A reduction from 20% to 19% took effect from 1 April 2017. A further reduction from 19% to 17% will take effect from 1 April 2020.

The Company has unused trade losses of £868,900 (2017: £692,077). There is no expiry date on these losses. The company has an unrecognised deferred tax asset mainly in respect of these tax losses of £122,199 (2017: £93,636). SNIPEF Management Limited is resident in the UK for tax purposes.

14. Contingent liability

SNIPEF operates a Guarantee of Work Scheme which covers the cost of claims by domestic (or commercial) customers for faulty workmanship carried out on their premises by a SNIPEF business up to a maximum of £10,000 in respect of any one domestic customer, £25,000 in respect of any one SNIPEF member firm and £100,000 in respect of any one calendar year.

15. Called up share capital

	2018	2017
	£	£
Authorised, issued and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

16. Operating lease commitments

The total operating lease commitments are set out below:

	2018	2017
	£	£
Motor Vehicle Due not later than five years	<u>25,523</u>	<u>17,032</u>

A total of £10,817 was recognised as an operating lease expense in the period (2017: £9,907).

18. Pension costs

Certain of the Company's employees are members of the Plumbing and Mechanical Services (UK) Industry Pension Scheme. This is an industry-wide multi-employer defined benefit pension scheme. As at 5 April 2017, the date of the Scheme's latest formal accounts, 432 employers were actively contributing to the Scheme. Pension obligations in the Industry Scheme are accounted for on a "defined contribution" basis

because the Industry Scheme is not able to calculate individual assets or liabilities for individual employers. The Scheme's experience is pooled. As a result, all participating employers and their employees pay the same contribution rates regardless of their experience.

To date, the scheme has never had a funding shortfall measured on an ongoing "Technical Provisions" basis at a formal valuation date therefore it does not need a Recovery Plan. The only contributions required from employers and employees are contributions to cover the cost of new future service benefit accrual.

The Industry Scheme does not have an agreed methodology to allocate deficit or surplus between individual employers. It is possible that an individual employer could become liable for other entities' obligations under the terms and conditions of the multi-employer Industry Scheme (namely the Scheme's Rules and legislative requirements). This is because participating employers are exposed to actuarial risks associated with current and former employees of other organisations, some of which have ceased to participate in the Scheme and therefore cannot be called upon should additional funding be required. In addition, when an employer ceases to participate in the Industry Scheme, they become liable under legislation to pay a "Section 75" employer debt.

The pension cost charged to the Statement of Comprehensive Income represents the amount of contributions payable in the year, which amounted to £79,682 (2017: £69,052). No pension contributions were outstanding at the year-end (2017: £Nil).

This cost is incurred at the contribution rate advised by the Scheme Actuary in the valuation as at April 2014.

Based upon the current contribution rates, the scheme was assessed as likely to meet in full the liabilities of the scheme as they fall due.

19. Ultimate parent undertaking

The Company is a subsidiary of Scottish and Northern Ireland Plumbing Employers' Federation (SNIPEF), a body registered under the Trade Union and Labour Relations (Consolidation) Act 1992. SNIPEF own 100% of the shares of SNIPEF Management Ltd.

The financial statements of the Scottish and Northern Ireland Plumbing Employers' Federation can be obtained from Bellevue House, 22 Hopetoun Street, Edinburgh.

20. Related party transactions

The Trustees of SNIPEF Welfare are directors of SNIPEF Management Ltd.

The Trustees of SNIPEF Education and Training Trust are directors of SNIPEF Management Ltd.

All relevant transactions in the year and the year end balances are shown in the notes to the financial statements.

A further related party is British Plumbing Employers' Council (Training) Limited. BPEC Services Ltd, a subsidiary company of SNIPEF Management Ltd., is related to British Plumbing Employers' Council (Training) Limited by virtue of common control as exercised by a common board of directors.

Accounting policies

(see notes 35 and 36)

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The directors have assessed the Company's ability to continue as a going concern and have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have reviewed budgets and forecasts for the forthcoming year and are satisfied that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Significant judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for carrying amounts of tangible assets.

Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost less accumulated depreciation. Depreciation is calculated to write off the cost of an asset, less estimated residual value, over the useful economic life of that asset as follows:

Computer hardware	- 33 1/3% per annum straight line
Office equipment & furniture	- 20% per annum straight line
Property	- 2% per annum straight line

Computer software upgrades are expensed in the year of acquisition.

3. Accounting policies (Contd.)

Investment in subsidiaries

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Investment income is recognised on a due and receivable basis.

Impairment of assets

At each reporting date the Company reviews the carrying value of its 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.

The recoverable amount of an asset is the higher of the fair value less costs to sell, and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent period if, and only if, the reasons for the impairment loss have ceased to apply. Impairment losses are charged to profit or loss in administration expenses.

Group financial statements

Consolidated financial statements have not been presented to include the subsidiary members of the group identified in note 10 to the financial statements because the group claims exemption from this requirement by virtue of section 398 of the Companies Act 2006. Consequently, the financial statements cover the Company as a stand alone undertaking and not as a group.

The Company's interests in the capital and reserves of the subsidiary and associated companies as at the date of their last audited financial statements are detailed in note 10.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, ~~except to the extent that it relates to items recognised in other~~ comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the ~~amounts of tax expected to pay or recover~~ using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents subscriptions, fees, recharges and services provided, net of value added tax, and is recognised in the period in which the service is made.

Pension costs

The Company makes contributions in respect of employees to the Plumbing and Mechanical Services (UK) Industry Pension Scheme, a defined benefit multi-employer scheme. Pension costs, which have been determined in accordance with actuarial advice, are charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees in the scheme. Contributions are payable to the Company's pension scheme are charged to the profit and loss account in the period to which they relate.

3. Accounting policies (Contd.)

Operating leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments, which include trade and other receivables and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Basic financial liabilities, which include trade and other payables, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised through profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

**Signatures to the annual return
including the accounts and balance sheet contained in the return.
(see notes 37 and 38)**

Secretary's Signature:

Name: *Fiona L. Hodgson*
FIONA L. HODGSON

Date: *24.5.19*

Chairman's Signature:
(or other official whose position should be stated)

Name: *Gordon Matheson*
GORDON MATHESON

Date: *24/5/2019*

Checklist
 (see note 39)
 (please tick as appropriate)

Has the return of change of officers been completed? (see Page 2)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has the list of officers been completed? (see page 2a)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has the return been signed? (see Note 38)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has the auditor's report been completed? (see Note 39)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Is the rule book enclosed? (see Note 40)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has the summary sheet been completed? (see Notes 6 and 25 to 34)	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

Checklist for auditor's report

(see notes 40 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

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)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- kept proper accounting records with respect to its transactions and its assets and liabilities; and
 - 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)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Opinion

We have audited the financial statements of SNIPEF Management Ltd. for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

Malcolm Beveridge CA (Senior Statutory Auditor)
For and on behalf of
CHIENE + TAIT LLP
Chartered Accountants and Statutory Auditor
61 Dublin Street
Edinburgh, EH3 6NL

Signature(s) of auditor or auditors:	Malcolm Beveridge	
Name(s):	MALCOLM BEVERIDGE CA (CHIENE + TAIT LLP)	
Profession(s) or Calling(s):	SENIOR STATUTORY AUDITOR	
Address(es):	61 DUBLIN STREET EDINBURGH EH3 6NL	
Date:	19 JUNE 2019	
Contact name for enquiries and telephone number:	MALCOLM BEVERIDGE 0131 558 5800	

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