

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:

Postcode

Website address (if available)

Has the address changed during the year to which the return relates? ('X' in appropriate box)

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 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tctyoung.co.uk

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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 |
| 1,386 | | | | 1,386 |

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 |
|---------------|--|---------------------------|----------------|
| Director | Douglas Robertson | | 16 April 2019 |
| Director | Anthony Wood | | 09 July 2020 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Officers in post

(see note 10)

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

| Name of Officer | Position held |
|------------------------------|-------------------|
| Mr William Alexander Burgess | Director |
| Mr Graham Greenwood | Director |
| Mr Adrian Smith | Director |
| Mr Colin McGeoch | Director |
| Mr Alexander Campbell | Director |
| Mr Ian Grieve | Director |
| Mr Stuart Kinghorn | Director |
| Mr Alexander McGarva | Director |
| Mr Anthony Wood | Director |
| Mrs Moira Gaynor | Company Secretary |
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| | |

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) | | |
| | Total Investment Income | | |
| | Other Income Rents received | | |
| | Insurance commission | | |
| | Consultancy fees | | |
| | Publications/Seminars | | |
| | Miscellaneous receipts (specify) | | |
| | Total of other income | | |
| | Total income | | |
| | Interfund Transfers IN | | |
| | Expenditure | | |
| | Administrative expenses Remuneration and expenses of staff | | |
| | Occupancy costs | | |
| | Printing, Stationery, Post | | |
| | Telephones | | |
| | Legal and Professional fees | | |
| | Miscellaneous (specify) | | |
| | Total of Admin expenses | | |
| | Other Charges Bank charges | | |
| | Depreciation | | |
| | Sums written off | | |
| | Affiliation fees | | |
| | Donations | | |
| | Conference and meeting fees | | |
| | Expenses | | |
| | Miscellaneous (specify) | | |
| | Total of other charges | | |
| | Taxation | | |
| | Total expenditure | | |
| | Interfund Transfers OUT | | |
| | Surplus/Deficit for year | | |
| | Amount of fund at beginning of year | | |
| | Amount of fund at end of year | | |

Accounts other than 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 | | |
| | Interfund Transfers IN | | |
| Expenditure | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | | | |
| | Total Expenditure | | |
| | Interfund Transfers OUT | | |
| | 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 | | |
| | Interfund Transfers IN | | |
| Expenditure | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | | | |
| | Total Expenditure | | |
| | Interfund Transfers OUT | | |
| | 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 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 | |
| | Interfund Transfers IN | | |
| Expenditure | | | |
| | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | | Total Expenditure | |
| | Interfund Transfers OUT | | |
| | | | |
| | | | |
| | | | 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 | |
| | Interfund Transfers IN | | |
| Expenditure | | | |
| | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | | Total Expenditure | |
| | Interfund Transfers OUT | | |
| | | | |
| | | | |
| | | | 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 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 | | |
| | Interfund Transfers IN | | |
| Expenditure | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | Total Expenditure | | |
| | Interfund Transfers OUT | | |
| | | 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 | | |
| | Interfund Transfers IN | | |
| Expenditure | Administrative expenses | | |
| | Other expenditure (specify) | | |
| | | | |
| | | | |
| | Total Expenditure | | |
| | Interfund Transfers OUT | | |
| | | 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 | | £ | £ |
|---------------|--|---|---|
| | Fixed Assets (as at Page 8) | | |
| | Investments (as per analysis on page 9) | | |
| | Quoted (Market value £) as at Page 9 | | |
| | Unquoted (Market value £) as at Page 9 | | |
| | Total Investments | | |
| | Other Assets | | |
| | Sundry debtors | | |
| | Cash at bank and in hand | | |
| | Stocks of goods | | |
| | Others (specify) | | |
| | Total of other assets | | |
| | Total Assets | | |
| | Revenue Account/ General Fund | | |
| | Revaluation Reserve | | |
| | Liabilities | | |
| | Total Liabilities | | |
| | Total Assets | | |

Fixed Assets account

(see note 21)

| | Land and Buildings | Fixtures & Fittings | Motor Vehicles & Equipment | Total £ |
|--|-----------------------|------------------------|-------------------------------|------------|
| Cost or Valuation | | | | |
| At start of period | | | | |
| Additions during period | | | | |
| Less: Disposals | | | | |
| 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) | | | | |
| Total of Fixed Assets | | | | |

Analysis of Investments

(see note 22)

| Quoted | | Other Funds |
|----------|---|-------------|
| | 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 investments (to be specified) | |
| | Total Unquoted (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 note 23)

Does the association, or any constituent part of the association, have a controlling interest in any limited company?

Yes

No

If Yes name the relevant companies:

Company name

Company registration number (if not registered in England & Wales, state where registered)

Scotsure Insurance Company Limited
Andstrat (No. 288) Limited
The Scottish Motor Show Limited
SMTA (Trading Partners) Limited
Scotsure MBI Limited

SC 127665 (Scotland)
SC 077926 (Scotland)
SC 121085 (Scotland)
SC 342972 (Scotland)
SC 352229 (Scotland)

Incorporated Employers' Associations

Are the shares which are controlled by the association registered in the association's name

Yes

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

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 24 to 33)

| | All Funds | Total Funds |
|--|-----------|-------------|
| | £ | £ |
| Income | | |
| From Members | | |
| From Investments | | |
| Other Income (including increases by revaluation of assets) | | |
| Total Income | | |
| Expenditure (including decreases by revaluation of assets) | | |
| Total Expenditure | | |
| Funds at beginning of year (including reserves) | | |
| Funds at end of year (including reserves) | | |
| ASSETS | | |
| Fixed Assets | | |
| Investment Assets | | |
| Other Assets | | |
| Total Assets | | |
| Liabilities | | |
| Total Liabilities | | |
| Net Assets (Total Assets less Total Liabilities) | | |

Summary Sheet

(see notes 24 to 33)

| | All Funds | Total Funds |
|--|------------------|------------------|
| | £ | £ |
| Income | | |
| From Members | 460,709 | 460,709 |
| From Investments | 20,089 | 20,089 |
| Other Income (including increases by revaluation of assets) | 3,531,899 | 3,531,899 |
| Total Income | 4,012,697 | 4,012,697 |
| Expenditure (including decreases by revaluation of assets) | 3,829,838 | 3,829,838 |
| Total Expenditure | 3,829,838 | 3,829,838 |
| Funds at beginning of year (including reserves) | 2,722,015 | 2,722,015 |
| Funds at end of year (including reserves) | 2,904,874 | 2,904,874 |
| ASSETS | | |
| Fixed Assets | | 645,062 |
| Investment Assets | | 376,929 |
| Other Assets | | 2,977,703 |
| Total Assets | | 3,999,694 |
| Liabilities | | |
| Total Liabilities | | 1,094,820 |
| Net Assets (Total Assets less Total Liabilities) | | 2,904,874 |

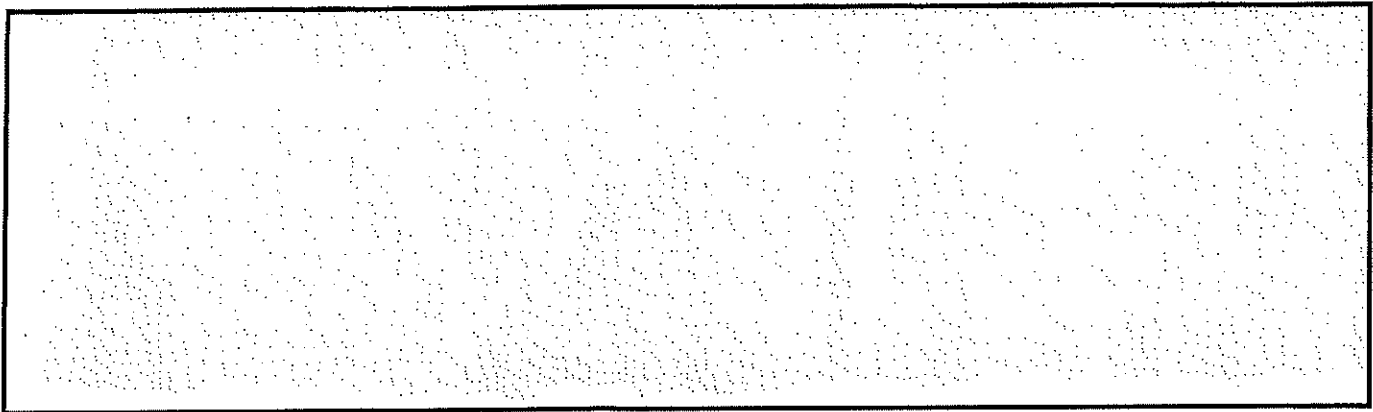
Notes to the accounts

(see note 34)

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

Accounting policies

(see notes 35 & 36)



Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.
Please copy and paste your electronic signature here

| | |
|---|---|
| Secretary's Signature: <i>Meira A Gaynor</i> | Chairman's Signature: <i>Sandy Burgess</i> |
| Name: Molra Gaynor | Name: Sandy Burgess |
| Date: 13 November 2020 | Date: 13 November 2020 |

Checklist

(see note 39)

(please enter 'X' as appropriate)

| | | | | |
|---|-----|----------|----|----------|
| Is the return of officers attached? (see Page 2) | Yes | X | No | |
| Has the list of officers been completed? (see Page 2A) | Yes | X | No | |
| Has the return been signed? (see Note 37) | Yes | X | No | |
| Has the auditor's report been completed? (see Note 41) | Yes | X | No | |
| Is the rule book enclosed? (see Note 39) | Yes | | No | X |
| Has the summary sheet been completed? (see Notes 6 and 24 to 33) | Yes | X | No | |

Checklist for auditor's report

(see notes 41 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:

- 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)


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)

| | | |
|--|--|--|
| Signature(s) of auditor or auditors: |  | |
| Name(s): | Andrew Croxford | |
| Profession(s) or Calling(s): | CA | |
| Address(es) | Thomson Cooper 3 Castle Court, Carnegie Campus, Dunfermline, Fife, KY11 8PB | |
| Date: | 13 November 2020 | |
| Contact name for enquiries and telephone number: | Andrew Croxford 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.

Company Registration No. SC005898 (Scotland)

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr A Smith Mr S Burgess Mr I Grieve Mr S Kinghorn Mr C McGeoch Mr A Campbell Mr G Greenwood Mr A McGarva |
| Secretary | Ms M Gaynor |
| Company number | SC005898 |
| Registered office | Palmerston House 10 The Loan South Queensferry EH30 9NS |
| Auditors | Thomson Cooper 3 Castle Court Carnegie Campus Dunfermline Fife KY11 8PB |
| Bankers | The Co-operative bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT The 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 |

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

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SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present the strategic report for the year ended 31 March 2020.

Where do we start?

2020 will not go down as the year to remember for much with one major exception!

The balance sheet date in these accounts is 31 March 2020, that date has always been very relevant to the SMTA as it signals the end of our trading year. In 2020, the date many will remember is 23 March as the day the country was put into lockdown. Clearly this impacted on the final weeks trading within our accounts and the financial impacts are clear to see, especially in our investment portfolio value. However, I do not intend on stating much more that the obvious about the COVID-19 virus outbreak as the true impact on our business was felt in the months that followed and as such the detail will form much of our annual accounts next year. So, for now let's leave it as a major stain on the year 2020 and at the time of writing this, I will reflect on the optimism provided by the fact that there are potentially 36 versions of a vaccine in human testing in the UK today.

Last year I wrote of the uncertainty of the Brexit situation. With regret I have to recognise that the uncertainty still exists and is actually growing as the date of our final departure looms ever darker on the horizon and our industry needs clear and defined direction now more than ever. With the political and economic impacts around the continuing debacle of Brexit and the uncertainty around another independence referendum in Scotland, the SMTA is ready and willing and more importantly, able to serve our membership on these business-critical issues without interference or influence of party politics. Our sector is positive and resilient, but we must get a fair hearing, politicians please take note!

Review of the business

The year to 31 March 2020 has produced a SMTA consolidated surplus of £182,859. This is an improvement on previous year, with satisfactory growth in most revenue streams as we provide more services and products to our growing membership base. The results have been reviewed on an ongoing basis and we are satisfied with the operational and financial factors that have created this outcome. Within this report, we will provide an overview of SMTA activity and an update on current operational divisions of the business.

SMTA

The core business of the SMTA is its membership and we are pleased to confirm that this continues to grow at an acceptable level. We continue to raise awareness and the profile of the industry across various media channels and enjoy a strong relationship with both BBC Scotland TV and BBC Radio Scotland. Further success has been experienced with the recognised national motor trade media titles Motor Trader and Automotive Management. In addition to this during 2019-20 we launched our very own membership magazine which is developing and will provide us with a raised profile within Scotland and given the recent sad demise of Scots Auto Scene we will have the only Scottish specific motor industry publication available to interested parties. These platforms ensure that the SMTA has a voice that is heard and recognised across Scotland and beyond. We continued our support deal with the Scottish Motor Racing Club for the 2020 SMTA Citroen C1 Racing Championship. This continues to provide the SMTA with increased levels of motoring consumer awareness despite challenges the SMRC have run this series and produced some excellent close racing with associated media coverage.

We continue our lobbying activities in Holyrood with interaction at Minister level on Apprentice Funding, Rates Revaluation, Cybercrime and now on the issue of the Scottish Government's 2032 ambitions for the demise of fossil fuelled vehicles in our towns and cities. We continue to be active with Transport Scotland on the Ultra- Low Emission Zones ensuring they are aware of the potential impacts of these on many of our members. We have also completed an excellent skills review with Transport Scotland and Scottish Enterprise as well as the IMI which has produced a reference document that will shape the training provision for years to come. We continue to meet with senior people within the Department for Transport and the Driver and Vehicle Standards Agency in London and Bristol.

Our membership support packages for employment law and pension planning continue to be well received by those who have used them. Our on-line HR portal which is free to all members has also been a huge success.

Our latest insurance product for our members has developed significantly over the last year with Marsh Commercial offering a fantastic level of support and guidance to many of our members.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Europe

The SMTA joined CECRA, which is the European umbrella organisation regrouping national automotive trade associations and European brand dealer councils, acting as a watchdog, ensuring the interests of authorized dealers and repairers are taken into due account by European regulatory bodies. I am proud to serve on the Board of CECRA ensuring that the voice of our members continues to be heard across Europe despite the onset of Brexit.

MOT QMS

This business stream continues to grow with our MOT Quality Management System inspections being very well received by new members to the SMTA. The current situation will see us deliver over 700 inspections this year.

We continue to work with the IMI to deliver the mandatory Annual Assessment and CPD programme and we continue to deliver a "one stop shop" option for our members' MOT needs. In partnership with Dingbro we delivered over 2,500 individuals onto the programme and once again achieved a 100% CPD take up as well.

MOT MAX, is still available free of charge to all our MOT QMS users and available to all non-users on a nominal additional cost basis. Access to this industry leading product is restricted to SMTA members only.

Scotsure Warranty

We continued to promote the Scotsure brand as "You can judge a car by its cover". This has proved to be well accepted across the industry and we recorded significant growth in volumes and income for Scotsure. Our new products have been well received and the claims process within our South Queensferry Head Office continues to offer us a unique selling proposition in a very competitive market. I am delighted to report that we passed the 10,000 new policies in a single year milestone in 2019-20.

The arrangement with Car Care Plan for the delivery of our renewal process as well as offering insured products such as GAP via their UK based outbound centre has now started to contribute benefits to our membership with additional income coming into the SMTA as a result. The option to extend a warranty has been well received by the consumers who have been approached and we look forward to the continuation of this trend for many years. All products offered are branded as Scotsure.

Skills Solutions

We average 300+ apprentices under our management across Scotland and on many of the islands and this continues to deliver us an excellent return. Our working relationship with GTG has been very positive for both parties and is very stable currently.

Along with the IMI we can provide a fantastic value for money offering to all our membership allowing them entry level membership to the IMI and a full year's unlimited access to the IMI's Virtual Learning product. Each applicant will save more than 50% against the published offering via the conventional channels. We are now ready to launch the VLE only offering at a real value for money price that can only be accessed by a member of the SMTA.

Grampian Motor Training Trust continue to offer support for members seeking to hire an apprentice or develop their staff within the Grampian area.

Throughout the year 2019-20 the Pettigrew Charitable Trust continued to deliver significant levels of support to apprentices.

Trading Partners

Growth in numbers signing up to Trading Partners has been significant. The benefit of the staff being invested sees increased business coming in via Trading Partners but also provides us with the comfort that the SMTA is on the ground supporting our membership and we continue to explore opportunities to enhance our offerings further.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

STRATEGIC REPORT (CONTINUED)

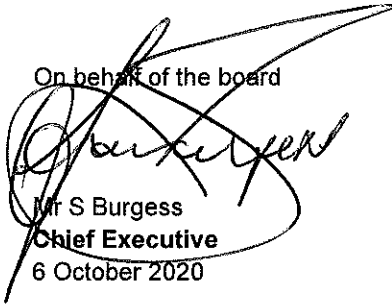
FOR THE YEAR ENDED 31 MARCH 2020

Summary

In conclusion, a very satisfactory period for the report. As stated at the start of this we have many huge challenges ahead, the unique situation we are all now experiencing is new to us all and affects everyone without exception! Politics will play an ever increasing role in our industry as we take the fight to Holyrood for apprentices, rates revaluations, the apprentice levy, the 2032 fossil fuel ambition and the introduction of the Ultra-Low Emission Zones across Glasgow, Edinburgh, Aberdeen and Dundee and of course all the relevant COVID-19 issues that we have coming our way.

The UK economy for 2020-21 is going to be one of the toughest experienced for all but the very fortunate, there will be casualties and all are most regrettable, however as always we will play our part in ,promoting, protecting and encouraging our members, we will strive to 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 S Burgess
Chief Executive
6 October 2020

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The directors present their annual report and financial statements for the year ended 31 March 2020.

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 Smith

Mr S Burgess

Mr I Grieve

Mr S Kinghorn

Mr C McGeoch

Mr A Campbell

Mr G Greenwood

Mr A McGarva

Mr A Wood

(Resigned 9 July 2020)

Mr D R W Robertson

(Deceased 16 April 2019)

Results and dividends

The results for the year are set out on page 8. The directors do not recommend the payment of a dividend.

Auditor

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

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.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

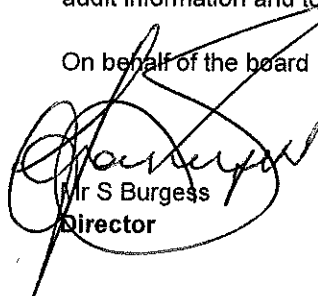
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

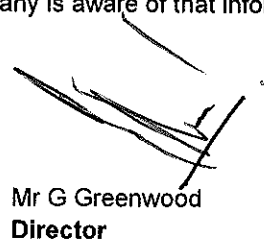
Statement of disclosure to auditor

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 auditor of the company is 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 auditor of the company is aware of that information.

On behalf of the board



Mr S Burgess
Director



Mr G Greenwood
Director

6 October 2020

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Scottish Motor Trade Association Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the group profit and loss account, the group balance sheet, the company balance sheet and notes to the financial statements, 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 group's and the parent company's affairs as at 31 March 2020 and of its profit 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; and
- 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.

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 group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report.

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.

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 group's and the parent 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 group or the parent 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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.



Andrew Croxford (Senior Statutory Auditor)
for and on behalf of Thomson Cooper, Statutory Auditor
Dunfermline

8 October 2020

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

| | Notes | 2020 £ | 2019 £ |
|--|-------|-----------------------|-----------------------|
| Turnover | 2 | 4,012,369 | 3,586,920 |
| Cost of sales | | (2,427,387) | (2,106,825) |
| Gross profit | | <u>1,584,982</u> | <u>1,480,095</u> |
| Administrative expenses | | (1,256,330) | (1,295,201) |
| (Losses)/gains on investments | | (87,139) | 21,027 |
| Operating profit | 3 | <u>241,513</u> | <u>205,921</u> |
| Interest receivable and similar income | 7 | 328 | 263 |
| Profit before taxation | | <u>241,841</u> | <u>206,184</u> |
| Tax on profit | 9 | (58,982) | (35,789) |
| Profit for the financial year | 17 | <u><u>182,859</u></u> | <u><u>170,395</u></u> |

Profit for the financial year is all attributable to the owners of the parent company

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

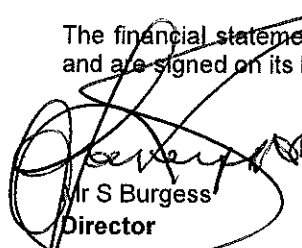
GROUP BALANCE SHEET

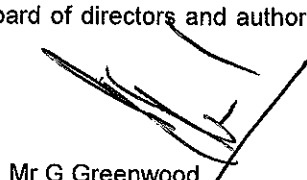
AS AT 31 MARCH 2020

| | Notes | 2020 | | 2019 | |
|---|-------|--------------------|------------------|------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 645,062 | | 498,437 |
| Current assets | | | | | |
| Stocks | | 5,549 | | 5,629 | |
| Debtors | 12 | 781,465 | | 752,693 | |
| Investments | 14 | 376,929 | | 466,030 | |
| Cash at bank and in hand | | 2,190,689 | | 1,945,996 | |
| | | <u>3,354,632</u> | | <u>3,170,348</u> | |
| Creditors: amounts falling due within one year | 13 | <u>(1,094,820)</u> | | <u>(946,770)</u> | |
| Net current assets | | | 2,259,812 | | 2,223,578 |
| Total assets less current liabilities | | | <u>2,904,874</u> | | <u>2,722,015</u> |
| Capital and reserves | | | | | |
| Profit and loss reserves | 17 | | <u>2,904,874</u> | | <u>2,722,015</u> |

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 6 October 2020 and are signed on its behalf by:


Mr S Burgess
Director


Mr G Greenwood
Director

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

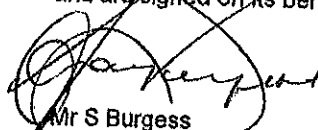
COMPANY BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 | | 2019 | |
|---|-------|---------|--------------------|--------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 8 | | 645,062 | | 498,437 |
| Investments | 10 | | 797,566 | | 797,566 |
| | | | <u>1,442,618</u> | | <u>1,295,993</u> |
| Current assets | | | | | |
| Debtors | 12 | 695,780 | | 582,299 | |
| Cash at bank and in hand | | 695,638 | | 821,662 | |
| | | | <u>1,391,418</u> | <u>1,403,961</u> | |
| Creditors: amounts falling due within one year | 13 | | <u>(1,549,712)</u> | <u>(1,574,905)</u> | |
| Net current liabilities | | | (158,294) | | (170,944) |
| Total assets less current liabilities | | | <u>1,284,324</u> | | <u>1,125,049</u> |
| Capital and reserves | | | | | |
| Profit and loss reserves | 17 | | <u>1,284,324</u> | | <u>1,125,049</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 6 October 2020 and are signed on its behalf by:


Mr S Burgess
Director


Mr G Greenwood
Director

Company Registration No. SC005898

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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, 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 under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £159,275 (2019 - £91,387).

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 2020.

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.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors are aware of the potential impact on the Group of Covid-19. The directors are actively taking all steps to mitigate any impact the virus may have on the Group. The directors have considered a period of 12 months from the date of approval of the financial statements.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 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.

1.5 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.

No depreciation is charged on the Freehold land and buildings as the directors have assessed the current residual value of the buildings are such that any depreciation charge required would not be material.

1.6 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible 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.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.8 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.

1.9 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 balance sheet 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 debtors 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. Financial assets classified as receivable within one year are not amortised.

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 publicly 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.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.12 Retirement benefits

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

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Turnover and other revenue

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

| | 2020 | 2019 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Turnover | | |
| Annual subscriptions | 460,709 | 435,578 |
| Training and seminars | 704,961 | 668,914 |
| Administration fees | 314,172 | 273,727 |
| Commissions | 138,921 | 138,462 |
| Members' services | 2,359,121 | 2,037,825 |
| Other income | 34,485 | 32,414 |
| | <u>4,012,369</u> | <u>3,586,920</u> |

3 Operating profit

| | 2020 | 2019 |
|---|---------------|---------------|
| | £ | £ |
| Operating profit for the year is stated after charging/(crediting): | | |
| Depreciation of tangible fixed assets | 30,008 | 19,750 |
| Gain on disposal of fixed assets | (11,501) | 105 |
| | <u>18,507</u> | <u>20,855</u> |

4 Auditors' remuneration

| | 2020 | 2019 |
|--|---------------|---------------|
| | £ | £ |
| Fees payable to the company's auditor and its associates: | | |
| For audit services | | |
| Audit of the financial statements of the group and company | 8,200 | 8,000 |
| Audit of the company's subsidiaries | 7,200 | 6,900 |
| | <u>15,400</u> | <u>14,900</u> |

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Employees

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

| | 2020 Number | 2019 Number |
|-------|----------------|----------------|
| Total | 16 | 13 |

Their aggregate remuneration comprised:

| | 2020 £ | 2019 £ |
|-----------------------|----------------|----------------|
| Wages and salaries | 573,571 | 568,397 |
| Social security costs | 68,204 | 67,254 |
| Pension costs | 55,058 | 52,761 |
| | <u>696,833</u> | <u>688,412</u> |

6 Directors' remuneration

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Remuneration paid to directors | 96,161 | 95,591 |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2019 - 1).

7 Interest receivable and similar income

| | 2020 £ | 2019 £ |
|--|-----------|-----------|
| Other interest receivable and similar income | 328 | 263 |

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Tangible fixed assets

| Group | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|-------------------------------|----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2019 | 479,218 | 148,070 | 627,288 |
| Additions | - | 179,082 | 179,082 |
| Disposals | - | (56,281) | (56,281) |
| At 31 March 2020 | 479,218 | 270,871 | 750,089 |
| Depreciation and impairment | | | |
| At 1 April 2019 | - | 128,851 | 128,851 |
| Depreciation charged in the year | - | 30,008 | 30,008 |
| Eliminated in respect of disposals | - | (53,832) | (53,832) |
| At 31 March 2020 | - | 105,027 | 105,027 |
| Carrying amount | | | |
| At 31 March 2020 | 479,218 | 165,844 | 645,062 |
| At 31 March 2019 | 479,218 | 19,219 | 498,437 |
| Company | | | |
| | Land and buildings | Plant and machinery etc | Total |
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2019 | 479,218 | 134,778 | 613,996 |
| Additions | - | 179,082 | 179,082 |
| Disposals | - | (56,281) | (56,281) |
| At 31 March 2020 | 479,218 | 257,579 | 736,797 |
| Depreciation and impairment | | | |
| At 1 April 2019 | - | 115,559 | 115,559 |
| Depreciation charged in the year | - | 30,008 | 30,008 |
| Eliminated in respect of disposals | - | (53,832) | (53,832) |
| At 31 March 2020 | - | 91,735 | 91,735 |
| Carrying amount | | | |
| At 31 March 2020 | 479,218 | 165,844 | 645,062 |
| At 31 March 2019 | 479,218 | 19,219 | 498,437 |

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9 Taxation

| | 2020 | 2019 |
|--|--------|--------|
| | £ | £ |
| UK corporation tax on profits for the current period | 58,982 | 35,789 |

10 Fixed asset investments

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|-------------|--------------------|-----------|----------------------|-----------|
| Investments | - | - | 797,556 | 797,556 |

Details of subsidiaries are shown at note 18.

Movements in fixed asset investments Company

| | Shares in group undertakings £ |
|---|---|
| Cost or valuation At 1 April 2019 and 31 March 2020 | 797,556 |
| Carrying amount At 31 March 2020 | 797,556 |
| At 31 March 2019 | 797,556 |

11 Financial instruments

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|--|--------------------|-----------|----------------------|-----------|
| Carrying amount of financial assets Instruments measured at fair value through profit or loss | 376,929 | 466,030 | - | - |

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

12 Debtors

| | Group 2020 | 2019 | Company 2020 | 2019 |
|---|----------------|----------------|-----------------|----------------|
| | £ | £ | £ | £ |
| Amounts falling due within one year: | | | | |
| Trade debtors | 365,841 | 419,047 | 46,307 | 77,631 |
| Amounts owed by group undertakings | - | - | 260,500 | 184,345 |
| Other debtors | 415,624 | 333,646 | 388,973 | 320,323 |
| | <u>781,465</u> | <u>752,693</u> | <u>695,780</u> | <u>582,299</u> |

13 Creditors: amounts falling due within one year

| | Group 2020 | 2019 | Company 2020 | 2019 |
|------------------------------------|------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ |
| Trade creditors | 518,366 | 446,759 | 78,764 | 91,784 |
| Amounts owed to group undertakings | - | - | 1,230,526 | 1,230,526 |
| Corporation tax payable | 58,982 | 35,789 | 33,010 | 19,995 |
| Other taxation and social security | 19,348 | 29,034 | 14,000 | 22,176 |
| Other creditors | 498,124 | 435,188 | 193,412 | 210,424 |
| | <u>1,094,820</u> | <u>946,770</u> | <u>1,549,712</u> | <u>1,574,905</u> |

14 Current asset investments

| | Group 2020 | 2019 | Company 2020 | 2019 |
|--------------------|----------------|----------------|-----------------|----------|
| | £ | £ | £ | £ |
| Listed Investments | <u>376,929</u> | <u>466,030</u> | <u>-</u> | <u>-</u> |

Listed investments are valued by reference to quoted market prices. The historical cost of investments is £352,343 (2019 - £334,432).

15 Finance lease obligations

| | Group 2020 | 2019 | Company 2020 | 2019 |
|---|---------------|----------|-----------------|----------|
| | £ | £ | £ | £ |
| Future minimum lease payments due under finance leases: | | | | |
| Within one year | <u>2,221</u> | <u>-</u> | <u>2,221</u> | <u>-</u> |

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 12 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

SCOTTISH MOTOR TRADE ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

16 Retirement benefit schemes

| | 2020 | 2019 |
|--|--------|--------|
| | £ | £ |
| Defined contribution schemes | | |
| Charge to profit and loss in respect of defined contribution schemes | 55,058 | 52,761 |

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.

17 Reserves

| | Group | | Company | |
|------------------------------|-----------|-----------|-----------|-----------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| At the beginning of the year | 2,722,015 | 2,551,620 | 1,125,049 | 1,033,662 |
| Profit for the year | 182,859 | 170,395 | 159,275 | 91,387 |
| At the end of the year | 2,904,874 | 2,722,015 | 1,284,324 | 1,125,049 |

18 Subsidiaries

Details of the company's subsidiaries at 31 March 2020 are as follows:

| Name of undertaking and country of incorporation or residency | Nature of business | Class of shareholding | % Held Direct | |
|---|--|-----------------------|---------------|---|
| Scotsure Insurance Company 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 | - |