

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	Scottish Decorators Federation		
Year ended:	31 December 2020		
List No:	5010E		
Head or Main Office:	Pavilion 2		
	Castlecraig Business Park		
	Stirling		
Postcode	FK7 7SH		
Website address (if available)	www.scottishdecorators.co.uk		
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No <input checked="" type="checkbox"/> ('X' in appropriate box)
General Secretary:			
Contact name for queries regarding the completion of this return:	Neil Rogers		
Telephone Number:	01786 448838		
E-mail:	info@scottishdecorators.co.uk		

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 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@tcyoung.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
152				152

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
Committee Member		C Findlay	05 March 2020
Committee Member		A Patterson	05 March 2020

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year		£	£
	Income		
132,582	From Members	Subscriptions, levies, etc	146,348
			146,348
9,544	Investment income	Interest and dividends (gross)	11,733
4,164		Bank interest (gross)	789
		Other (specify)	
		Total Investment Income	12,522
			12,522
1,393	Other Income	Rents received	597
		Insurance commission	
		Consultancy fees	
6,837		Publications/Seminars	3,518
		Miscellaneous receipts (specify)	
133		Retail sales	
1,373		Miscellaneous	742
		Social events	3,253
		Coronavirus job retention scheme	6,335
		CITB refund	10,000
21,080		Grant	29,100
		Total of other income	53,545
		Total income	212,415
		Interfund Transfers IN	
	Expenditure		
95,053	Administrative expenses	Remuneration and expenses of staff	92,730
12,961		Occupancy costs	21,192
10,920		Printing, Stationery, Post	6,987
		Telephones	
7,356		Legal and Professional fees	23,886
		Miscellaneous (specify)	
2,715		Sundries	4,055
2,968		Computer costs	2,490
		Total of Admin expenses	151,340
	Other Charges	Bank charges	36
26,716		Depreciation	18,660
		Sums written off	
		Affiliation fees	
1,604		Donations	-3
5,357		Conference and meeting fees	2,289
3,691		Motor Expenses	6,354
		Miscellaneous (specify)	
2,168		Leasing	2,711
2,832		HP interest	2,119
-5,362		Gain on tangible fixed assets	
		Loss on investment property	50,086
-63,728		Gain on fixed asset investments	-37,028
		Total of other charges	45,224
22,211		Taxation	-313
		Total expenditure	196,251
		Interfund Transfers OUT	
		Surplus/Deficit for year	16,164
		Amount of fund at beginning of year	1,236,472
		Amount of fund at end of year	1,252,636

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 [31 December 2020]

(see notes 19 and 20)

Previous Year		£	£
390,956	Fixed Assets (as at Page 8)	192,210	192,210
	Investment property		130,000
704,031	Investments (as per analysis on page 9)		741,050
	Quoted (Market value £) as at Page 9		
	Unquoted (Market value £) as at Page 9		
	Total Investments	871,050	871,050
	Other Assets		
23,762	Sundry debtors	13,590	13,590
174,046	Cash at bank and in hand	212,999	212,999
	Stocks of goods		
	Others (specify)		
4,548	Trade debtors	44,888	44,888
2,613	VAT debtor		
204,969	Total of other assets	271,477	271,477
	Total Assets		1,334,737
1,236,472	Revenue Account/ General Fund	1,252,636	
	Revaluation Reserve		
	Liabilities		
29,136	HP Loan	20,836	
1,749	Sundry Creditors	9,843	
2,849	Tax payable	13,313	
8,750	Accrued expenses	19,123	
21,000	Deferred tax	18,986	
	Total Liabilities		82,101
	Total Assets		1,334,737

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	486,945	56,032	73,205	616,182
Additions during period				
Less: Transfer to investment property	-243,360			-243,360
Less: Depreciation	-71,854	-56,032	-52,726	-180,612
Total to end of period	171,731		20,479	192,210
Book Amount at end of period	171,731		20,479	192,210
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
Total of Fixed Assets	171,731		20,479	192,210

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)	
	See attached page 9A for full list	
	Total Quoted (as Balance Sheet)	741,050
	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

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
	£	£
Income		
From Members	146,348	146,348
From Investments	12,522	12,522
Other Income (including increases by revaluation of assets)	53,545	53,545
Total Income	212,415	212,415
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	196,251	196,251
Funds at beginning of year (including reserves)	1,236,472	1,236,472
Funds at end of year (including reserves)	1,252,636	1,252,636
ASSETS		
Fixed Assets		192,210
Investment Assets		871,050
Other Assets		271,477
Total Assets		1,334,737
Liabilities		
Total Liabilities		82,101
Net Assets (Total Assets less Total Liabilities)		1,252,636

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)			

Notes to the accounts

(see note 34)

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

See attached P12A - P12F


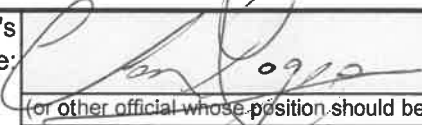
Accounting policies

(see notes 35 & 36)

Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Secretary's Signature:		Chairman's Signature:	
			<small>(or other official whose position should be stated)</small>
Name:	NEIL B ROGERS	Name:	IAN ROGERS
Date:	15-04-2021	Date:	15-04-2021

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	X	No	
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.

Yes

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.

Yes

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)

See attached P15A - P15D

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

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

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

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2020
FOR
SCOTTISH DECORATORS' FEDERATION**

French Duncan LLP
Chartered Accountants & Statutory Auditors
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
FK7 7WT

SCOTTISH DECORATORS FEDERATION

**NATIONAL COUNCIL'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The National Council present their report with the financial statements for the year ended 31 December 2020.

OFFICERS IN POST

The officers who served during the year were:

I Rogers – Chairman
N Rogers – Chief Executive
C Cochrane – President
A Munro – Senior Vice President
J Mitchell – Treasurer

Committee Members:

B Nicolson	D Clark	D McDonald
M Nevin	E Bannerman	D MacDonald
P Smith	B J Keenan	D Reid
M Stewart	M Johnston	W Dickie
C Cochrane	A Munro	J Mitchell
C Findlay (Appointed 05.03.20)	A Patterson (Appointed 05.03.20)	

SCOTTISH DECORATORS FEDERATION

**REPORT OF THE NATIONAL COUNCIL
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF THE MANAGEMENT COMMITTEE'S RESPONSIBILITIES

The Federation's Constitution requires the National Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Federation and of its surplus or deficit for that period. In preparing those financial statements, the National Council is required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Federation will continue in business.

The National Council is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Federation. They are also responsible for safeguarding the assets of the Federation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ON BEHALF OF THE COMMITTEE:


.....
N Rogers



Date: 7-04-2021

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

Opinion

We have audited the financial statements of Scottish Decorators' Federation (the 'Federation') for the year ended 31 December 2020, set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Federation's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Federation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the management committee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Federation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the management committee with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

Without qualifying our opinion, we draw attention to the disclosures made in Note 5 to the Financial Statements and the professional valuation of the investment property at 31 December 2020 reported on the basis of material valuation uncertainty as a result of the Covid-19 pandemic.

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

Other information

The management committee are responsible for the other information. The other information comprises the information included in the Report of the National Council, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the Report of the National Council for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the National Council has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Federation and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the National Council.

We have nothing to report in respect of the following matters in relation to which the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the National Council

The management committee are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view, and for such internal control as the management committee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The Federation is subject to laws and regulations that directly and indirectly affect the financial statements. Based on our understanding of the Federation and the environment it operates within and from discussions with management, we determined that the laws and regulations which were most significant included FRS 102, the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004 and tax legislation. We considered the extent to which non-compliance with these laws and regulations might have a material effect on the financial statements, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate expenditure and management bias in key accounting estimates such as revenue recognition.

Audit procedures performed by the engagement team included:

- discussions with management and those responsible for legal compliance procedures within the Federation to obtain an understanding of the legal and regulatory framework applicable to the Federation and how the Federation complies with that framework, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- enquiring of management as to actual and potential litigation and claims;
- reviewing minutes of National Council meetings;
- identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud and non-compliance with laws and regulations;
- challenging assumptions and judgements made by management;
- performing analytical procedures to identify any unusual or unexpected relationships, investigating the rationale behind significant or unusual transactions and agreeing financial statement disclosures to underlying supporting documentation.

There are inherent limitations in the audit procedures described above and the more removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the management committee and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

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

Use of our report

This report is made solely to members of the Federation, as a body, in accordance with the Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 2004. Our audit work has been undertaken so that we might state to the Federation's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Federation and the Federation's members, as a body, for our audit work, for this report, or for the opinions we have formed.



French Duncan LLP
Chartered Accountants & Statutory Auditors
Macfarlane Gray House
Castlecraig Business Park
Springbank Road
Stirling
FK7 7WT

Date: 13 April 2021

French Duncan LLP are eligible to act as auditors in terms of Section 1212 of the Companies Act 2006

SCOTTISH DECORATORS' FEDERATION

INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
INCOME			
Members Subscriptions			
- Total received		159,221	
- less 2020 subscriptions paid in advance		<u>(12,873)</u>	
Rental Income		597	1,393
Investment interest		789	4,164
Investment dividends – net		11,733	9,544
Grant income		29,100	21,080
Sundry	2	<u>23,848</u>	<u>8,343</u>
		212,415	177,106
Expenditure			
Wages		60,943	72,524
Pensions and healthcare		31,787	22,529
Rates, water and insurance		6,112	5,023
Light and heat		2,104	2,009
Postage and telephone		4,219	3,811
Printing and stationery		2,768	7,109
Sundries		4,055	2,715
Legal and professional fees		17,636	1,356
Computer costs		2,490	2,968
Annual conference and seminars		160	1,091
Office repairs and renewals		12,976	5,929
Motor expenses		6,354	3,691
Leasing		2,711	2,168
Bank charges		36	-
Hire purchase interest		2,119	2,832
Depreciation	4	18,660	26,716
Auditor's remuneration		6,250	6,000
Donations		(3)	1,604
Officials expenses		2,129	4,266
(Gain) / loss on tangible fixed assets		-	(5,362)
(Gain) / loss on investment property		50,086	-
(Gain) / loss on fixed asset investments		<u>(37,028)</u>	<u>(63,728)</u>
		196,564	105,251
NET SURPLUS FOR THE YEAR BEFORE TAXATION		15,851	71,855
Taxation	10	<u>313</u>	<u>(22,211)</u>
NET SURPLUS FOR YEAR AFTER TAX		16,164	49,644

SCOTTISH DECORATORS' FEDERATION

**BALANCE SHEET
AT 31 DECEMBER 2020**

	Notes	2020 Total funds £	2019 Total funds £
FIXED ASSETS			
Tangible assets	4	192,210	390,956
Investment Property	5	130,000	-
Investments	6	<u>741,050</u>	<u>704,031</u>
		1,063,260	1,094,987
CURRENT ASSETS			
Debtors	7	58,478	30,923
Cash at bank		<u>212,999</u>	<u>174,046</u>
		271,477	204,969
CREDITORS			
Amounts falling due within one year	8	(45,689)	(21,648)
NET CURRENT ASSETS			
		<u>225,788</u>	<u>183,321</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		1,289,048	1,278,308
CREDITORS			
Amounts falling due after more than one year	9	(17,426)	(20,836)
PROVISIONS FOR LIABILITIES			
Deferred tax	11	(18,986)	(21,000)
NET ASSETS			
		<u>1,252,636</u>	<u>1,236,472</u>
TOTAL FUNDS			
		<u>1,252,636</u>	<u>1,236,472</u>

The financial statements were approved by the Management Committee on
were signed on its behalf by:

7/4/21 and

James Allan

N. Rogers
N. Rogers

SCOTTISH DECORATORS' FEDERATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

- **Going concern**
The Scottish Decorators' Federation Trustees consider that there are no material uncertainties about the Federation's ability to continue as a going concern. The Federation also has a strong balance sheet with significant bank balances. Advantage has been taken of government support and initiatives which together with the significant investments held should enable it to meet its liabilities as and when they fall due. Investment income has continued to be received throughout the COVID-19 pandemic to date (with no sign of this abating). Member subscriptions have also remained at a strong position following the year end. For these reasons the Scottish Decorators' Federation Trustees are satisfied that the Scottish Decorators' Federation will have adequate resources to continue as a going concern for the foreseeable future.
- **Subscriptions**
Subscription income represents total amount receivable for membership of the Federation from individual members and branches excluding VAT.
- **Government grants**
Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature, including in relation to the Coronavirus Job Retention Scheme, are recognised in the Income and Expenditure Account in the same period as the related expenditure.
- **Investments**
Listed investments are included at market value based on the closing middle market prices at the balance sheet date.

Gains and losses arising on the annual re-valuation of these listed investments is recognised in the Income and Expenditure Account.
- **Operating Leases**
The Federation enters into lease arrangements for the use of plant and equipment. The classification of such leases requires the Federation to determine, based on evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Where it is determined that the significant risks and rewards of ownership of these assets does not transfer to the Federation the rental payments are allocated to the Income and Expenditure Account on a straight line basis when they fall due.
- **Hire Purchase Agreements**
Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the payment is charged to the Income and Expenditure Account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

SCOTTISH DECORATORS' FEDERATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

- **Pensions**

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

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

- **Tangible fixed assets**

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Income and Expenditure account.

- **Investment property**

Investment property is property owned by the Federation and held for long term rental or for capital appreciation or both. Investment property is initially recognised at cost and is revalued at the Balance Sheet date to fair value as determined by an independent valuer in accordance with the RICS Valuation Standards.

SCOTTISH DECORATORS' FEDERATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. SUNDRY INCOME

	2020	2019
	£	£
Publications	3,518	6,837
SCORE receipts	575	-
Retail sales	-	133
Miscellaneous	167	60
Social events	3,253	-
Competition costs	-	1,313
Corona Virus Job retention scheme	6,335	-
Refund from CITB	<u>10,000</u>	-
	<u>23,848</u>	<u>8,343</u>

3. EMPLOYEES

The average monthly number of employees during the year was 3 (2019 – 4).

4. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£
COST					
At 1 January 2020	486,945	56,032	64,952	8,253	616,182
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer to Investment property	<u>(243,360)</u>	-	-	-	<u>(243,360)</u>
At 31 December 2020	<u>243,585</u>	<u>56,032</u>	<u>64,952</u>	<u>8,253</u>	<u>372,822</u>
DEPRECIATION					
At 1 January 2020	126,606	56,032	37,202	5,386	225,226
Charge for year	8,522	-	9,000	1,138	18,660
Eliminated on transfer	<u>(63,274)</u>	-	-	-	<u>(63,274)</u>
At 31 December 2020	<u>71,854</u>	<u>56,032</u>	<u>46,202</u>	<u>6,524</u>	<u>180,612</u>
NET BOOK VALUE					
At 31 December 2020	<u>171,731</u>	<u>-</u>	<u>18,750</u>	<u>1,729</u>	<u>192,210</u>
At 31 December 2019	<u>360,339</u>	<u>-</u>	<u>27,750</u>	<u>2,867</u>	<u>390,956</u>

Hire Purchase agreements

Included within the net book value of £238,599 is £18,750 (2019 - £27,750) relating to assets held under hire purchase agreements.

The depreciation charged to the financial statements in the year in respect of these assets amounted to £9,000 (2019 - £15,400).

SCOTTISH DECORATORS' FEDERATION

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. INVESTMENT PROPERTY

	Land and buildings Freehold £
Valuation	
At 1 January 2020	-
Additions	-
Disposals	-
Transfer from Freehold property	133,400
Gain/(loss) on revaluation	(3,400)
	<u>130,000</u>
At 31 December 2020	<u>130,000</u>

During the year a separately identifiable part of the freehold property was leased to a third party. Under accounting standards this part of the property has been reclassified as investment property and shown at fair value at the year end. The property was professionally valued resulting in a loss on valuation of £50,089 being recorded in the Income and Expenditure Statement.

An inspection of the property was undertaken by Gavin Russell BSc (Hons) MRICS of J & E Shepherd, Chartered Surveyors, acting as an external valuer, on 05 February 2021. The report has been prepared in accordance with the RICS – Global Standards 2020 incorporating the IVSC International Valuation Standards.

The valuer has reported that due to the Covid-19 pandemic property market activity has been impacted in many sectors. At the valuation date the valuer has attached less weight to previous market evidence for comparison purposes to inform opinion of value. The current response to Covid-19 means valuers are faced with an unprecedented set of circumstances on which to base a judgement. Hence the valuation is reported on the basis of 'material valuation uncertainty' per VPS 3 and VPGA 10 of the RICS Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to this valuation than would normally be the case.

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2020	704,031
Disposals	(9)
Revaluations	<u>37,028</u>
At 31 December 2020	<u>741,050</u>
HISTORICAL COST	<u>577,581</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	44,888	4,548
VAT debtor	-	2,613
Other debtors	<u>13,590</u>	<u>23,762</u>
	<u>58,478</u>	<u>30,923</u>

SCOTTISH DECORATORS' FEDERATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2020****8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Hire purchase	6,160	8,300
Trade creditors	7,093	1,749
Taxation and social security	13,313	2,849
Other creditors	<u>19,123</u>	<u>8,750</u>
	<u>45,689</u>	<u>21,648</u>

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

	2020	2019
	£	£
Hire purchase	14,676	20,836
Other creditors	<u>2,750</u>	<u>-</u>
	<u>17,426</u>	<u>20,836</u>

10. TAXATION: ANALYSIS OF THE TAX CHARGE

The tax charge for the year was as follows:

	2020	2019
	£	£
Current Tax:		
UK Corporation Tax	1,701	1,211
	<u>1,701</u>	<u>1,211</u>
Deferred Tax:		
(Credited)/charged to income and expenditure	<u>(2,014)</u>	<u>21,000</u>
Total tax (credited)/charged to income and expenditure	<u>(313)</u>	<u>22,211</u>

11. DEFERRED TAX PROVISION

	2020	2019
	£	£
Balance at 1 January 2020	21,000	-
(Credited)/charged to income and expenditure	<u>(2,014)</u>	<u>21,000</u>
Balance at 31 December 2020	<u>18,986</u>	<u>21,000</u>

12. POST BALANCE SHEET EVENTS

Since March 2020, and continuing until the date of signing of these financial statements and beyond, the UK and the world has faced unprecedented uncertainty and disruption as a result of COVID-19. The management committee has considered the effects of this pandemic on the operations and any going concern implications for the Federation post year-end with full details noted in section 1, going concern accounting policy.