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Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:

Scottish Engineering

Year ended:

30 November 2021

List No:

11 E (S)

Head or Main Office:

105 West George Street

Glasgow

Postcode

G2 1QL

Website address (if available)

www.scottishengineering.co.uk

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

Yes

No

X

('X' in appropriate box)

General Secretary:

Chief Executive: Paul Sheerin

Contact name for queries regarding the completion of this return:

Mrs Rebecca Rigg

Telephone Number:

0141 221 3181

E-mail:

rebeccarigg@scottishengineering.org.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
376				376

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
No changes			

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
1,005,511	From Members	Subscriptions, levies, etc	989,583	989,583
	Investment income	Interest and dividends (gross)		
634		Bank interest (gross)	230	230
		Other (specify)		
35,695		Dividends	34,033	34,033
		Total Investment Income	34,263	34,263
36,329	Other Income	Rents received		
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
-5,481		Annual dinner surplus	23,592	23,592
		Total of other income		23,592
-5,481		Total income		1,047,438
1,036,359		Interfund Transfers IN		
	Expenditure			
677,413	Administrative expenses	Remuneration and expenses of staff	681,071	681,071
74,375		Occupancy costs	97,713	97,713
15,073		Printing, Stationery, Post	14,240	14,240
7,917		Telephones	8,323	8,323
90,255		Legal and Professional fees	150,126	150,126
		Miscellaneous (specify)		
41,997		Motor & travel expenses	36,933	36,933
1,095		General expenses	1,899	1,899
11,163		Subscriptions	11,169	11,169
		Total of Admin expenses		1,001,474
919,288	Other Charges	Bank charges	2,459	2,459
3,209		Depreciation		
		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
26,341		Unwinding of pension obligation	23,836	23,836
22,484		Fair value changes	-153,355	-153,355
10,192		Loss/(Gain) on disposal of investments	13,393	13,393
		Actuarial loss on pension scheme	550,596	550,596
		Total of other charges		436,929
-8,151		Taxation	13,930	13,930
973,363		Total expenditure		1,452,333
		Interfund Transfers OUT		
62,996		Surplus/Deficit for year		-404,895
		Amount of fund at beginning of year		3,316,286
		Amount of fund at end of year		2,911,391

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 [30 November 2021]

(see notes 19 and 20)

Previous Year		£	£
	Fixed Assets (as at Page 8)		
	Investments (as per analysis on page 9)		
1,361,650	Quoted (Market value £) as at Page 9		1,576,540
672,451	Unquoted (Market value £) as at Page 9		672,451
	Total Investments	2,248,991	2,248,991
	Other Assets		
300	Sundry debtors		
357,138	Cash at bank and in hand	281,117	281,117
	Stocks of goods		
	Others (specify)		
10,281	Trade debtors	150	
30,277	Prepayments and accrued income	25,360	
	VAT	2,796	
397,996	Total of other assets	309,423	309,423
	Total Assets		2,558,414
3,316,286	Revenue Account/ General Fund	2,911,391	
	Revaluation Reserve		
7,500	Capital reserve fund	7,500	
1,682,141	Income & expenditure	1,682,141	
	Liabilities		
2,202	Tax	27,407	
5,849	Other creditors	1,779	
59,654	Accruals and deferred income	116,485	
674,751	Provisions	1,127,997	
742,456	Total Liabilities		1,273,668
2,432,097	Total Assets		2,558,414

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period		50,000		50,000
Additions during period				
Less: Disposals				
Less: Depreciation		-50,000		-50,000
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)	
	Investment portfolio	1,576,540
	Total Quoted (as Balance Sheet)	1,576,540
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Fyfe Chambers (First Floor) Ltd	672,451
	Total Unquoted (as Balance Sheet)	672,451
	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	989,583	989,583
From Investments	34,263	34,263
Other Income (including increases by revaluation of assets)	23,592	23,592
Total Income	1,047,438	1,047,438
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	1,452,333	1,452,333
Funds at beginning of year (including reserves)	5,005,927	5,005,927
Funds at end of year (including reserves)	4,601,032	4,601,032
ASSETS		
Fixed Assets		
Investment Assets		2,248,991
Other Assets		309,423
Total Assets		2,558,414
Liabilities		
Total Liabilities		-2,042,618
Net Assets (Total Assets less Total Liabilities)		4,601,032

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.

Please see the attached Notes to the accounts at the end of this return.

Accounting policies

(see notes 35 & 36)

Please see Note 2 in the attached Notes to the accounts at the end of this return.

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>Rebecca Rigg</i>	Chairman's Signature: <i>R Ayre</i>
Name: Rebecca Rigg	Name: Rodney Ayre
Date: 31 March 2022	Date: 31 March 2022

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.

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)

Please see the attached auditor's report.

Signature(s) of auditor or auditors:		
Name(s):	Graham Cantlay	
Profession(s) or Calling(s):	Chartered Accountant	
Address(es)	Robb Ferguson Regent Court 70 West Regent Street Glasgow G2 2QZ	
Date:		
Contact name for enquiries and telephone number:	0141 248 7411	

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 Members of
Scottish Engineering**

Opinion

We have audited the financial statements of Scottish Engineering (the 'association') for the year ended 30 November 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position 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 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 association's affairs as at 30 November 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 30 November 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 association 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. Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions available for Small Entities (Revised)", 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 members' representative'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 association'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 members' representatives with respect to going concern are described in the relevant sections of this report.

Other information

The members' representative is 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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Report of the Independent Auditors to the Members of
Scottish Engineering**

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the association and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' Representatives Report.

We have nothing to report in respect of the following matters where applicable law requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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 members' representative

As explained more fully in the Members' Representatives Responsibilities Statement set out on page three, the members' representative is 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 members' representative determines 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 members' representative are responsible for assessing the association'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 members' representative either intends to liquidate the association or to cease operations, or has no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
Scottish Engineering**

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 a Report of the Auditors 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:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the members representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Report of the Auditors.

Use of our report

This report is made solely to the members of the association. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members of the association, for our audit work, for this report, or for the opinions we have formed.



Graham Cantlay (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Date: 16 December 2021