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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 Decorators Federation

Year ended:

31 December 2022

List No:

5010E

Head or Main Office:

Pavilion 2

Castlecraig Business Park

Stirling

Postcode FK7 7SH

Website address (if available)

[www.scottishdecorators.co.uk](http://www.scottishdecorators.co.uk)

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

Yes  No  ('X' in appropriate box)

General Secretary:

*Neil Rogers*

Contact name for queries regarding the completion of this return:

Neil Rogers

Telephone Number:

01786 448838

E-mail:

[info@scottishdecorators.co.uk](mailto: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 1093502

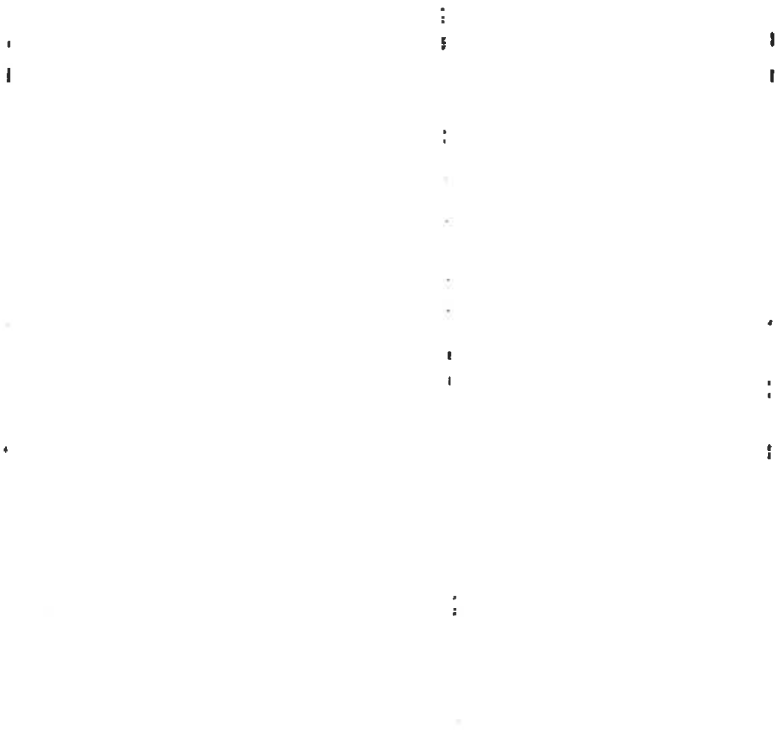
You should send the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: [returns@certoffice.org](mailto:returns@certoffice.org)

For Employers' Associations based in Scotland: [ymw@tcyoung.co.uk](mailto: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
180				180

## Change of Officers

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

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
President	A. Munro	M. Nevin	31 March 2022
Senior Vice President	M. Nevin	C. Findlay	31 March 2022



## Revenue Account / General Fund

(see notes 11 to 18)

Previous Year			£	£
	<b>Income</b>			
127,981	<b>From Members</b>	<b>Subscriptions, levies, etc</b>	134,705	134,705
11,863	<b>Investment income</b>	<b>Interest and dividends (gross)</b>	13,924	13,924
698		<b>Bank interest (gross)</b>	758	758
		<b>Other (specify)</b>		
		<b>Total Investment Income</b>	<b>14,682</b>	<b>14,682</b>
17,963	<b>Other Income</b>	<b>Rents received</b>	18,750	18,750
		<b>Insurance commission</b>		
		<b>Consultancy fees</b>		
		<b>Publications/Seminars</b>		
		<b>Miscellaneous receipts (specify)</b>		
2,412		<b>Retail sales</b>		
		<b>Miscellaneous</b>	2,257	2,257
		<b>Social events</b>		
		<b>Coronavirus job retention scheme</b>		
27,000		<b>CITB refund</b>		
		<b>Grant</b>	27,999	27,999
		<b>Total of other income</b>		<b>49,006</b>
		<b>Total Income</b>		<b>198,393</b>
		<b>Interfund Transfers IN</b>		
	<b>Expenditure</b>			
86,187	<b>Administrative expenses</b>	<b>Remuneration and expenses of staff</b>	78,276	78,276
16,119		<b>Occupancy costs</b>	14,008	14,008
10,738		<b>Printing, Stationery, Post</b>	17,575	17,575
		<b>Telephones</b>		
14,770		<b>Legal and Professional fees</b>	9,589	9,589
		<b>Miscellaneous (specify)</b>		
6,292		<b>Sundries</b>	15,838	15,838
2,660		<b>Computer costs</b>	3,396	3,396
		<b>Subscriptions</b>	93	93
		<b>Total of Admin expenses</b>		<b>138,775</b>
90	<b>Other Charges</b>	<b>Bank charges</b>		
15,324		<b>Depreciation</b>	15,766	15,766
		<b>Sums written off</b>		
		<b>Affiliation fees</b>		
-29		<b>Donations</b>	-29	-29
4,918		<b>Conference and meeting fees</b>	9,950	9,950
2,574		<b>Motor Expenses</b>	1,306	1,306
		<b>Miscellaneous (specify)</b>		
1,337		<b>Leasing</b>	1,602	1,602
1,847		<b>HP interest</b>	2,921	2,921
-8,000		<b>Gain on tangible fixed assets</b>		
		<b>Loss on investment property</b>		
-44,200		<b>Loss on fixed asset investments</b>	120,205	120,205
		<b>Total of other charges</b>		<b>151,721</b>
-313		<b>Taxation</b>		-22,881
		<b>Total expenditure</b>		<b>267,615</b>
		<b>Interfund Transfers OUT</b>		
		<b>Surplus/Deficit for year</b>		<b>-69,222</b>
		<b>Amount of fund at beginning of year</b>		1,316,265
		<b>Amount of fund at end of year</b>		1,247,043



**Accounts other than Revenue Account/General Fund**  
(see notes 17 to 18)

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

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



**Accounts other than Revenue Account/General Fund**  
(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
		<b>Total Income</b>	
	<b>Interfund Transfers IN</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
		<b>Total Expenditure</b>	
	<b>Interfund Transfers OUT</b>		
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	

Account 7		Fund Account	
Name of account:		£	£
<b>Income</b>	From members		
	Investment income		
	Other income (specify)		
		<b>Total Income</b>	
	<b>Interfund Transfers IN</b>		
<b>Expenditure</b>	Administrative expenses		
	Other expenditure (specify)		
		<b>Total Expenditure</b>	
	<b>Interfund Transfers OUT</b>		
		<b>Surplus (Deficit) for the year</b>	
		<b>Amount of fund at beginning of year</b>	
		<b>Amount of fund at the end of year (as Balance Sheet)</b>	

**Balance Sheet as at [ 31 December 2022 ]**

(see notes 19 and 20)

Previous Year		£	£
205,885	<b>Fixed Assets (as at Page 8)</b>	190,767	190,767
130,000	<b>Investment property</b>		130,000
	<b>Investments (as per analysis on page 9)</b>		
794,388	Quoted (Market value £ ) as at Page 9		672,824
	Unquoted (Market value £ ) as at Page 9		
	<b>Total Investments</b>	802,824	802,824
	<b>Other Assets</b>		
26,737	Sundry debtors	36,867	36,867
218,424	Cash at bank and in hand	235,189	235,189
	Stocks of goods		
	Others (specify)		
26,203	Trade debtors	26,435	26,435
	VAT debtor		
270,364	<b>Total of other assets</b>	298,491	298,491
	<b>Total Assets</b>		1,292,082
1,316,265	<b>Revenue Account/ General Fund</b>	1,247,043	
	<b>Revaluation Reserve</b>		
	<b>Liabilities</b>		
31,921	HP Loan	26,604	
4,716	Sundry Creditors	4,441	
14,640	Tax payable	2,336	
12,342	Accrued expenses	11,858	
20,751			
	<b>Total Liabilities</b>		45,039
	<b>Total Assets</b>		1,292,082

## Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
<b>Cost or Valuation</b>				
At start of period	243,585	56,032	49,604	349,221
Additions during period			648	648
Less: Disposals				
Less: Depreciation	-81,598	-56,032	-21,473	-159,102
Total to end of period	161,987		28,779	190,767
<b>Book Amount at end of period</b>	<b>161,987</b>		<b>28,779</b>	<b>190,767</b>
Freehold				
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)				
<b>Total of Fixed Assets</b>	<b>161,987</b>		<b>28,779</b>	<b>190,767</b>

# Analysis of Investments

(see note 22)

Quoted		Other Funds
	<b>British Government &amp; British Government Guaranteed Securities</b>	
	<b>British Municipal and County Securities</b>	
	<b>Other quoted securities (to be specified)</b>	
	See attached page 9A <sup>5</sup> for full list	
	<b>Total Quoted (as Balance Sheet)</b>	<b>672,824</b>
	<b>Market Value of Quoted Investments</b>	
<b>Unquoted</b>	<b>British Government Securities</b>	
	<b>British Municipal and County Securities</b>	
	<b>Mortgages</b>	
	<b>Other unquoted investments (to be specified)</b>	
	<b>Total Unquoted (as Balance Sheet)</b>	
	<b>Market Value of Unquoted Investments</b>	

\* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

other quoted securities (to be specified):

<b>Previous Year</b>		<b>Current Year</b>
80,921	Standard Life Global IL Bond/Aberdeen Standard Fund	64,142
-	Treasury Index-Linked 2029	
77,330	Treasury 1.25% Index-Linked 2032	63,711
-	S&W Short Dated Corporate Bond Z Inc	
72,073	Aberdeen Standard Fund	56,066
65,170	Threadneedle UK Corp Bond 2 Inc	0
21,228	Aberforth smaller companies	19,169
-	City of London	
15,951	HICL Infrastructure Co	14,849
23,409	Murray Income trust	21,522
28,905	Banker Investment trust	23,265
33,092	Fundsmith Equity Inc	28,530
12,095	Henderson far east Income	11,203
29,913	JP Morgan American IT	26,715
11,560	Murrey International	13,340
20,664	BNY Mellon Asset MGT	21,705
22,000	RIT Capital Partner	17,000
19,093	Sarasin Gbl Higher Dividend P Inc	17,679
35,464	Polar Capital technology Trust	22,412
44,634	ISHARES II PLC USD TIPS UCITS ETF (GBP)	38,056
44,662	Treasury 1/8% I/L Gilt 10/08/2031	38,155
11,529	Greencoat UK Wind PLC	12,464
16,172	Artemis Fund MGRS	13,039
16,362	Smithson Investment Trst PLC	10,595
10,815	Worldwide Healthcare Trust	9,675
11,543	Fidelity Investment Services	9,425
10,063	JP Morgan Asset MGRS (UK)	7,488
15,789	ISHARES PLC	17,658
10,557	M&G Securities Ltd	9,974
17,570	Personal asset trust	16,713
15,822	Ruffer Investment	16,794
-	Artemis Fund Mgrs Corp Bond F Inc	51,480
<u>794,386</u>		<u>672,824</u>

## 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	<input checked="" type="checkbox"/>
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If Yes name the relevant companies:

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

### 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
	£	£
<b>Income</b>		
From Members	134,705	134,705
From Investments	14,682	14,682
Other Income (including increases by revaluation of assets)	49,006	49,006
<b>Total Income</b>	<b>198,393</b>	<b>198,393</b>
<b>Expenditure</b> (including decreases by revaluation of assets)		
<b>Total Expenditure</b>	<b>267,615</b>	<b>267,615</b>
<b>Funds at beginning of year</b> (including reserves)	<b>1,316,265</b>	<b>1,316,265</b>
<b>Funds at end of year</b> (including reserves)	<b>1,247,043</b>	<b>1,247,043</b>
<b>ASSETS</b>		
Fixed Assets		190,767
Investment Assets		802,824
Other Assets		298,491
<b>Total Assets</b>		<b>1,292,082</b>
<b>Liabilities</b>	<b>Total Liabilities</b>	<b>45,039</b>
<b>Net Assets (Total Assets less Total Liabilities)</b>		<b>1,247,043</b>

## Summary Sheet

(see notes 24 to 33)

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



**Notes to the accounts**

(see note 34)

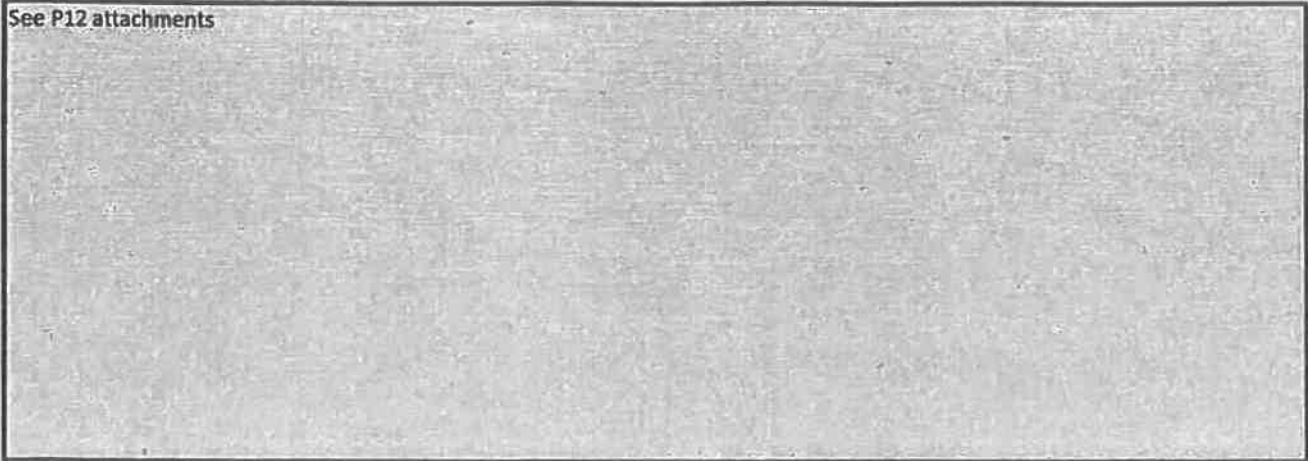
All notes to the accounts must be entered on or attached to this part of the return.

See attached P12A - P12E

## Accounting policies

(see notes 35 & 36)


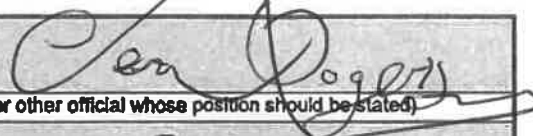
See P12 attachments



## Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

<b>Secretary's Signature:</b>		<b>Chairman's Signature:</b>	
			<small>(or other official whose position should be stated)</small>
<b>Name:</b>	NEIL ROGERS	<b>Name:</b>	IAN ROGERS
<b>Date:</b>	16-05-2023	<b>Date:</b>	16-05-2023

## Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	<input checked="" type="checkbox"/>	No	
Has the list of officers been completed? (see Page 2A)	Yes	<input checked="" type="checkbox"/>	No	
Has the return been signed? (see Note 37)	Yes	<input checked="" type="checkbox"/>	No	
Has the auditor's report been completed? (see Note 41)	Yes	<input checked="" type="checkbox"/>	No	
Is the rule book enclosed? (see Note 39)	Yes	<input checked="" type="checkbox"/>	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	<input checked="" type="checkbox"/>	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

<b>Signature(s) of auditor or auditors:</b>		
<b>Name(s):</b>	French Duncan LLP	
<b>Profession(s) or Calling(s):</b>	Chartered Accountants & Statutory Auditors	
<b>Address(es)</b>	Macfarlane Gray House Castlecraig Business Park Springbank Road Stirling FK7 7WT	
<b>Date:</b>	21 March 2023	
<b>Contact name for enquiries and telephone number:</b>	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.**

## SCOTTISH DECORATORS' FEDERATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 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 and investment portfolio. After considering the potential impact of current economic uncertainties and inflationary pressures and with member subscriptions and other investment income at current levels a surplus before movements in fixed asset investments is expected in future years. 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 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 2022**

**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 based on a valuation 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 2022**

**2. SUNDRY INCOME**

	2022 £	2021 £
SCORE receipts	683	833
Miscellaneous	1,274	1,054
Competition costs	<u>300</u>	<u>525</u>
	<u>2,257</u>	<u>2,412</u>

**3. EMPLOYEES**

The average monthly number of employees during the year was 3 (2021 – 3).

**4. TANGIBLE FIXED ASSETS**

	Heritable property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2022	243,585	56,032	41,351	8,253	349,221
Additions	-	-	-	648	648
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u>243,585</u>	<u>56,032</u>	<u>41,351</u>	<u>8,901</u>	<u>349,869</u>
<b>DEPRECIATION</b>					
At 1 January 2022	76,726	56,032	2,915	7,663	143,336
Charge for year	4,872	-	10,250	644	15,766
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2022	<u>81,598</u>	<u>56,032</u>	<u>13,165</u>	<u>8,307</u>	<u>159,102</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>161,987</u>	<u>-</u>	<u>28,186</u>	<u>593</u>	<u>190,767</u>
At 31 December 2021	<u>166,859</u>	<u>-</u>	<u>38,436</u>	<u>590</u>	<u>205,885</u>

**Hire Purchase agreements**

Included within the net book value of £190,767 is £28,186 (2021 - £38,438) 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 £10,250 (2021 - £9,313).

**SCOTTISH DECORATORS' FEDERATION**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**5. INVESTMENT PROPERTY**

	<b>Land and buildings Freehold £</b>
<b>Valuation</b>	
At 1 January 2022 and 31 December 2022	<u><b>130,000</b></u>

The property received a full professional valuation in February 2021 by J&E Shepherd, Chartered Surveyors.

Based on current updated information from the surveyors, the Trustees have retained the same value at 31 December 2022.

**6. FIXED ASSET INVESTMENTS**

	<b>Listed investments £</b>
<b>MARKET VALUE</b>	
At 1 January 2022	794,386
Additions	52,368
Disposals	(53,725)
Revaluations	<u>(120,205)</u>
At 31 December 2022	<u><b>672,824</b></u>
<b>HISTORICAL COST</b>	<u><b>595,326</b></u>

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

	<b>2022 £</b>	<b>2021 £</b>
Trade debtors	26,435	26,203
Prepayments and Accrued income	4,118	3,774
Other debtors	<u>32,749</u>	<u>21,963</u>
	<u><b>63,302</b></u>	<u><b>51,940</b></u>

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

	<b>2022 £</b>	<b>2021 £</b>
Hire purchase	5,984	5,316
Trade creditors	1,691	1,966
Taxation and social security	2,336	14,640
Accruals and deferred income	<u>11,658</u>	<u>12,342</u>
	<u><b>21,669</b></u>	<u><b>34,264</b></u>



**SCOTTISH DECORATORS' FEDERATION****NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 DECEMBER 2022****9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021
	£	£
Hire purchase	20,620	26,605
Other creditors	<u>2,750</u>	<u>2,750</u>
	<u>23,370</u>	<u>29,355</u>

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

The tax charge for the year was as follows:

	2022	2021
	£	£
Current Tax:		
UK Corporation Tax	<u>(2,130)</u>	<u>11,996</u>
	<u>(2,130)</u>	<u>11,996</u>
Deferred Tax:		
(Credited)/charged to income and expenditure	<u>(20,751)</u>	<u>1,765</u>
Total tax (credited)/charged to income and expenditure	<u>(22,881)</u>	<u>13,761</u>

**11. DEFERRED TAX PROVISION**

	2022	2021
	£	£
Balance at 1 January 2022	20,751	18,986
(Credited)/charged to income and expenditure	<u>(20,751)</u>	<u>1,765</u>
Balance at 31 December 2022	=	<u>20,751</u>

## **Opinion**

We have audited the financial statements of Scottish Decorators' Federation (the 'Federation') for the year ended 31 December 2022, 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 2022 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.

## **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:

## **SCOTTISH DECORATORS' FEDERATION**

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

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- 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.

#### **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 extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Federation through discussions with management, and from our commercial knowledge;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Federation, including the Trade Union and Labour Relations

## **SCOTTISH DECORATORS' FEDERATION**

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

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(Consolidation) Act 1992 as amended by the Employment Relations Act 2004, FRS 102, taxation legislation and data protection, anti-bribery, employment, and health and safety legislation;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Federation's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed high level analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed the laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of management and the inspections 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**SCOTTISH DECORATORS' FEDERATION**

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

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**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  
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Stirling  
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Date: 21 March 2023

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

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