

# Scottish Homing Union

Annual Report and Financial Statements

for the Year Ended 1 October 2016

Alexander Marshall  
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Motherwell  
Lanarkshire  
ML1 3BY

**Scottish Homing Union**  
**Report of the Council for the Year Ended 1 October 2016**

The Council has pleasure in presenting its report and the financial statements of the union for the year ended 1 October 2016.

**Officers**

The officers who served the union during the year were as follows:

Mr I Noble

Mr G Turnbull

Mr D Bald

The Council has in total 30 members consisting of delegates from each federation. Each federation is entitled to be represented by one delegate for every 100 members or part thereof.

**Principal activity**

The objects and principal activities of the union are restricted to Scotland and during the year were:

The provision of an organisation for persons interested in pigeon racing and showing in all its branches.

The provision of uniform rules and regulations for the ringing and registration of racing pigeons as to the ownership and transfer of same and for the conduct of races and shows.

The promotion of races and shows and the providing of money and other prizes for same and grant donations for objects approved by the Annual General Meeting.

The trading in requisites for the provision and benefit of members as approved by the Annual General Meeting.

The provision of a Court of Appeal for the final disposal of all questions or disputes that may arise between its members and organisations.

The protection and advancement of the interests of its members with legal aid in respect of questions arising between themselves and/or third parties on matters falling within the foregoing objects and approved by the Council.

Approved by the Council on 22 November 2016 and signed by order of the Council:

Mrs L Brooks  
Union secretary

## **Independent Auditor's Report to the Members of Scottish Homing Union**

We have audited the financial statements of Scottish Homing Union for the year ended 1 October 2016, set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

### **Respective responsibilities of council and auditor**

As explained more fully in the Statement of Responsibilities of the Council (set out on page ), the Council is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the union's affairs as at 1 October 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the constitution and rules.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor's Report to the Members of  
Scottish Homing Union**

*..... continued*

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept; 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;

David Marshall (Senior Statutory Auditor)  
For and on behalf of Alexander Marshall, Statutory Auditor

84 Hamilton Road  
Motherwell  
Lanarkshire  
ML1 3BY

22 November 2016

**Scottish Homing Union**  
**Income and Expenditure Account for the Year Ended 1 October 2016**

	Note	2016 £	2015 £
Membership fees and income	2	108,549	112,191
Direct activity expenditure		<u>(38,241)</u>	<u>(39,654)</u>
Gross surplus		70,308	72,537
Administrative expenses		(58,429)	(60,949)
Other operating income		<u>-</u>	<u>600</u>
Operating surplus		11,879	12,188
Other interest receivable and similar income		<u>113</u>	<u>114</u>
Surplus on ordinary activities before taxation		11,992	12,302
Tax on surplus on ordinary activities	4	<u>(23)</u>	<u>(143)</u>
Surplus for the financial year	8	<u><u>11,969</u></u>	<u><u>12,159</u></u>

The notes on pages 6 to 10 form an integral part of these financial statements.

**Scottish Homing Union**  
**Balance Sheet at 1 October 2016**

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible fixed assets	5	461	615
<b>Current assets</b>			
Stocks		5,559	10,141
Debtors	6	5,524	6,987
Cash at bank and in hand		140,339	117,178
		151,422	134,306
Creditors: Amounts falling due within one year	7	(10,930)	(6,622)
Net current assets		140,492	127,684
Net assets		140,953	128,299
<b>Capital and reserves</b>			
Other reserves	8	5,556	4,871
Surplus and deficit account	8	135,397	123,428
Members' funds		140,953	128,299

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2015).

For the year ending 1 October 2016 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved and authorised for issue by the Council on 22 November 2016 and signed on its behalf by:

Mr I Noble  
Member of the Council

The notes on pages 6 to 10 form an integral part of these financial statements.

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2016

#### 1 Accounting policies

##### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirements to prepare such a statement.

##### Income

Income represents monies received (excluding value added tax) from membership and registration fees, other services and sales to members and other related activities.

##### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	20% Straight line
Fixtures and fittings	25% Reducing balance

##### Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

##### Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

#### 2 Membership fees and income

	2016	2015	2016	2015
			£	£
Aberdeen	59	62	1003	1,023
Almond Valley	113	115	1921	1,898
Angus	55	54	935	891
Ayr Road North	61	47	1037	776
Ayrshire	201	227	3417	3,750
Central	80	82	1360	1,353
Dundee	49	52	833	858
East of Scotland	39	42	663	693
Fife	107	106	1819	1,749
Highlands & Islands	36	42	612	693
Individual Clubs	108	113	1835	1,865

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2016

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Lanarkshire	407	408	6919	6,732
Midland	44	48	748	792
Midlothian	36	40	612	660
North of Scotland	130	136	2210	2,244
North West	113	117	1923	1,930
Pentland Hills	177	190	3009	3,135
Renfrewshire	36	37	612	610
Scottish Border	41	44	703	726
Solway	164	168	2782	2,772
South West	31	38	527	627
Less VAT	2087	2,168	-5913	-5,963
Individual members	140	129	2379	2,066
Less VAT	2227	2,297	-396	-355
Total membership fees	2227	2,297	31550	31,525
Registration of lofts			274	233
Seals and pliers			1413	1,265
Rubber rings			3814	4,239
Metal rings			29567	29,924
Electronic rings			28389	30,626
Stray collection receipts			2020	1,945
Transfer fees			3751	4,152
Ring verification			271	466
Click in clock sales			0	203
Medical research contribution			1274	1,182
Measurement fees			4407	4,055
Contributions to postage			1108	1,486
Miscellaneous receipts			440	389
Card and tie sales			137	335
Advertising			134	166
Total			108549	112191



## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2016

..... *continued*

#### 3 Direct activity expenditure

	2016	2015
	£	£
Rubber rings	2353	3,197
Metal rings	4043	4,632
Clock seals and pliers	641	568
Electronic rings	27390	27,614
Stray collections	1631	1,554
Cards	0	540
Trophies	515	268
Medical research donation	1434	1,341
Measurement fees	84	0
Confederation subscription	150	100
Click in clocks	0	(160)
	<u>38241</u>	<u>39,654</u>

#### 4 Taxation

##### Tax on surplus on ordinary activities

	2016	2015
	£	£
<b>Current tax</b>		
Corporation tax charge	<u>23</u>	<u>143</u>

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2016

..... *continued*

#### 5 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 2 October 2015	2,892	15,649	18,541
<b>Depreciation</b>			
At 2 October 2015	2,749	15,177	17,926
Charge for the year	36	118	154
At 1 October 2016	2,785	15,295	18,080
<b>Net book value</b>			
At 1 October 2016	107	354	461
At 1 October 2015	143	472	615

#### 6 Debtors

	2016 £	2015 £
Trade debtors	1,865	1,504
Other debtors	3,659	5,483
	5,524	6,987

#### 7 Creditors: Amounts falling due within one year

	2016 £	2015 £
Corporation tax	23	142
Other taxes and social security	4,399	479
Other creditors	6,508	6,001
	10,930	6,622

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2016

..... *continued*

#### 8 Reserves

	Show surplus £	Income and expenditure account £	Total £
At 2 October 2015	4,871	123,428	128,299
Surplus for the year	-	11,969	11,969
Show surplus for the year	685	-	685
At 1 October 2016	<u>5,556</u>	<u>135,397</u>	<u>140,953</u>

#### 9 Pension schemes

##### Defined contribution pension scheme

The union operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the union to the scheme and amounted to £1,330 (2015 - £1,306).

Contributions totalling £212 (2015 - £nil) were payable to the scheme at the end of the year and are included in creditors.

#### 10 Control

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities (effective April 2008). The union was under control of the members of the council throughout the current and previous year.

**Scottish Homing Union**  
**Detailed Income and Expenditure Account for the Year Ended 1 October 2016**

	2016		2015	
	£	£	£	£
Membership fees and income (analysed below)		108,549		112,191
Direct activity expenditure (analysed below)		<u>(38,241)</u>		<u>(39,654)</u>
Gross surplus		<u>70,308</u>		<u>72,537</u>
Gross margin (%)		64.77%		64.65%
<b>Administrative expenses</b>				
Employment costs (analysed below)	(39,371)		(40,725)	
Establishment costs (analysed below)	(9,802)		(9,674)	
General administrative expenses (analysed below)	(9,062)		(10,332)	
Finance charges (analysed below)	(40)		(52)	
Depreciation costs (analysed below)	<u>(154)</u>		<u>(166)</u>	
		(58,429)		(60,949)
Other operating income (analysed below)		-		600
Other interest receivable and similar income (analysed below)		<u>113</u>		<u>114</u>
Surplus on ordinary activities before taxation		<u><u>11,992</u></u>		<u><u>12,302</u></u>

**Scottish Homing Union**  
**Detailed Income and Expenditure Account for the Year Ended 1 October 2016**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Federation member subscriptions	35,480	35,776
Less VAT	(5,913)	(5,963)
Individual members	2,379	2,067
Less VAT	(396)	(355)
Registration of lofts	274	233
Seals and pliers	1,413	1,265
Rubber rings	3,814	4,240
Metal rings	29,567	29,924
Electronic rings	28,389	30,626
Stray collection receipts	2,020	1,945
Transfer fees	3,751	4,152
Ring verification	271	466
Click in clock sales	-	203
Medical research contribution	1,274	1,181
Measurement fees	4,407	4,055
Contributions to postage	1,108	1,486
Miscellaneous receipts	440	389
Card and tie sales	137	335
Advertising	134	166
	<u>108,549</u>	<u>112,191</u>
<b>Direct activity expenditure</b>		
Rubber rings	2,353	3,196
Metal rings	4,043	4,632
Clock seals and pliers	641	569
Electronic rings	27,390	27,614
Stray collections	1,631	1,554
Cards	-	540
Trophies	515	267
Medical research donation	1,434	1,342
Measurement fees	84	-
Confederation subscription	150	100
Click in clocks	-	(160)
	<u>38,241</u>	<u>39,654</u>
<b>Employment costs</b>		
Secretary's salary	21,189	22,147
Clerical assistance	16,031	16,255
National insurance contributions	821	1,017
Staff pension contributions	1,330	1,306
	<u>39,371</u>	<u>40,725</u>

This page does not form part of the statutory financial statements

## Scottish Homing Union

### Detailed Income and Expenditure Account for the Year Ended 1 October 2016

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	2016 £	2015 £
<b>Establishment costs</b>		
Rent and rates	6,396	5,996
Light, heat and power	660	660
Insurance	1,126	1,303
Office equipment maintenance	1,620	1,715
	9,802	9,674
<b>General administrative expenses</b>		
Telephone and fax	746	786
Appeal court expenses	-	135
AGM expenses	244	272
Council expenses	335	485
Printing and stationery	1,947	1,655
Postage	2,812	3,884
Sundry expenses	279	258
Accountancy fees	2,045	2,015
Legal and professional fees	216	259
Secretary's local car expenses	300	300
Advertising	138	283
	9,062	10,332
<b>Finance charges</b>		
Bank charges	40	52
<b>Depreciation costs</b>		
Depreciation of fixtures and fittings	36	48
Depreciation of office equipment	118	118
	154	166
<b>Other operating income</b>		
(Profit)/loss on disposal of fixed asset Investments - group loan/shares	-	600
	-	600
<b>Other interest receivable and similar income</b>		
Bank interest receivable	113	93
3.5% War Stock interest receivable	-	21
	113	114