

# Scottish Homing Union

Annual Report and Financial Statements  
for the Year Ended 1 October 2020

Alexander Marshall  
Chartered Accountants & Registered Auditors  
84 Hamilton Road  
Motherwell  
Lanarkshire  
ML1 3BY

## **Scottish Homing Union**

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## **Scottish Homing Union**

### **Report of the Council for the Year Ended 1 October 2020**

The Council has pleasure in presenting its report and the financial statements of the union for the year ended 1 October 2020.

#### **Officers**

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

Mr G Turnbull, President

Mr J Noble, Senior Vice President

Mr D Bald, Junior Vice President

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 provision 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.

#### **Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

#### **Disclosure of information to the auditor**

The members of the Council have taken steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the union's auditor is aware of that information. The members of the Council confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the Council on ..... and signed by order of the council:

Mrs L Brooks  
Union secretary

## **Scottish Homing Union**

### **Statement of Council's Responsibilities**

The Council is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The constitution and rules requires the Council to prepare financial statements for each financial year. Under the constitution and rules the Council has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the constitution and rules the members of the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the union and of the surplus or deficit for that period. In preparing these financial statements, the Council is required to:

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

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the union's transactions and disclose with reasonable accuracy at any time the financial position of the union. It is also responsible for safeguarding the assets of the union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditor's Report to the Members of**

### **Scottish Homing Union**

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

We have audited the financial statements of Scottish Homing Union (the 'union') for the year ended 1 October 2020, which comprise the Profit and Loss Account, Balance Sheet, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the union's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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.

In our opinion the financial statements:

- give a true and fair view of the state of the union's affairs as at 1 October 2020 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the union 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 the provisions available for small entities in the circumstances set out in note 14 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the officers' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the officers have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the union's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The other information comprises the information included in the report of the Council, 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.

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

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

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

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

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 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;
- certain disclosures of officers' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the officers were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Report of the Council and from the requirement to prepare a Strategic Report.

**Responsibilities of council**

As explained more fully in the Statement of Responsibilities of the Council (set out on page 2), 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, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 14 to the financial statements.

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

In preparing the financial statements, the officers are responsible for assessing the union'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 officers either intend to liquidate the union or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

David Marshall (Senior Statutory Auditor)  
For and on behalf of Alexander Marshall, Statutory Auditor  
84 Hamilton Road  
Motherwell  
Lanarkshire  
ML1 3BY

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## Scottish Homing Union

### Income and Expenditure Account for the Year Ended 1 October 2020

	Note	2020 £	2019 £
Membership fees and income	3	78,305	90,115
Direct activity expenditure	4	<u>(28,944)</u>	<u>(34,937)</u>
Gross surplus		49,361	55,178
Administrative expenses		(67,107)	(65,319)
Other operating income		<u>19,396</u>	<u>-</u>
Operating surplus	5	1,650	(10,141)
Other interest receivable and similar outcome		<u>875</u>	<u>984</u>
Surplus on ordinary activities before taxation		2,525	(9,157)
Tax on surplus on ordinary activities	7	<u>(3,811)</u>	<u>(197)</u>
(Deficit)/Surplus for the financial year	12	<u>(1,286)</u>	<u>(9,354)</u>

The notes on pages 8 to 13 form an integral part of these financial statements.



**Scottish Homing Union**  
**Balance Sheet at 1 October 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible fixed assets	9	16,000	18,000
Tangible fixed assets	8	<u>261</u>	<u>505</u>
		<u>16,261</u>	<u>18,505</u>
<b>Current assets</b>			
Stocks		15,346	16,641
Debtors	10	10,336	10,522
Cash at bank in hand		<u>118,508</u>	<u>123,395</u>
		<u>144,190</u>	<u>150,558</u>
Creditors: Amounts falling due within one year	11	<u>(15,583)</u>	<u>(20,221)</u>
Net current assets		<u>128,607</u>	<u>130,337</u>
Net assets		<u>144,868</u>	<u>148,842</u>
<b>Capital and reserves</b>			
Other reserves	12	7,970	10,659
Surplus and deficit account	12	<u>136,898</u>	<u>138,183</u>
Members' funds		<u>144,868</u>	<u>148,842</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised for issue by the Council on ..... and signed on its behalf by:

Mr G Turnbull  
President

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

#### 1 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except that, as disclosed in the accounting policies, certain items are shown at fair value.

These financial statements have been presented in Sterling, which is the company's functional currency. All financial information has been presented in Sterling and has been rounded to the nearest pound.

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.

Revenue is recognised when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's 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

##### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost over its useful life of 10 years.

##### 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.

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

..... continued

#### 2 General information

The address of the registered office is;  
386a Stewarton Street  
Wishaw  
Lanarkshire  
ML2 8DA

These financial statements were authorised for issue by the Council on .....

#### 3 Membership fees and income

	2020	2019	2020	2019
	No	No	£	£
Aberdeen	42	55	630	825
Almond Valley	73	91	1,095	1,365
Angus	52	51	780	795
Ayr Road North	39	37	585	555
Ayrshire	168	173	2,520	2,595
Central	58	62	870	930
Dundee	40	45	600	675
East of Scotland	34	31	510	465
Fife	105	106	1,575	1,665
Highlands & Islands	28	26	420	285
Individual Clubs	88	90	1,320	1,350
Lanarkshire	382	363	5,730	5,445
Midland	-	34	-	510
Midlothian	18	19	270	285
North of Scotland	115	113	1,725	1,695
North West	114	91	1,710	1,365
Pentland Hills	173	171	2,595	2,565
Renfrewshire	25	25	375	375
Scottish Border	48	45	720	675
Solway	138	151	2,070	2,265
South West	-	19	-	285
			26,100	26,970
Less VAT			-4,348	-4,495
	1,740	1,798	21,753	22,475
Individual members	122	141	1,830	2,115
Less VAT			-305	-353
Total membership fees	1,862	1,939	23,278	24,237

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

..... continued

Registration of lofts	149	158
Seals and pliers	1,230	728
Rubber rings	2,074	3,601
Metal rings	25,220	27,335
Electronic rings	20,496	24,888
Stray collection receipts	1,289	1,737
Transfer fees	1,970	3,211
Ring verification	-	357
Medical research contribution	968	2,000
Measurement fees	-	-
Contributions to postage	693	876
Miscellaneous receipts	258	741
Card and tie sales	113	57
Advertising	242	138
Donations received	326	51
Total	78,305	90,115

#### 4 Direct activity expenditure

	2020	2019
	£	£
Rubber rings	1,795	2,414
Metal rings	4,317	4,569
Clock seals and pliers	961	674
Electronic rings	19,082	22,702
Stray collections	1,310	2,050
Trophies	511	528
Medical research donation	968	2,000
	28,944	34,937

#### 5 Operating surplus

Operating surplus is stated after charging:

	2020	2019
	£	£
Government grants receivable	(19,396)	-
Depreciation of tangible fixed assets	244	248
Foreign currency gains	-	(28)
Amortisation	2,000	2,000

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

..... continued

#### 6 Particulars of employees

The average number of persons employed by the union (including officers) during the year, was 2 (2019- 2).

#### 7 Taxation

Tax on surplus on ordinary activities	<b>2020</b>	<b>2019</b>
	£	£
<b>Current tax</b>		
Corporation tax charge	<u>3,812</u>	<u>197</u>

#### 8 Tangible fixed assets

	Fixtures and Fittings £	Office equipment £	Total £
<b>Cost or valuation</b>			
At 2 October 2019 & 1 October 2020	<u>2,892</u>	<u>1,165</u>	<u>4,057</u>
<b>Depreciation</b>			
At 2 October 2019	2,847	705	3,551
Charge for the year	<u>11</u>	<u>233</u>	<u>244</u>
At 1 October 2020	<u>2,858</u>	<u>938</u>	<u>3,796</u>
<b>Net book value</b>			
At 1 October 2020	<u>34</u>	<u>227</u>	<u>261</u>
At 1 October 2019	<u>45</u>	<u>460</u>	<u>505</u>

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

..... continued

#### 9 Intangible fixed assets

	<b>Database system £</b>	<b>Total £</b>
<b>Cost</b>		
At 2 October 2019 & 1 October 2020	<u>20,000</u>	<u>20,000</u>
<b>Amortisation</b>		
At 2 October 2019	2,000	2,000
Charge for the year	<u>2,000</u>	<u>2,000</u>
At 1 October 2020	<u>4,000</u>	<u>4,000</u>
<b>Net book value</b>		
At 1 October 2020	<u>16,000</u>	<u>16,000</u>
At 1 October 2019	<u>18,000</u>	<u>18,000</u>

#### 10 Debtors

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	2,397	2,249
Other debtors	<u>7,939</u>	<u>8,273</u>
	<u>10,336</u>	<u>10,522</u>

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

	<b>2020 £</b>	<b>2019 £</b>
Corporation tax	3,852	234
Other taxes and social security	2,353	3,420
Other creditors	<u>9,378</u>	<u>16,567</u>
	<u>15,583</u>	<u>20,221</u>

## Scottish Homing Union

### Notes to the Financial Statements for the Year Ended 1 October 2020

..... continued

#### 12 Reserves

	Show account	Income and expenditure	Total
	£	£	£
At 2 October 2019	10,659	138,183	156,015
Deficit for the year	(689)	(1,286)	(1,286)
Medical research donation	<u>(2,000)</u>	-	<u>(2,000)</u>
At 1 October 2020	<u>7,970</u>	<u>136,897</u>	<u>144,867</u>

#### 13 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 (2019- £1,330).

Contributions totalling £212 (2019- £212) were payable to the scheme at the end of the year and are included in other creditors.

#### 14 Commitments

##### Operating lease commitments

As at 1 October 2020 the union had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2020	2019
	£	£
Within two and five years	<u>5,033</u>	<u>6,582</u>

#### 15 APB Ethical Standards relevant circumstances

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to tax authorities and assist with the preparation of the financial statements.

## Scottish Homing Union

### Detailed Income and Expenditure Account for the Year Ended 1 October 2020

	2020	2019
£	£	£
Membership fees and income (analysed below)	78,305	90,115
Direct activity expenditure (analysed below)	<u>(28,944)</u>	<u>(34,937)</u>
Gross Surplus	<u>48,865</u>	<u>55,178</u>
Gross margin %	63.04%	61.23%
<b>Administrative expenses</b>		
Employment costs (analysed below)	(41,370)	(42,151)
Establishment costs (analysed below)	(11,456)	(11,849)
General administrative expenses (analysed below)	(11,616)	(8,899)
Finance charges (analysed below)	(421)	(172)
Depreciation costs (analysed below)	<u>(2,244)</u>	<u>(2,248)</u>
	(67,107)	(65,319)
Other operating income	19,396	-
Other interest receivable and similar income (analysed income)	<u>875</u>	<u>984</u>
(Deficit)/Surplus on ordinary activities before taxation	<u>2,525</u>	<u>(9,157)</u>



## Scottish Homing Union

### Detailed Income and Expenditure Account for the Year Ended 1 October 2020

	2020	2019
	£	£
<b>Membership fees and income</b>		
Federation member subscriptions	26,100	26,970
Less VAT	(4,348)	(4,495)
Individual members	1,830	2,115
Less VAT	(305)	(353)
Registration of lofts	149	158
Seals and pliers	1,230	728
Donations received	326	51
Rubber rings	2,074	3,601
Metal rings	25,220	27,335
Electronic rings	20,496	24,888
Stray collection receipts	1,289	1,737
Transfer fees	1,970	3,211
Ring verification	-	357
Medical research contribution	968	2,000
Measurement fees	-	-
Contributions to postage	693	876
Miscellaneous receipts	258	741
Card and tie sales	113	57
Advertising	<u>242</u>	<u>138</u>
	<u>78,305</u>	<u>90,115</u>
 <b>Direct activity expenditure</b>		
Rubber rings	1,795	2,414
Metal rings	4,317	4,569
Clock seals and pliers	961	674
Electronic rings	19,082	22,702
Stray collections	1,310	2,050
Trophies	511	528
Medical research donation	<u>968</u>	<u>2,000</u>
	<u>28,944</u>	<u>34,787</u>
 <b>Employment costs</b>		
Secretary's salary	22,656	23,400
Clerical assistance	17,227	17,421
National Insurance contributions	157	-
Staff pension contributions	<u>1,330</u>	<u>1,330</u>
	<u>41,370</u>	<u>42,151</u>

## Scottish Homing Union

### Detailed Income and Expenditure Account for the Year Ended 1 October 2020

..... continued

	2020	2019
	£	£
<b>Establishment costs</b>		
Rent and rates	6,816	6,816
Light, heat and power	720	720
Insurance	1,314	1,301
Repairs and maintenance	-	106
Office equipment maintenance	<u>2,606</u>	<u>2,906</u>
	<u>11,456</u>	<u>11,849</u>
 <b>General administrative expenses</b>		
Telephone and fax	600	663
Meeting expenses	724	825
Computer costs	500	-
Printing and stationery	1,684	1,008
Postage	2,263	2,049
Sundry expenses	78	155
Accountancy fees	3,240	2,160
Legal and professional fees	2,128	1,466
Secretary's local car expenses	150	375
Advertising	<u>249</u>	<u>228</u>
	<u>11,616</u>	<u>8,899</u>
 <b>Finance charges</b>		
Other finance charges	100	149
Foreign currency (gains)/losses	-	(28)
Bank charges	<u>321</u>	<u>51</u>
	<u>421</u>	<u>172</u>
 <b>Depreciation costs</b>		
Depreciation of fixtures and fittings	11	15
Depreciation of office equipment	233	233
Amortisation of other intangible assets	<u>2,000</u>	<u>2,000</u>
	<u>2,244</u>	<u>2,248</u>
 <b>Other operating income</b>		
Government grants receivable	<u>19,396</u>	-
	<u>19,396</u>	-
 <b>Other interest receivable and similar income</b>		
Bank interest receivable	<u>875</u>	<u>984</u>
	<u>875</u>	<u>984</u>