

Scottish Homing Union

Annual Report and Financial Statements
for the Year Ended 1 October 2021

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 2021

The Council has pleasure in presenting its report and the financial statements of the union for the year ended 1 October 2021.

Officers

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

Mr J Noble, President

Mr D Bald, Senior Vice President

Mr A Eadie, 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 12 December 2021 and signed by order of the council:

Mr A Frame
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 2021, 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 2021 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**

..... continued

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. 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

12 December 2021

Scottish Homing Union

Income and Expenditure Account for the Year Ended 1 October 2021

	Note	2021 £	2020 £
Membership fees and income	3	72,359	78,305
Direct activity expenditure	4	<u>(20,079)</u>	<u>(28,944)</u>
Gross surplus		52,280	49,361
Administrative expenses		(61,760)	(67,107)
Other operating income		<u>4,448</u>	<u>19,396</u>
Operating surplus	5	(5,032)	1,650
Other interest receivable and similar outcome		<u>392</u>	<u>875</u>
Deficit/Surplus on ordinary activities before taxation		(4,641)	2,525
Tax on surplus on ordinary activities	7	<u>(919)</u>	<u>(3,811)</u>
(Deficit)/Surplus for the financial year	12	<u>(5,560)</u>	<u>(1,286)</u>

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

Scottish Homing Union
Balance Sheet at 1 October 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible fixed assets	9	14,000	16,000
Tangible fixed assets	8	<u>312</u>	<u>261</u>
		<u>14,312</u>	<u>16,261</u>
Current assets			
Stocks		1,937	15,346
Debtors	10	7,798	10,336
Cash at bank in hand		<u>124,957</u>	<u>118,508</u>
		<u>134,692</u>	<u>144,190</u>
Creditors: Amounts falling due within one year	11	<u>(9,697)</u>	<u>(15,583)</u>
Net current assets		<u>124,995</u>	<u>128,607</u>
Net assets		<u>139,307</u>	<u>144,868</u>
Capital and reserves			
Other reserves	12	8,094	7,970
Surplus and deficit account	12	<u>131,203</u>	<u>136,898</u>
Members' funds		<u>139,307</u>	<u>144,868</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 12 December 2021 and signed on its behalf by:

Mr J Noble
President

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

Scottish Homing Union

Notes to the Financial Statements for the Year Ended 1 October 2021

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 2021

..... 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

	2021	2020	2021	2020
	No	No	£	£
Aberdeen	45	42	675	630
Almond Valley	75	73	1,125	1,095
Angus	46	52	690	780
Ayr Road North	37	39	555	585
Ayrshire	154	168	2,310	2,520
Central	60	58	900	870
Dundee	41	40	615	600
East of Scotland	35	34	525	510
Fife	105	105	1,575	1,575
Glasgow	38	-	480	-
Highlands & Islands	26	28	390	420
Individual Clubs	78	88	1,170	1,320
Lanarkshire	377	382	5,655	5,730
Midlothian	20	18	300	270
North of Scotland	110	115	1,650	1,725
North West	104	114	1,560	1,710
Pentland Hills	172	173	2,580	2,595
Renfrewshire	-	25	-	375
Scottish Border	55	48	825	720
Solway	133	138	1,995	2,070
			25,665	26,100
Less VAT			-4,278	-4,348
	1,711	1,740	21,387	21,753
Individual members	121	122	1,815	1,830
Less VAT			-302	-305
Total membership fees	1,832	1,862	22,900	23,278

Scottish Homing Union

Notes to the Financial Statements for the Year Ended 1 October 2021

..... continued

Registration of lofts	172	149
Seals and pliers	934	1,230
Rubber rings	2,020	2,074
Metal rings	23,730	25,220
Electronic rings	16,187	20,496
Stray collection receipts	1,050	1,289
Transfer fees	2,132	1,970
Ring verification	123	-
Medical research contribution	938	968
Measurement fees	-	-
Contributions to postage	983	693
Miscellaneous receipts	663	258
Card and tie sales	55	113
Advertising	-	242
Donations received	147	326
Show income	324	-
Total	72,539	78,305

4 Direct activity expenditure

	2021	2020
	£	£
Rubber rings	983	1,795
Metal rings	3,973	4,317
Clock seals and pliers	733	961
Electronic rings	11,763	19,082
Stray collections	1,160	1,310
Trophies	300	511
Medical research donation	968	968
Show expenses	200	-
	20,079	28,944

5 Operating surplus

Operating surplus is stated after charging:

	2021	2020
	£	£
Government grants receivable	(4,448)	(19,396)
Depreciation of tangible fixed assets	(51)	244
Foreign currency gains	-	-
Amortisation	2,000	2,000

Scottish Homing Union

Notes to the Financial Statements for the Year Ended 1 October 2021

..... continued

6 Particulars of employees

The average number of persons employed by the union (including officers) during the year, was 2 (2020- 2).

7 Taxation

Tax on surplus on ordinary activities	2021	2020
	£	£
Current tax		
Corporation tax charge	<u>919</u>	<u>3,812</u>

8 Tangible fixed assets

	Fixtures and Fittings £	Office equipment £	Total £
Cost or valuation			
At 2 October 2020 & 1 October 2021	<u>2,892</u>	<u>1,165</u>	<u>4,057</u>
Depreciation			
At 2 October 2020	2,858	938	3,796
Charge for the year	<u>21</u>	<u>(72)</u>	<u>(51)</u>
At 1 October 2021	<u>2,879</u>	<u>866</u>	<u>3,745</u>
Net book value			
At 1 October 2021	<u>13</u>	<u>299</u>	<u>312</u>
At 1 October 2020	<u>34</u>	<u>227</u>	<u>261</u>

Scottish Homing Union

Notes to the Financial Statements for the Year Ended 1 October 2021

..... continued

9 Intangible fixed assets

	Database system £	Total £
Cost		
At 2 October 2020 & 1 October 2021	<u>20,000</u>	<u>20,000</u>
Amortisation		
At 2 October 2020	4,000	4,000
Charge for the year	<u>2,000</u>	<u>2,000</u>
At 1 October 2021	<u>6,000</u>	<u>6,000</u>
Net book value		
At 1 October 2021	<u>14,000</u>	<u>14,000</u>
At 1 October 2020	<u>16,000</u>	<u>16,000</u>

10 Debtors

	2021 £	2020 £
Trade debtors	1,378	2,397
Other debtors	<u>6,420</u>	<u>7,939</u>
	<u>7,798</u>	<u>10,336</u>

11 Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,188	-
Corporation tax	4,604	3,852
Other taxes and social security	448	2,353
Other creditors	<u>3,457</u>	<u>9,378</u>
	<u>9,697</u>	<u>15,583</u>

Scottish Homing Union

Notes to the Financial Statements for the Year Ended 1 October 2021

..... continued

12 Reserves

	Show account	Income and expenditure account	Total
	£	£	£
At 2 October 2020	7,970	136,897	144,867
Surplus / (Deficit) for the year	<u>124</u>	<u>(5,684)</u>	<u>(5,560)</u>
At 1 October 2021	<u>8,094</u>	<u>131,213</u>	<u>139,307</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 £678 (2020- £1,330).

Contributions totalling £208 (2020- £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 2021 the union had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2021	2020
	£	£
Within two and five years	<u>3,485</u>	<u>5,033</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 2021

	£	2021 £	2020 £
Membership fees and income (analysed below)		72,359	78,305
Direct activity expenditure (analysed below)		<u>(20,079)</u>	<u>(28,944)</u>
Gross Surplus		<u>52,280</u>	<u>48,865</u>
Gross margin %		72.07%	63.04%
Administrative expenses			
Employment costs (analysed below)	(37,711)		(41,370)
Establishment costs (analysed below)	(11,168)		(11,456)
General administrative expenses (analysed below)	(10,673)		(11,616)
Finance charges (analysed below)	(259)		(421)
Depreciation costs (analysed below)	<u>(1,949)</u>		<u>(2,244)</u>
		(61,760)	(67,107)
Other operating income		4,448	19,396
Other interest receivable and similar income (analysed income)		<u>391</u>	<u>875</u>
(Deficit)/Surplus on ordinary activities before taxation		<u>(4,641)</u>	<u>2,525</u>

Scottish Homing Union

Detailed Income and Expenditure Account for the Year Ended 1 October 2021

	2021	2020
	£	£
Membership fees and income		
Federation member subscriptions	25,664	26,100
Less VAT	(4,277)	(4,348)
Individual members	1,816	1,830
Less VAT	(303)	(305)
Registration of lofts	172	149
Seals and pliers	934	1,230
Donations received	147	326
Rubber rings	2,020	2,074
Metal rings	23,731	25,220
Electronic rings	16,187	20,496
Stray collection receipts	1,050	1,289
Transfer fees	2,132	1,970
Ring verification	123	-
Medical research contribution	938	968
Measurement fees	-	-
Contributions to postage	983	693
Miscellaneous receipts	663	258
Card and tie sales	55	113
Advertising	-	242
Show income	<u>324</u>	<u>-</u>
	<u>72,359</u>	<u>78,305</u>
 Direct activity expenditure		
Rubber rings	983	1,795
Metal rings	3,973	4,317
Clock seals and pliers	733	961
Electronic rings	11,762	19,082
Stray collections	1,160	1,310
Trophies	300	511
Medical research donation	968	968
Show expenses	<u>200</u>	<u>-</u>
	<u>20,079</u>	<u>28,944</u>
 Employment costs		
Secretary's salary	19,017	22,656
Clerical assistance	18,016	17,227
National Insurance contributions	-	157
Staff pension contributions	<u>678</u>	<u>1,330</u>
	<u>37,711</u>	<u>41,370</u>

Scottish Homing Union

Detailed Income and Expenditure Account for the Year Ended 1 October 2021

..... continued

	2021	2020
	£	£
Establishment costs		
Rent and rates	6,816	6,816
Light, heat and power	720	720
Insurance	1,466	1,314
Repairs and maintenance	-	-
Office equipment maintenance and hire	<u>2,166</u>	<u>2,606</u>
	<u>11,168</u>	<u>11,456</u>
 General administrative expenses		
Telephone and fax	699	600
Meeting expenses	176	724
Computer costs	2,082	500
Printing and stationery	1,102	1,684
Postage	2,294	2,263
Sundry expenses	120	78
Accountancy fees	3,918	3,240
Legal and professional fees	-	2,128
Secretary's local car expenses	150	150
Advertising	<u>32</u>	<u>249</u>
	<u>10,673</u>	<u>11,616</u>
 Finance charges		
Other finance charges	-	100
Foreign currency (gains)/losses	-	-
Bank charges	<u>259</u>	<u>321</u>
	<u>259</u>	<u>421</u>
 Depreciation costs		
Depreciation of fixtures and fittings	21	11
Depreciation of office equipment	(72)	233
Amortisation of other intangible assets	<u>2,000</u>	<u>2,000</u>
	<u>1,949</u>	<u>2,244</u>
 Other operating income		
Government grants receivable	<u>4,448</u>	<u>19,396</u>
	<u>4,448</u>	<u>19,396</u>
 Other interest receivable and similar income		
Bank interest receivable	<u>391</u>	<u>875</u>
	<u>391</u>	<u>875</u>

This page does not form part of the statutory financial statements