

Company Registration No. SC214564 (Scotland)

NFU SCOTLAND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

NFU SCOTLAND

COMPANY INFORMATION

Directors

Martin Colin Kennedy
Rupert Hugh Stewart Shaw
Andrew James Connon
Duncan Joachim Macalister
Mark Donald
Charles Peter Douglas
Jamie Hamilton Wylie
Alasdair John MacNab
Hugh Maclean Fraser
John Ballantyne Davidson
Colin John Flett
Peter Malcolm Kennedy
John Loudon Bone Kerr
Mark John McCallum
Gordon McKilligan
Robert Neil Thompson
Bruce Clark Mackie (Appointed 9 February 2024)
James Patrick Lyon Playfair-Hannay (Appointed 9 February 2024)
Jack Alexander Stevenson (Appointed 9 February 2024)
Kevin John Gilbert (Appointed 9 February 2024)
Robert Bell (Appointed 9 February 2024)
Stewart Armstrong Wylie (Appointed 9 February 2024)
Cecil Robert Hugh Eunson
Iain McKenzie Brown (Resigned 9 February 2024 and appointed 1 March 2024)

Company number

SC214564

Registered office

Rural Centre - West Mains
Ingliston
Newbridge
Midlothian
EH28 8LT

Auditor

Johnston Carmichael LLP
7-11 Melville Street
Edinburgh
EH3 7PE

NFU SCOTLAND

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NFU SCOTLAND

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2024

The directors present their annual report and financial statements for the year ended 31 October 2024.

Principal activities

The principal activity of the company continued to be that of a member body for farmers and other related rural businesses in Scotland.

Members

Each member is liable to contribute an amount (not exceeding £1) to the assets of the company in the event of it being wound up.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Martin Colin Kennedy	
Rupert Hugh Stewart Shaw	
Andrew James Connon	
William James Thomson	(Resigned 9 February 2024)
Duncan Joachim Macalister	
Colin Robert Ferguson	(Resigned 9 February 2024)
Iain McKenzie Brown	(Appointed 1 March 2024 and resigned 9 February 2024)
Mark Donald	
Alan George Simpson	(Resigned 9 February 2024)
Deborra Margaret Playfair-Hannay	(Resigned 9 February 2024)
Charles Peter Douglas	
Caroline Agnes Millar	(Resigned 9 February 2024)
Jamie Hamilton Wylie	
Alasdair John MacNab	
Hugh Maclean Fraser	
John Ballantyne Davidson	
Colin John Flett	
Peter Malcolm Kennedy	
John Loudon Bone Kerr	
Mark John McCallum	
Gordon McKilligan	
Matthew Hamilton Steel	(Resigned 9 February 2024)
Robert Neil Thompson	
Bruce Clark Mackie	(Appointed 9 February 2024)
James Patrick Lyon Playfair-Hannay	(Appointed 9 February 2024)
Jack Alexander Stevenson	(Appointed 9 February 2024)
Kevin John Gilbert	(Appointed 9 February 2024)
Robert Bell	(Appointed 9 February 2024)
Stewart Armstrong Wyllie	(Appointed 9 February 2024)
Cecil Robert Hugh Eunson	

Auditor

In accordance with the company's articles, a resolution proposing that Johnston Carmichael LLP be reappointed as auditor of the company will be put at a General Meeting.

NFU SCOTLAND

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

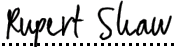
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Signed by:



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Rupert Hugh Stewart Shaw MBE MA

Director

17-Dec-2024

Date:

NFU SCOTLAND

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 OCTOBER 2024

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NFU SCOTLAND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NFU SCOTLAND

Opinion

We have audited the financial statements of NFU Scotland (the 'company') for the year ended 31 October 2024 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Members' Funds and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 October 2024 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

NFU SCOTLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NFU SCOTLAND

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibility statement, set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the company'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 company or to cease operations, or have no realistic alternative but to do so.

Auditor 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit is considered capable of detecting irregularities, including fraud

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:

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

NFU SCOTLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NFU SCOTLAND

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK GAAP
- Companies Act 2006
- Corporation Tax legislation
- VAT legislation

We gained an understanding of how the company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of board meeting minutes.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to:

- Management override of controls
- Revenue recognition

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- reviewing minutes of meetings of those charged with governance for reference to breaches of laws and regulation or for any indication of any potential litigation and claims;
- reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- for a sample of members agreeing subscription income to supporting documentation and general ledger to ensure appropriate revenue recognition;
- completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006; and
- agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

NFU SCOTLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF NFU SCOTLAND

Use of our report

This report is made solely to the company'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 company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



William King (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP

Date: 17.12.2024

Chartered Accountants
Statutory Auditor

7-11 Melville Street
Edinburgh
EH3 7PE

NFU SCOTLAND

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 OCTOBER 2024

	Notes	2024 £	2023 £
Turnover		3,359,690	3,245,883
Administrative expenses		(3,502,761)	(3,510,528)
Other operating income		50,000	50,000
		<hr/>	<hr/>
Operating deficit		(93,071)	(214,645)
Interest receivable and similar income		104,481	82,841
Unrealised fair value gains and (losses) on investments		248,411	14,397
Unrealised fair value gains and (losses) on investment properties	4	(29,000)	-
Realised gains and (losses) on investments		5,123	3,802
		<hr/>	<hr/>
Surplus/(deficit) before taxation		235,944	(113,605)
Tax on profit/(loss)		(221,411)	(34,686)
		<hr/>	<hr/>
Surplus/(Deficit) for the financial year		14,533	(148,291)
		<hr/>	<hr/>
Total comprehensive income/(expense) for the year		<u>14,533</u>	<u>(148,291)</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

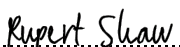
NFU SCOTLAND**BALANCE SHEET****AS AT 31 OCTOBER 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	3		62,836		79,222
Investment properties	4		214,000		243,000
Investments	5		3,219,382		2,828,518
			<u>3,496,218</u>		<u>3,150,740</u>
Current assets					
Debtors	7	106,760		218,555	
Investments	8	236,513		236,513	
Cash at bank and in hand		823,950		802,708	
		<u>1,167,223</u>		<u>1,257,776</u>	
Creditors: amounts falling due within one year	9	<u>(823,350)</u>		<u>(729,255)</u>	
Net current assets			<u>343,873</u>		<u>528,521</u>
Total assets less current liabilities			<u>3,840,091</u>		<u>3,679,261</u>
Provisions for liabilities	11		<u>(418,841)</u>		<u>(272,544)</u>
Net assets			<u><u>3,421,250</u></u>		<u><u>3,406,717</u></u>
Capital and reserves					
Revaluation reserve	12		1,067,020		887,584
Profit and loss reserves			2,354,230		2,519,133
Total equity			<u><u>3,421,250</u></u>		<u><u>3,406,717</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 17-Dec-2024 and are signed on its behalf by:

Signed by:



Rupert Hugh Stewart Shaw MBE MA
 Director

Company Registration No. SC214564

NFU SCOTLAND**STATEMENT OF CHANGES IN MEMBERS' FUNDS****FOR THE YEAR ENDED 31 OCTOBER 2024**

	Notes	Revaluation reserve £	Retained earnings £	Total £
Balance at 1 November 2022		917,681	2,637,327	3,555,008
Year ended 31 October 2023:				
Loss and total comprehensive expense for the year		-	(148,291)	(148,291)
Deferred tax movement		(22,474)	22,474	-
Transfer of unrealised gains and losses		14,397	(14,397)	-
Transfer of realised gains and losses		(22,020)	22,020	-
		<hr/>	<hr/>	<hr/>
Balance at 31 October 2023		887,584	2,519,133	3,406,717
Year ended 31 October 2024:				
Profit and total comprehensive expense for the year		-	14,533	14,533
Transfer of unrealised fair value losses on investment property		(29,000)	29,000	-
Deferred tax movement		(45,098)	45,098	-
Transfer of unrealised gains and losses		248,411	(248,411)	-
Transfer of realised gains and losses		5,123	(5,123)	-
		<hr/>	<hr/>	<hr/>
Balance at 31 October 2024		<u>1,067,020</u>	<u>2,354,230</u>	<u>3,421,250</u>

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

Company information

NFU Scotland is a private company limited by guarantee incorporated in Scotland. The registered office is Rural Centre - West Mains, Ingliston, Newbridge, Midlothian, EH28 8LT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Company had an operating deficit of £93,071 for the year and is forecast to incur deficits into the future. However, based on the company's cash and investment holdings, the directors are satisfied that it remains appropriate to prepare the accounts on a going concern basis. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover comprises subscriptions received from members, donations received, affinity income and sundry income.

Subscriptions received from members are recognised when received. Subscriptions relate to a calendar year, so at the financial year end, an adjustment to defer a portion of this income relating to November and December is made.

Donations are recognised when received.

Affinity income is recognised on the delivery of good to the member or payment notification is received.

Sundry income mainly consists of management fees and service charges and is recognised to the extent that the company obtains the right to consideration in exchange for its performance.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an existing use open market value basis. Investment properties are not depreciated. Other tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	25% Straight Line

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to the statement of comprehensive income.

1.5 Investment properties

Investment property, which is property held to earn rentals and for capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in the statement of comprehensive income.

1.6 Fixed asset investments

Interests in associates and investments in listed investments and other similar assets, are initially measured at transaction price, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the statement of comprehensive income.

Realised profit or losses over value on the disposal of investments are the difference between the fair value of the consideration received less any directly attributable costs on the sale of equity investments and their carrying value at the start of the accounting period.

Unrealised gains or losses on the revaluation of investments are the movement in the carrying value of investments between the start and end of the accounting period.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Current asset investments

Current asset investments represent short term deposits, held for a period over 90 days.

1.9 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less. Deposits with maturities over three months are shown within current asset investments.

1.10 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in associates, listed investments and similar assets, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the statement of comprehensive income account. Fair value of listed investments is the market price of these investments at the reporting date. Fair value of investments in associates is based on the fair value of net assets of the associate and the percentage holding the company has in the associate.

Impairment of financial assets

Financial assets, other than those held at fair value through the statement of comprehensive income account, are assessed for indicators of impairment at each reporting end date. Any impairment loss is recognised in the statement of comprehensive income account.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities, and includes the revaluation reserve and the retained earnings.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from net surplus as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

1 Accounting policies

(Continued)

Deferred tax

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not they will be recovered. Deferred tax assets and liabilities are not discounted.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of comprehensive income in the year they are payable.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Grants towards revenue expenditure are recognised in the statement of comprehensive income as the related expenditure is incurred.

1.16 Legal status

NFU Scotland is a company limited by guarantee which has been granted exemption, under Section 60 of the Companies Act 2006, from including 'Limited' in its name. There is no share capital. The liability of each member of the company, in the event of winding up, is limited to £1.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was: 42 (2023 - 41).

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

3 Tangible fixed assets

	£
Cost	
At 1 November 2023	173,744
Additions	14,330
	<hr/>
At 31 October 2024	188,074
	<hr/>
Depreciation and impairment	
At 1 November 2023	94,522
Depreciation charged in the year	30,716
	<hr/>
At 31 October 2024	125,238
	<hr/>
Carrying amount	
At 31 October 2024	62,836
	<hr/> <hr/>
At 31 October 2023	79,222
	<hr/> <hr/>

4 Investment property

	2024	£
Fair value		
At 1 November 2023	243,000	
Revaluations	(29,000)	
	<hr/>	
At 31 October 2024	214,000	
	<hr/> <hr/>	

Investment property comprises of three properties at the year end. The fair value of the investment property for the three properties has been arrived at on the basis of valuations carried out on 14 October 2024 and 22 November 2024 by Savills Chartered Surveyors and S.J.Omand Chartered Surveyors who are not connected with the company. The directors are satisfied this is an appropriate assessment of fair value at the balance sheet date. Directors have undertaken a fair value assessment to ensure these valuations are in line with the fair value of the properties in the current market.

5 Fixed asset investments

	2024	2023
	£	£
Investment in associates	524,485	524,485
Listed investments	2,694,897	2,304,033
	<hr/>	<hr/>
	3,219,382	2,828,518
	<hr/> <hr/>	<hr/> <hr/>

The historic cost of investments in associates amounts to £222,287 (2023: £222,287). The historic cost of listed investments amounts to £1,731,484 (2023: £1,602,039).

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

5 Fixed asset investments (Continued)

Movements in fixed asset investments

	Investment in associates £	Listed investments £	Total £
Cost or valuation			
At 1 November 2023	524,485	2,304,033	2,828,518
Additions	-	330,694	330,694
Valuation changes	-	253,534	253,534
Disposals	-	(193,364)	(193,364)
	<hr/>	<hr/>	<hr/>
At 31 October 2024	524,485	2,694,897	3,219,382
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 October 2024	524,485	2,694,897	3,219,382
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 October 2023	524,485	2,304,033	2,828,518
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

6 Associates

Details of the company's associates at 31 October 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Scottish Agricultural & Rural Development Centre Limited (28 February 2023 year end)	Rural Centre West Mains Ingliston EH28 8LT	Management of office property occupied by organisations mainly operating in the Agricultural and Rural sector	Ordinary	43

7 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	21,508	112,004
Other debtors	85,252	106,551
	<hr/>	<hr/>
	106,760	218,555
	<hr/> <hr/>	<hr/> <hr/>

As at 31 October 2024 there was no provision required for bad debts (2023: nil)

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

8 Current asset investments

	2024 £	2023 £
Listed investments	236,513	236,513

Other investments include bank deposits with a maturity greater than three months, but less than twelve months.

9 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	75,874	41,318
Corporation tax	111,622	37,500
Other taxation and social security	52,094	66,953
Other creditors	583,760	583,484
	<u>823,350</u>	<u>729,255</u>

10 Security

A bond and floating charge is held over all of the assets of the company as security by the bank.

11 Provisions for liabilities

	2024 £	2023 £
Deferred tax liabilities	418,841	272,544

12 Revaluation reserve

	2024 £	2023 £
At the beginning of the year	887,584	917,681
Transfer of realised and unrealised gains and losses on investments	179,436	(30,097)
At the end of the year	<u>1,067,020</u>	<u>887,584</u>

Where assets are included at fair value, the unrealised uplift in their value is transferred from retained earnings to the revaluation reserve. Deferred tax movements on these unrealised gains are also transferred from retained earnings to the revaluation reserve.

On the disposal of assets held at fair value the element of the revaluation reserve relating to the assets sold is transferred to retained earnings.

NFU SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2024

13 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Listed below are the transactions between the company and The Scottish Agricultural & Rural Development Centre Limited, a company with common directors and in which the company has a 43% interest.

Purchases £87,731 (2023: £79,283)

Sales £59,299 (2023: £59,750)

Included in debtors is £nil (2023: £55,199)

Included in creditors is £nil (2023: £1,594)