

Company registration number: SC162386

Charity registration number: SC24310

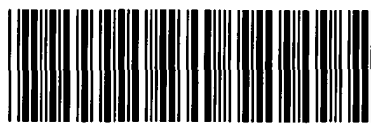
The Scottish Tartans Authority

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2018

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The Scottish Tartans Authority

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The Scottish Tartans Authority

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2018.

The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Charitable purposes

The Charitable Purposes of The Scottish Tartans Authority are:

- (a) to protect, preserve, conserve, promote and explain the culture, traditions and uses of Scottish Tartans and Highland Dress; and
- (b) to advance and promote the education of the public about Scottish Tartans and Highland Dress and their respective origins, manufacture, use, history and development.

Activities

In furtherance of these Charitable Purposes The Scottish Tartans Authority studies, records and stimulates research and education about Scottish Tartans, assists in the maintenance of The Scottish Register of Tartans and maintains an additional and extensive archive of tartans and woven samples. The Scottish Tartans Authority assists in the accreditation of new and original tartans and, by encouraging high standards in the manufacture and marketing of tartan cloth and Highland Dress, enhances the reputation and knowledge of Scottish Tartans both in Scotland and worldwide.

In addition, The Scottish Tartans Authority seeks to establish, develop, manage and preserve a visitor centre, interpretive museum, exhibition centre, research library, lecture halls and/or the like relating to Scottish Tartans.

ACHIEVEMENT AND PERFORMANCE

During 2018, The Scottish Tartans Authority (STA) continued to fulfill its charitable purposes and strengthened a number of partnerships across a range of sectors including culture, heritage, education, tourism and business. Activity levels have, again, been relatively high given the scarce resources available to the charity. The trustees are, however, conscious that individual members may not always be aware of this high level of activity and there is a commitment to improve communications as well as the STA website which, while informative, is in need of a significant upgrade. This is particularly relevant in relation to the interface with members and potential members albeit membership numbers remain relatively stable.

The National Tartan Centre project made steady progress in 2018 and the STA was a key partner in creating the exhibition content within The Duke of Rothesay Highland Games Pavilion, Braemar, which was officially opened by Her Majesty The Queen on 1st September 2018. The year also witnessed some key artefact acquisitions and the Authority continued to provide strong support to National Records of Scotland as principal advisor to The Scottish Register of Tartans.

The year to 31st December 2018 completed the first full year since HRH The Prince Charles, Duke of Rothesay agreed to become Patron of The Scottish Tartans Authority. The trustees are truly grateful for the keen interest that HRH continues to show in the work of the Authority and for the regular encouragement offered by His Royal Highness.

The Scottish Tartans Authority

Trustees' Report

Research, Media and Enquiries

An interesting year and this has continued into 2019. Once again, particular thanks must go to Peter MacDonald, Head of Research & Collections who continues to give significant time, applying his expertise to further the educational causes of the charity. Numerous and varied media enquiries were fielded during the year and particular highlights included a talk to members of The Royal Celtic Society and filming for the BBC 'Inside the Factory' series. Key acquisitions during 2018 included a tartan dress coat of The Ancient Caledonian Society, dating from circa 1786 and a full uniform of the Balmoral Highlanders, complete with Robb of Ballater silver accouterments dated 1905. The Scottish Tartans Authority continues to provide strong support to The Scottish Register of Tartans as part of its Advisory Group. We continue to uncover new (to us) old tartans and the STA database contains just short of 10,000 entries.

National Tartan Centre

On 31st May 2018 a Heads of Agreement was signed in relation to the Stirling and Clackmannanshire City Region Deal. One of the key projects within this deal is the creation of a National Tartan Centre for which investment of up to £10m has been allocated, subject to a long-term and financially sustainable business case. Stirling Council and The Scottish Tartans Authority are the principal partners in this project and we are working with a range of potential stakeholders to ensure that we are in a position to lead the project once the final deal is signed, hopefully towards the end of 2019. The Scottish Tartans Authority believes that the creation of this centre will assist in furthering a range of educational, cultural and business projects, providing a focal point for all things tartan and creating a space that celebrates tartan (past, present and future) in its full and iconic glory.

Partnerships and Stakeholders

The last few years have seen continued and significant progress in developing creative and meaningful partnerships. During 2018, and into 2019, The Scottish Tartans Authority has worked with a wide range of people and organisations in pursuit of the charity's aims and objectives. A strong partnership with Braemar Royal Highland Society crystallised during 2018 with the opening of The Duke of Rothesay Highland Games Pavilion by HM The Queen on 1st September. The Authority played a key role in the design and execution of the exhibition within the Braemar Highland Games Centre and continues to advise on all matters relating to tartan and Highland Dress. Another key partnership is that with National Museums Scotland and the STA is very proud to be supporting (through advice and loans) a major exhibition, Wild and Majestic: Romantic Visions of Scotland, at the National Museum of Scotland between June and November 2019. Other key contacts and relationships maintained and developed over the past year include, National Records of Scotland, Scottish Enterprise, Visit Scotland, Stirling Council, The Scottish Government, Bannockburn House Trust, The Prince's Foundation, Historic Environment Scotland, The Standing Council of Scottish Chiefs, Bonhams, Lyon & Turnbull, The Royal Celtic Society, The Caledonian Society of London and The Highland Society of London.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document

The organisation is a charitable company registered in Scotland, limited by guarantee and not having a share capital. The company was established under a Memorandum of Association which established its objects and powers as a charitable company and is governed under its Articles of Association dated 27 December 1995 and amended on 15 February 1997, 12 May 2001, 7 August 2015 and 29 September 2017.

The Scottish Tartans Authority

Trustees' Report

Governance and Support

The STA continues to achieve a good level of stability within our trustee base. Paul Lowe joined the board as Keeper Trustee in December 2018 replacing former Keeper Tim Ellis who resigned as a Trustee in May 2018. The board is very grateful to Tim for his strong support during his time as Keeper of The Scottish Register of Tartans. Thanks also go to Anne Slater who fulfilled this role on an interim basis during 2018. Throughout 2018 the Authority continued to manage its finances in a prudent manner. Financial and non-financial support was received in 2018 from private individuals, weaving and Highland Dress businesses across Scotland and beyond, other businesses and charitable organisations, National Records of Scotland and Stirling Council.

The trustees of The Scottish Tartans Authority continue to be committed to a Code of Conduct that has selflessness, integrity, objectivity and honesty at its core. In acting in the charity's interests at all times we will continue to play a leading and expert role in assisting others with an interest in preserving and promoting tartan and Highland Dress. Partnership working and collaboration will continue to be at the heart of everything we do.

Recruitment and appointment of trustees

The Board of Trustees is elected in accordance with the company's Articles of Association, most recently revised by a Special Resolution on 29th September 2017. The number of Trustees shall not be fewer than three nor more than fourteen.

The Articles of Association stipulate that up to six individual persons may be elected as Trustees (Elected Trustees) by the members (but excluding members of the Technical Electoral College) and that up to three individual persons may be appointed as Trustees (Technical Trustees) by the Technical Electoral College (TEC), the latter comprising those members of The Scottish Tartans Authority which are organisations involved in the business of tartan weaving, or tartan retail, or Highland Dress manufacture or retail. The election process for Technical Trustees will precede each Annual General Meeting while the election process for Elected Trustees will take place at each Annual General Meeting with candidates having been nominated by two members.

In addition to the Elected Trustees, The Keeper of The Scottish Register of Tartans (Keeper Trustee) shall for the term of his or her office as such be an ex officio Trustee of The Scottish Tartans Authority. The Board of Trustees may also, from time to time, co-opt up to four additional Trustees to serve on the Board provided that the maximum number of fourteen Trustees is not exceeded.

In all cases the Board seeks to identify appropriate candidates, both those with, and those without, extensive knowledge of tartan and Highland Dress who, in all cases, will bring valuable skills and experience to The Scottish Tartans Authority.

The Scottish Tartans Authority

Trustees' Report

Reference and Administrative Details

Trustees

C I Campbell

P M Wilson

P A E Macdonald

R W V Elliot

T D Ellis (resigned 4 May 2018)

J F McLeish

J C R Duff

C W Brown

N M Statt

M E Ferris-Lay

S Tuckett

A Slater (appointed 7 May 2018 and resigned 17 December 2018)

P E Lowe (appointed 17 December 2018)

Secretary

J & H Mitchell, W.S.

Principal Office

51 Atholl Road

Pitlochry

Perthshire

PH16 5BU

The charity is incorporated in Scotland.

Company Registration Number

SC162386

Charity Registration Number

SC24310

Independent Examiner

David Kelly LLB ACA

Kelly Accounting Limited

Chartered Accountants

42 Comrie Street

Crieff

Perthshire

PH7 4AX

The Scottish Tartans Authority

Trustees' Report

FINANCIAL REVIEW

The trustees of The Scottish Tartans Authority wish to express their sincere and unreserved thanks to all who have donated or granted funds during the year under review.

Members continue to provide our life-blood and the trustees wish to thank all members for their unwavering support, their commitment to the goals of the STA, their generosity and their patience – scarce resources mean that we are not always able to respond to members in as timely a manner as we would necessarily like. Donations from members and non-members will continue to be important sources of funds in future years and the trustees will continue to identify additional funding sources with the assistance and recommendation of a wide network of friends, associates and partners.

Managing costs

The trustees continue to look closely at operating costs and have taken further steps during 2018 to create a lean and flexible organisation model.

Policy on reserves

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned expenditure. At 31 December 2018 The Scottish Tartans Authority had unrestricted net current assets of £13,758 (2017: £18,054) which were sufficient to meet the day to day operational costs of the charity for 6 months.

With the potential to embark on a major project to build and create a National Tartan Centre now on the near horizon, the trustees understand that funds will have to be secured to adequately resource this venture and to ensure its success. The trustees continue to seek funding support from charitable, public and private sources.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Scottish Tartans Authority for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Scottish Tartans Authority

Trustees' Report

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 20 September 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'J F McLeish', written over a horizontal dotted line.

J F McLeish
Chairman and Trustee

The Scottish Tartans Authority

Independent Examiner's Report to the trustees of The Scottish Tartans Authority

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2018 which are set out on pages 8 to 20.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



David Kelly LLB ACA
Kelly Accounting Limited
Chartered Accountants
42 Comrie Street
Crieff
Perthshire
PH7 4AX

20 September 2019

The Scottish Tartans Authority

Statement of Financial Activities for the Year Ended 31 December 2018 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2018	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Income and Endowments from:				
Donations and legacies	3	11,774	-	11,774
Other trading activities	4	6,141	-	6,141
Investment income	5	15	-	15
Total income		17,930	-	17,930
Expenditure on:				
Raising funds		(768)	-	(768)
Charitable activities	6	(13,478)	(8,771)	(22,249)
Total expenditure		(14,246)	(8,771)	(23,017)
Net income/(expenditure)		3,684	(8,771)	(5,087)
Net movement in funds		3,684	(8,771)	(5,087)
Reconciliation of funds				
Total funds brought forward		110,568	8,771	119,339
Total funds carried forward	17	114,252	-	114,252
2017				
	Note	Unrestricted funds £	Restricted funds £	Total 2017 £
Income and Endowments from:				
Donations and legacies	3	12,292	27,435	39,727
Other trading activities	4	3,689	-	3,689
Investment income	5	6	-	6
Total income		15,987	27,435	43,422
Expenditure on:				
Raising funds		(258)	-	(258)
Charitable activities	6	(23,625)	(24,704)	(48,329)
Total expenditure		(23,883)	(24,704)	(48,587)
Net (expenditure)/income		(7,896)	2,731	(5,165)
Net movement in funds		(7,896)	2,731	(5,165)
Reconciliation of funds				
Total funds brought forward		118,464	6,040	124,504
Total funds carried forward	17	110,568	8,771	119,339

All of the charity's activities derive from continuing operations during the above two periods.

The Scottish Tartans Authority
(Registration number: SC162386)
Balance Sheet as at 31 December 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	11	2,192	422
Heritage assets	12	98,300	92,000
Investments	13	2	2
		<u>100,494</u>	<u>92,424</u>
Current assets			
Stocks	14	50	75
Debtors	15	105	293
Cash at bank and in hand		<u>17,317</u>	<u>31,060</u>
		<u>17,472</u>	<u>31,428</u>
Creditors: Amounts falling due within one year	16	<u>(3,714)</u>	<u>(4,513)</u>
Net current assets		<u>13,758</u>	<u>26,915</u>
Net assets		<u>114,252</u>	<u>119,339</u>
Funds of the charity:			
Restricted funds		-	8,771
Unrestricted income funds			
Unrestricted funds		<u>114,252</u>	<u>110,568</u>
Total funds	17	<u>114,252</u>	<u>119,339</u>

For the financial year ending 31 December 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit of the financial statements for the year ended 31 December 2018 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- a) ensuring that the company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for each financial year in accordance with the requirement of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The Scottish Tartans Authority
(Registration number: SC162386)
Balance Sheet as at 31 December 2018

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards (FRS 102).

The financial statements on pages 8 to 20 were approved by the trustees, and authorised for issue on 20 September 2019 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'J F McLeish', with a long horizontal stroke extending to the left.

J F McLeish
Chairman and Trustee

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

1 Charity status

The charity is incorporated in Scotland and is limited by guarantee. Consequently, it does not have share capital and each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

51 Atholl Road
Pitlochry
Perthshire
PH16 5BU

These financial statements were authorised for issue by the trustees on 20 September 2019.

2 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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006.

The charity has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS 102 and the Charities FRS 102 SORP.

Basis of preparation

The Scottish Tartans Authority meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The Trustees have reviewed the various sources of income available to the Authority over the coming year and are satisfied that they have secured its immediate future.

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

Group accounts not prepared

The financial statements contain information about The Scottish Tartans Authority as an individual charity and do not contain consolidated financial information as the parent of a group. The charity has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds (including associated support costs)
- Expenditure on charitable activities (including associated support costs)
- Other expenditure representing those items not falling into any other heading.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include general overheads, some payroll costs and governance costs which support the effective running of the Authority. These costs have been allocated between costs of raising funds and expenditure on charitable activities.

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Heritage assets

The Authority's Heritage assets, comprising a library of books on tartan and Highland Dress, woven samples, the Duke of Sussex Collection, the Robertson Aikman Collection and other tartan artefacts are included in the balance sheet at valuation.

The library of books was valued in 2010 by a suitable experienced antiquarian bookseller.

The woven samples, thought to be the largest collection of its kind in the world, are valued by the Trustees on an annual basis.

The Authority maintains an inventory of woven samples and books in its possession.

The Authority also holds the Duke of Sussex Collection which has been valued in partnership with the National Museums of Scotland for insurance purposes. Further, the Robertson Aikman Collection held by the Authority has been valued by an independent auction house.

In addition, the Authority has in its possession, other tartan related costume, artefacts and records which are not recognised in the balance sheet as cost information is not readily available. The Trustees have commenced a phased process of re-cataloguing and valuing the overall collection and this will continue, provided the cost of the exercise can be accommodated within the Authority's financial resources.

Subject to the approval of the Trustees, the Authority may dispose of items from the library or collections, although this will only happen in exceptional circumstances.

All the above assets are deemed to have indeterminate lives and the Trustees do not therefore consider it appropriate to charge depreciation.

Depreciation and amortisation

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
Fixtures and fittings	33% on cost
Computer equipment	33% on cost

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Unrestricted funds £	Total 2018 £	Total 2017 £
Grants, including capital grants;			
Government grants	-	-	7,435
Grants from other charities	-	-	20,000
Regular giving and capital donations	11,774	11,774	12,292
	<u>11,774</u>	<u>11,774</u>	<u>39,727</u>

4 Income from other trading activities

	Unrestricted funds £	Total 2018 £	Total 2017 £
Trading income;			
Sales of goods and services	6,141	6,141	942
Events income;			
Other events income	-	-	2,747
	<u>6,141</u>	<u>6,141</u>	<u>3,689</u>

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

5 Investment income

	Unrestricted funds £	Total 2018 £	Total 2017 £
Interest receivable and similar income;			
Interest receivable on bank deposits	15	15	6

6 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
Activities undertaken directly	11,365	8,771	20,136	31,016
Staff costs	-	-	-	8,600
Allocated support costs	2,113	-	2,113	8,713
	13,478	8,771	22,249	48,329

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2018 £	2017 £
Depreciation of fixed assets	292	56

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

J F McLeish

£1,014 (2017- £3,675) of expenses, relating to office costs and travel expenses incurred on behalf of the Scottish Tartans Authority, were reimbursed to J F McLeish.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

9 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	-	7,666
Social security costs	-	872
Pension costs	-	62
	<u>-</u>	<u>8,600</u>

The monthly average of persons (including senior management team) employed by the charity during the year expressed as full-time equivalents was none (2017 – none).

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 January 2018	4,237	4,237
Additions	<u>2,500</u>	<u>2,500</u>
At 31 December 2018	<u>6,737</u>	<u>6,737</u>
Depreciation		
At 1 January 2018	3,815	3,815
Charge for the year	<u>730</u>	<u>730</u>
At 31 December 2018	<u>4,545</u>	<u>4,545</u>
Net book value		
At 31 December 2018	<u>2,192</u>	<u>2,192</u>
At 31 December 2017	<u>422</u>	<u>422</u>

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

12 Heritage assets

	Heritage assets £
Cost	
At 1 January 2018	92,000
Additions	<u>6,300</u>
At 31 December 2018	98,300
Depreciation	
At 31 December 2018	<u>-</u>
Net book value	
At 31 December 2018	<u>98,300</u>
At 31 December 2017	<u>98,300</u>

During 2015, it was agreed that the Duke of Sussex Collection would be loaned to National Museums Scotland (NMS) and, as a result, was valued in partnership with NMS for insurance purposes at £40,000. This valuation has been included in the accounts for the year ended 31 December 2018.

Also included in the Authority's heritage assets is the Robertson Aikman collection, which an independent auction house has valued at £15,000.

During 2010, a revaluation of the Authority's library of books on tartans was conducted by Larry Hutchison Antiquarian Fine And Rare Books. The books were valued at £32,000 and this value has been reflected in the accounts.

The Trustees have valued the Authority's collection of woven samples at £5,000 (2017: £5,000).

During 2018, two items were added to the Collection being a share of the Balmoral Highlander uniform at a cost of £5,000 and a Tartan Jacket dating back to 1786 at a cost of £1,300.

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

13 Fixed asset investments

	2018 £	2017 £
Shares in group undertakings and participating interests	2	2

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2018	2	2
At 31 December 2018	2	2
Net book value		
At 31 December 2018	2	2
At 31 December 2017	2	2

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2018	2017	
Subsidiary undertakings					
The Tartan Awards Limited	Scotland	Ordinary	100%	100%	Dormant
STA Trading Limited	Scotland	Ordinary	100%	100%	Dormant

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

14 Stock

	2018 £	2017 £
Stocks	50	75

15 Debtors

	2018 £	2017 £
Trade debtors	-	200
VAT recoverable	12	-
Other debtors	93	93
	105	293

16 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,214	1,690
VAT	-	1,323
Accruals	1,500	1,500
	3,714	4,513

17 Funds

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Balance at 31 December 2018 £
Unrestricted funds				
General	110,568	17,730	(14,046)	114,252
Restricted funds				
National Tartan Centre	8,771	-	(8,771)	-
Total funds	119,339	17,730	(22,817)	114,252

The Scottish Tartans Authority

Notes to the Financial Statements for the Year Ended 31 December 2018

17 Funds (continued)

	Balance at 1 January 2017 £	Incoming resources £	Resources expended £	Balance at 31 December 2017 £
Unrestricted funds				
General	118,464	15,887	(23,783)	110,568
Restricted Funds				
National Tartan Centre	6,040	27,435	(24,704)	8,771
Total funds	<u>124,504</u>	<u>43,322</u>	<u>(48,487)</u>	<u>119,339</u>

The National Tartan Centre Fund was established in connection with the National Tartan Centre project in Stirling. Phase 1 of the project includes obtaining costs for managing this stage, setting up and directing the Working Group that will be made up of a range of partner organisations from the tourism, heritage and tartan sectors. They will be responsible as a group for developing and appointing contractors to deliver the site-specific Business Plan, detailing the building design stage as well as appointing the interpretation planners.

18 Analysis of net assets between funds

	Unrestricted funds £	Total funds £
2018		
Tangible fixed assets	2,192	2,192
Heritage assets	98,300	98,300
Fixed asset investments	2	2
Current assets	17,472	17,472
Current liabilities	(3,714)	(3,714)
Total net assets	<u>114,252</u>	<u>114,252</u>

	Unrestricted funds £	Restricted funds £	Total funds £
2017			
Tangible fixed assets	422	-	422
Heritage assets	92,000	-	92,000
Fixed asset investments	2	-	2
Current assets	22,657	8,771	31,428
Current liabilities	(4,513)	-	(4,513)
Total net assets	<u>110,568</u>	<u>8,771</u>	<u>119,339</u>