

REPORT OF COUNCIL of the SCOTTISH POTATO
TRADE ASSOCIATION for the year to 31st
October, 1979 to the ANNUAL GENERAL MEETING
OF MEMBERS in the Station Hotel, PERTH at
2 p.m. on Thursday, 10th JANUARY, 1980.

(a) ACCOUNTS

Each Association member has now received a copy of the audited Account for the year to 31st October, 1979. In brief comment, Subscriptions (increased by 7½% over 1978) received from 115 full year Members and 7 part year Members, (compared with 112 and 1 respectively in 1978), improved by £483.84 to £4,877.84. The several tonnage-bracket changes virtually cancelled each other out.

Net Investment Income increased by £50.53, due partly to reduced standard rate tax but mainly due to inclusion of accrual received on an investment change.

Gross Bank Interest more than doubled by £125.60 to £228.55, reflecting both higher interest rates on increased cash receipts and also prompt payment of subscriptions by the great majority of Members. This is equivalent to nine lowest-bracket subscriptions and with current interest rates at record levels there is every prospect that, with repeated prompt payment, this "bonus" item can be further improved.

Total Income, therefore, increased by £660 (1978 was almost £700) at the same time as Total Expenditure increased by £640 (1978 was £712). This is 13.77%, slightly under the average rate of inflation over the whole year under review. Significant among the items of expenditure, General administration (£272 in 1978 was after deduction of £150 adjustment from the previous year) also includes a similar £50 adjustment carried forward into the current year. In fact, this item increased by only £70 against an estimated increase of £100. 1978 Travelling Expenses (£238) was similarly after deduction of an adjustment of £100 from the previous year. Nevertheless this item still more than doubled. This was mainly due to representatives Expenses travelling to two meetings in the South in connection with revisions of our "Conditions of Sale" and which expense will not recur.

A modest increase of £20 in Revenue Surplus is carried down to the Liabilities side of the Balance Sheet where, with the addition of tax recovered for 1978 (£93), the Accumulated Revenue Surplus is shown as £328.72 to which
tax

recoverable for 1979 (estimated at £83) will be added during the current year.

The Assets side of the Balance Sheet includes £2,800 10% Treasury Stock 1992 in replacement of £2,600 8½% Treasury Loan 1980/82 sold. This change brought in nearly £192 of tax-free Capital Gain and increases the Association's gross annual Investment Income by £59 each year. The Market Value of the Investments at the close of the Account was only £26 more than their cost. Current record high interest rates have reduced the Market Value to only £5009 today and this will not be improved until those interest rates return to lower levels. The actual Cash, £11.39, compares with £39.37 last year while financing provided for V.A.T. (which increased by almost £50 in 1978) increased by a further £130 to the £338.99 shown and since recovered.

(b) MEMBERSHIP

The figure of 114 contributing members at 31st October, 1978 suffered four further resignations during the year under review. However, this was offset by the enjoining of 11 new members and 1 resumption of membership, so that the current year started with a total Roll of 122 Members. Since then, five more new Members have been enjoined and a further application for membership, to be considered later to-day, has been received.

This marked increase in Membership is a very gratifying reversal indeed of the declining trend that has persisted ever since the former Associations amalgamated with a total Membership Roll of 144. Most of this year's increase is undoubtedly due to the vigorous recruiting campaign instituted during the year.

Be that as it may, increased membership has two distinct advantages. First, it adds strength and authority to the Association's Voice and second, by a wider sharing of costs, it effectively reduces the impact of inflation on Subscriptions. All Members are urged, therefore, to join in maintaining the impetus of these recruiting efforts.

(c) MEETINGS

Council's Report last year stated that Association representatives had attended 59 meetings, against 54 during the preceding year. This year the total reached 67. Of this total 33 were the Association's own meetings (22 the previous year) which consisted of 10 Council, 7 "Conditions" Sub-Committee/

4 Press Committee, 9 Entertainments Committee, 2 "Exhibitors" meetings and the A.G.M.

External representation comprised 24 meetings of 8 Committees of 5 Organisations and 9 other (non-regular) meetings. While this increasingly heavy workload clearly arises from today's much more complex business environment, we must not overlook the burden it places upon your representatives' shoulders as they continue, over and above their own business and personal commitments (and on a Voluntary, unpaid basis) to work so strenuously to safeguard the interests of the whole Association Membership.

(d) CIRCULARS

There was a reduction in the number of circularisations from 34 during 1978 to 20 during 1979, of which only 9 were sent by first class mail. Additionally, Market Prices Bulletins were sent each Tuesday except two during the year to almost 40 members. Wherever possible these postings, as well as circularisation of Notices of and Minutes of Meetings etc. to all 20 Council Members, continue to be co-ordinated. While the value of this vigilance is clearly illustrated by reduced expenditure during year in which there were marked increases in costs, the scope for further containment is now strictly limited by impending increases in postal charges and the need to maintain the best possible contact with all members.

(e) 1980 SUBSCRIPTIONS

While this matter is strictly the next Item on today's Agenda, it is explained by way of introducing it that earlier efforts to contain costs will continue, but that their success to date in reducing the effects of inflation is now much more limited.

Your Council has considered, most carefully, both the audited Accounts for 1979 now before you and Estimates of Income Expenditure for the current year. Following its study, Council has recommended that to-day's Annual General Meeting of Members should make no change to the existing tonnage-brackets and that the Subscription for the first (0-2000 tonnes) bracket should remain at £25 for the year to 31st October, 1980.

For the subsequent five tonnage brackets, Council further recommends that the Subscriptions should be fixed at £50, £65, £80, £100 and £120 respectively.

While these recommendations incorporate a very modest degree of levelling out of "per Tonne" rates between the brackets, it must be pointed out that the overall average cost of Association Membership has been calculated at less than nine-tenths of one pence per tonne handled.