

REPORT OF COUNCIL

of

THE SCOTTISH POTATO TRADE ASSOCIATION

for the year to 31st October, 1989

to

THE ANNUAL GENERAL MEETING OF MEMBERS

It is customary for Council's Annual Reports to deal first with changes in the Association's Membership Roll that have occurred during the year under review. As stated in last year's Report, the Roll comprised 104 Members as at 1st November, 1988. Subsequent mergers between Members reduced this number by 2. It was further reduced by resignations of 4 Members and by suspension of 7 Members. Offsetting these reductions 7 new Members were enrolled during the year so that by 31st October, 1989 the total Roll had been reduced by 6 to 98 Members.

Last year's Report also recorded conclusion of your Association's response to the Government's Paper on the post-1990 future of the Potato Marketing Board. Following extensive delay, the Government's decision was announced in mid-July, 1989. As you all now know, the Potato Marketing Scheme is to continue for a further five years, subject to wider consultation and on a self-financing basis. In implement of these conditions the Board has undertaken cost-cutting measures and has re-constituted its Joint Consultative Committee. Your Association successfully contested its earlier loss of direct representation during this re-constitution and has now secured a place for one representative.

Renewal of the Seed Support Scheme for a further year without amendment has vindicated the satisfaction expressed in last year's Report on its very hard-won introduction. Being without amendment, this renewal reinforces your Association's insistence that the Scheme is not conditional upon introduction of early burning down arrangements. This subject persists, however, and is referred to again later in this Report.

Council's attention during the year under review has also been given to the so-called "small ware" problem, which culminated in formulation of a statement of Association policy in the matter. There are clear indications from many quarters that corrective action is being taken. It is to be hoped that its effect on the problem will be both speedy and conclusive.

From the circularised Reports on each Council Meeting, Members will also be aware of the need for the changes in the Association's recommended Arbitration Procedures which Council has instructed during the year under review. Subject to Members' approval today, implementation of these changes will be concluded.

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During the latter part of the year the Department of Agriculture and Fisheries for Scotland issued proposals for a Voluntary Higher Quality Seed Scheme. These proposals have already been fully considered by Council and did not win majority support. Among objections raised, the incorporation of early burning down provisions were felt to be impractical. At an Open Meeting of Members on 1st December, arranged in response to D.A.F.S.' request, the proposals were given further lively consideration and at its meeting later this afternoon Council will discuss the outcome.

While it is true that seed matters predominated in Council's work, as reflected in this Report, Council's concern to preserve its interest in ware matters remains undiminished. Taking account of representational changes following this year's Elections to Council, it has been agreed Mr. A.C. Galbraith (of A.H.S. (Packers) Ltd., Ladybank) be delegated special responsibility for ware matters. All Members are invited to ensure that their views are known to Council at all times.

In conclusion, Council has been encouraged that "feed-back" from Members has shown improvement during the year. In the rapidly changing Trade "scenario", this is a vital source of Association strength and ability to speak with authority on Members' behalf. All Members are urged, therefore, to continue and to improve the "feed-back" process.

TREASURER'S REPORT

for the year to 31st October, 1989

to the

ANNUAL GENERAL MEETING OF MEMBERS

of

THE SCOTTISH POTATO TRADE ASSOCIATION

As usual, the Association's Annual Account for the year to 31st October, 1989 has been audited and a copy of it has already been sent to every Member of the Association. Its format is unchanged and, I believe, is easily understood. I propose, therefore, to comment on it only in general terms.

Referring first to the Income side of the Account, in the top right hand quarter of the page, SUBSCRIPTIONS are shown as £9,944. This is an increase of £297 (3.08%) over the preceding year shown in the margin but, once again, £796 (7.4%) below the budgetted figure, due to unpredictable Membership Roll and tonnage-bracket changes.

INVESTMENT INCOME of £440 net includes the small increase I explained last year and was bang on budget. BANK INTEREST at £297.32 gross, however, exceeded budget by almost £140. This reflects both prompt payment of their Subscriptions by most Members and higher than estimated interest rates throughout the year.

CROPORATION TAX repayment (£110.43) is £41.46 less than the previous year due to higher gross Bank interest received.

Turning to the top left hand quarter of the page, EXPENSES OF MEETINGS at £407.96 are less than half the preceding year's figure of £873, which itself included five special Open Meetings and an annual meeting with NASPM not repeated in 1989.

GENERAL EXPENSES £600.87 were about £100 less than both the preceding year and the budgetted figure, principally due to an offsetting adjustment to the Consortium's European Union account.

PHOTOCOPYING, POSTAGES and TELEPHONES all show modest increases over the preceding year but which, together, were nevertheless almost £100 below budget. Close scrutiny of these expenditures continues at all times..

TRAVELLING EXPENSES also provided a useful reduction from both the preceding year's and the budgetted figures. The SECRETARY'S SALRY conforms with Council's decision at the start of the year. The EXCEPTIONAL ITEM £238.00 being settlement as instructed by Council of Arbiters' Clerk's Fees and Outlays, has since been recovered.

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The overall SURPLUS for the year is thus brought out at £204.72 and this is carried down to the LIABILITIES side of the BALANCE SHEET (bottom left hand quarter of the page) where it is added to the accumulated REVENUE SURPLUS.

Across in the bottom right hand quarter of the page, under ASSETS, the Association's INVESTMENTS are detailed at cost, together with a market value showing an overall 8.75% appreciation at that time. The CASH position is self explanatory and the SUNDRY DEBTOR, of course, is the Corporation Tax repayment still to be received.

I shall be pleased to provide replies to any questions from the meeting.