

# Annual Review

## & Summary Financial Accounts

for year ended  
25 January 2025





# Record net assets amidst a challenging trading environment

Turnover  
£429.4m

Comparable trading profit  
£4.3m

Net assets  
£127.2m



Scotmid 

**OUR CORE PURPOSE:**  
To serve our communities  
and improve people's  
everyday lives.

Winter Giving campaign  
donated to local  
foodbanks, community  
pantries and hubs.

'Spirit of Cooperation'  
Lifeboat purchased  
through fundraising  
for RNLI.

Community Connect  
Scheme awarded £168k  
shared between 24  
good cause groups.

Scotmid produced a solid result for the 52 weeks ended 25 January 2025, despite challenging trading conditions and economic headwinds. The Society's like-for-like trading profit for the year was £4.3m, which is in line with the prior year result. In September 2024, Fosters Funeral Directors was acquired. This exciting acquisition expands geographical reach and market share for the funeral division. While energy prices and overall inflation eased off in the year, Scotmid's retail divisions were still faced with a persistent cost-of-living crisis, low consumer confidence and a wet Scottish summer which all depressed retail performance. In a tough trading environment, our colleagues worked relentlessly to grow turnover by £4.5m to £429.4m and increase net assets to a record level of £127.2m after tax, pension and property revaluation movements.

Scotmid Food was up against significant challenges during 2024/25, with improvements in energy costs more than offset by increases in labour, wastage, new member-pricing discounts and other market inflation. Low consumer confidence due to the cost-of-living crisis required careful management of margin targets and volumes. Semicem was particularly impacted by reduced footfall on high streets and in shopping centres making for a tough year, although a successful Christmas helped. Property performed well, driven by good commercial lease renewals and rent reviews, as well as residential rental growth. Scotmid Funerals experienced a reduction in funerals

and average values due to a lower death rate and an increase in direct cremations.

The Society's core purpose was delivered through funding distributed by the Membership and Community team. Erskine, supporting veterans, as well as Jamieson Spatial Laboratory were each awarded substantial donations. Other significant contributions were made to several good causes alongside the Winter Giving campaign. Community Connect awards were again presented at the AGM and OGM. The Society proudly fundraised and launched a new Atlantic 85 lifeboat, The Spirit of Cooperation, in charity partnership with the RNLI. Maggie's was named as Charity Partner for 2024/25, heralding a year of fundraising to support those affected by cancer.

2024/25 was another year of challenge with many market and economic factors presenting headwinds for our Society, customers and members. This resulted in reduced consumer confidence with knock on effects on footfall and propensity to spend in-store. However, Scotmid again rose to the challenge delivering a trading profit in line with last year and an increase in net assets, despite the tough trading conditions and cost increases. The Society continues to have a solid foundation in our balance sheet and a fantastic cohort of colleagues who remain steadfast in driving Scotmid forward to allow us to continue to fulfil our core purpose as we have done for the last 165 years.

*Karen*



## FOOD RETAIL

The food retail sector faced significant challenges in 2024, largely due to external factors. High interest rates, change in the UK government, and various geopolitical crises all impacted the economy, which in turn affected consumer confidence and discretionary spending. While energy prices stabilised, many households still faced tough decisions, leaving them with less money to spend. Despite these pressures, Scotmid food saw an increase in sales, though customer transactions declined with less frequent store visits. Several factors contributed to this, including reduced discretionary spend, lower-than-expected sales from events like the Euros, the lowest number of sunny summer days in a generation and the impact of Minimum Unit Pricing. To counter these challenges, Scotmid focused on 'Everyday

Value', Food to Go growth, Community Connect member pricing, and local sales opportunities.

The food division faced substantial cost pressures, including staff cost increases following the National Living Wage uplift from April. However, improved productivity and staffing level management to align with sales limited total cost rises. Energy costs reduced year-on-year due to global market changes and early hedging, although these remain high when compared to historic charges. Other cost increases included IT expenses, business rates, customer discounts (including new member costs), and buying levies. On the flip side, there was a reduction in credit card transaction fees with the change of provider completed in the year.

Investment in food stores saw a major refit at Ferry Road along with F-gas refrigeration works at Law, Coupar Angus and Raigmore. Food to Go was further upgraded with 19 stores refreshed during the year alongside investment in new counters and equipment. Store re-branding saw 8 stores updated with new fascia. The 'myScotmid' workforce management system was also successfully launched. The replacement of till systems commenced in 2024 with new tills and self-scan equipment installed in half of the estate. After an intense period of development, central food teams have deployed a new merchandising and ranging system with

the aim to develop store specific plans and ranges to best meet customer demands.

Several stores began offering evening Food to Go via Just Eat, while the Snappy Shopper offer continues to develop. The Ballantrae store was recognised as the Small Store Convenience Store of the Year at the Convenience Awards in Manchester, while the division received the "Food to Go Retailer of the Year Multiple Convenience" award at the Retail Industry Awards. In May, all store managers attended the Food Conference at the Glasgow Science Centre, marking the first in-person conference in over five years.

Top left: The interior of the newly refurbished Ferry Road store in Edinburgh.  
 Top right: The Scotmid's Scottish Favourites competition to find exciting new local producers.  
 Above: Ferry Road Store. Above right: The new member pricing scheme.



# SEMICHEM

Like the food sector, the non-food retail industry faced several challenges in 2024. External factors such as the cost-of-living crisis, high interest rates and geopolitical crises significantly impacted the economy, reducing consumer confidence and discretionary spending. High street retail continued to struggle, with several competitors closing stores as footfall declined, further affecting Semichem's results. Energy prices, though stabilising, remained high, and many households were forced to make tough budgeting choices, resulting in less money for non-essential purchases. Despite these difficulties, Semichem experienced a strong sales performance towards the end of the Christmas period, driven by robust fragrance sales.

In the face of a challenging economic environment, Semichem's price cut campaign and Mega Deals, supported by radio promotions, have played a vital role in boosting sales and enhancing customer offer. Event-driven sales, such as those for Valentine's Day, Mother's Day, and Father's

Day, have proven successful, although summer promotions were impacted by unfavourable weather conditions. Christmas, the key trading period for Semichem, was successful with growth for the division bucking some market trends. Costs remain high for Semichem with increases in staff costs and historically high, although easing, energy charges. Adjustments in warehouse operations and effective management of store hours have helped limit the year-on-year cost increases while service levels from the Semichem warehouse remained high throughout the year.

The Semichem store portfolio was strengthened by acquiring the freehold of the Thurso store. The Nairn store benefitted from new fascia and branding. Additional store improvements were completed including flooring upgrades, installation of energy efficient LED lighting and new air conditioning systems. The successful implementation of the myScotmid workforce management system in July further contributed to operational efficiency.

Above: Nairn store, which benefitted from a refurbishment. Right: Christmas marketing leaflet.

“Semichem experienced a strong sales performance towards the end of the Christmas period, driven by robust fragrance sales.”



## FUNERAL



Scotmid Funerals conducted fewer funerals in the year due to a lower death rate recorded across Scotland and a marginal decrease in market share. The proportion of direct cremation funerals rose against last year, driven by increased public awareness, further advertising spend by online providers and the cost-of-living crisis. Despite this continued shift to lower priced funerals, sales remained resilient.

There were more funeral plans written in 2024/25 with Scotmid customers planning for the future. Scotmid Funerals continues its work with Ecclesiastical Planning Services to offer regulated services to clients, with a variety of package and bespoke plans available online and in funeral offices. Alongside Ecclesiastical, advertising campaigns have

been launched on radio and digital, including social media and Google search.

In September 2024, Scotmid acquired Fosters Funeral Directors; adding 24 funeral offices and a business which is fully authorised by the FCA to create and write its own funeral plans. This transformational acquisition expands Scotmid's funeral network across the whole of the Central Belt of Scotland and significantly boosts market share in Scotland alongside bringing a skilled set of colleagues into the Scotmid family.

Integration plans for Scotmid Funerals and Fosters is underway with both sets of colleagues working with trade bodies on new regulation while continuing to offer the best possible service to their clients.

Above: Fosters Funeral Directors, acquired by the Society in September 2024. An example of recent targeted social media advertising for funeral plans.

Opposite page: A unit of the large warehouse at Newbridge adjacent to our Head Office was one of many properties that underwent a successful rent review.

## PROPERTY



The Property division posted a strong result for the year, driven by improved rental income from commercial and residential properties through new lettings, lease renewals, and rent reviews. Bad debts again remained low. Market conditions for the commercial sector improved in the second half of the year, showing modest tightening of commercial yields after a difficult two years. The residential market saw modest growth and a significant increase in volumes.

Commercial rental income grew year on year, driven by rent reviews and new lettings. There were no commercial property acquisitions during the period, but the portfolio benefitted from income generated by letting small surplus trading freeholds transferred from the food and funeral divisions. These additions offset the impact of lost rental income from the sale of three small non-core properties.

Residential rental income improved most significantly year on year. Market rental

values increased in the first half of the year but flattened by the end of the second half. Due to the impact of temporary rent controls in Scotland, the division continues to catch up to full market rental value on vacant re-lettings. Investment continued in residential holdings to ensure properties are well-presented and generate full market rents, with six properties undergoing internal refurbishments. In addition, preparatory tendering work was done for the first phase of external refurbishments at a core residential holding in Edinburgh.

Despite continued tough economic conditions, the Society's property portfolio benefitted from an increase in revaluation at the year end. This was driven mainly by strong rent reviews and re-lettings of commercial properties. Residential property values increased slightly during the year, mainly driven by core Edinburgh holdings.

## SOCIETY MATTERS & CENTRAL SUPPORT

Scotmid's overall surplus before tax was £4.5m, which is an increase of £4.4m vs 2023/24. With trading profit in line with last year's result before consolidation of Fosters, the Society benefitted from profit on disposals of fixed assets which were offset by increases in exceptional costs and higher interest charges with hedging in place unwinding. Property revaluation at January 2025 yielded a positive increase in values by £3.3m due to general stabilisation of market conditions, and some positive lease renewals and rent reviews. Market conditions and future actuarial assumptions resulted in a reduction in the pension deficit by £5.6m. Corporation tax shows a charge to the P&L of £1.7m with another capital allowances review increasing deferred tax liabilities, but reducing current tax. As at 25 January 2025, the Society's net assets increased to £127.2m, an improvement of £6.4m from 2023/24 year end. Society net debt increased by £1.6m to £23.7m following the acquisition of Fosters in the year.

Scotmid continues to hold complementary diversification investments in Product Guru and The Start-Up Drinks Lab. Product Guru continued to operate its hybrid business model, offering both in-person and digital events, and reported turnover growth in a year where the company also raised a modest amount of investment capital. The Start-Up Drinks Lab appointed a new MD in August 2024 and faced a challenging end to the year. The business closed the year with a pivot away from manufacturing services and a focus on higher margin and lower-risk agency services.

The People & Performance team engaged with GroceryAid, to become Scotmid's employee support partner, and Wagestream; helping colleagues manage, save, and access their earnings with ease. MyScotmid was utilised to carry out a first 'all staff' survey seeking feedback on the wellbeing support available to colleagues. The Grow Aspire Programme continues to develop future managers, with 28 candidates on the 2024 programme. Additionally, the Wellbeing Team grew communication and engagement with all employees introducing wellbeing podcasts featuring a variety of partners discussing the types of support available and how to access it. Staff wellbeing events were also well attended and raised funds for our charity partners, including walking football, netball and bowls.

The Change and Make It Simple, and IT teams rolled out a programme to upgrade tills and new self-checkout hardware in 90 stores, enhancing efficiency, security and customer payment choice. The myScotmid project was also finalised to launch workforce management, which has transformed core HR processes. IT activities across retail comprised the rollout of new Verifone card payment devices in stores and a refresh of staff headsets.

During 2024, the Finance team led the refinancing of the Society's debt facilities, transitioning to Barclays as Scotmid's primary banking partner. The Profit Protection team continues to support our stores and communities in response to rising crime with various prevention initiatives. Sustainable investments saw LED refits finalised in food stores and a trial of voltage optimisation technology to manage electricity usage.



Above: Examples of the new tills and self-checkouts

## GOVERNANCE, MEMBERSHIP & COMMUNITY



Above: The Society announced a 12-month commitment to support the Welby Breakfasts initiative.

The Directors of Scotmid are pleased to present a summary report on the Society's governance, membership and community activities for the year ended 25 January 2025.

### Governance

Scotmid aligns its operations with core co-operative values and principles and evaluates its performance against social responsibility indicators set by Co-operatives UK with further details included in the full annual report. The Society's sustainability policies include a sustainability roadmap to assist in achieving carbon reduction targets by 2030, through both new and existing initiatives. During 2024/25, membership numbers rose at an unprecedented rate driven by the introduction of member pricing. Training hours for colleagues, both in person and e-learning, increased this year which included training for the new till systems and introduction of the new people system. Elected member training hours saw a minimal reduction, focusing on challenges facing retail co-operatives in the 21st century and other core topics.

### Membership Development Community & Charity Activity

The Society remains dedicated to its core purpose of serving its communities and improving people's everyday lives by providing extensive financial and practical support.

Over 1,100 good causes were supported in 2024. Member votes allocated £168,000 in Community Connect funding to 24 shortlisted groups at the general meetings, empowering local organisations.

Support continues for young changemakers in Scotland through the 'Changemaker Fund' with Social Enterprise Academy, as well as for the Scotmid Community Orchard project, which is taking root across communities.

The Society announced a 12-month commitment to support the Scottish Grocers' Federation Healthy Living Programme's Welby Breakfast initiative. The partnership will ensure that more than 4,600 children in high-deprivation areas start their day with a nutritious meal, benefitting 16 primary schools within Scotmid communities.

# GOVERNANCE, MEMBERSHIP & COMMUNITY CONTINUED



Opposite page: The Society made a £50,000 donation to Scottish veterans' charity, Erskine. Inset below: The Changemaker Fund continues to allow school pupils to start social enterprises.

In addition to in-store offers, members have enjoyed exclusive events supporting charities and good causes, such as winter crafting and health-based webinars. These activities aim to unite members, support worthy causes, and enrich the membership offer.

## Other Community and Charitable Activities

Scottish veterans' charity, Erskine, received a £50,000 donation. This funding will replace all beds in one wing of their Bishopton residential home, provide 28 new beds in Edinburgh, and furnish social rooms



for the new Erskine Veterans Activity Centre North in Moray.

The Winter Giving project saw £50,000 donated across 110 local food banks, community pantries, and hubs; providing vital assistance to those in need. Christmas Giving Trees were well supported, ensuring that children would not be without a gift during the festive season. Social Bite again received ingredients for Christmas lunch, helping to spread warmth and goodwill.

The Disasters Emergency Committee (DEC) received a donation of £10,000 for the Middle East Humanitarian Appeal. This funding will



Above: The launch of the charity partnership with Maggie's. Inset below: The naming ceremony for the 'Spirit of Cooperation' RNLI Lifeboat purchased through fundraising by the Society.

support DEC's efforts in Gaza and Lebanon, where millions of people are displaced due to ongoing conflict. In Gaza, the funds are being used to provide families with emergency shelters, personal items, and hygiene kits. In Lebanon, the donation helps deliver essential supplies like mattresses and blankets to overcrowded shelters. This contribution will continue to support vital aid efforts as the situation evolves.



The Society proudly fundraised and launched a new Atlantic 85 lifeboat with the RNLI as part of 2023/24's Charity Partnership. The 'Spirit of Cooperation' will enhance the charity's relief fleet capabilities and support their life-saving work.

Scotmid's 2024/25 charity partner is Maggie's, who offer free support to those affected by cancer. The partnership not only raises funds but also spreads awareness and educates on important topics like 'Cancer in the Workplace.'

## Appreciation

On behalf of the Directors, I would like to thank all members, customers and colleagues for their support throughout the year.

Eddie Thorn  
**Society President**

# COMMUNITY CASE STUDIES

## Cooking Up Christmas

Since 2018, the Society has been proudly supporting the Social Bite Village in Edinburgh each year by delivering all the essential ingredients needed to prepare their Christmas lunch. This long-standing partnership has been part of the Society's commitment to helping those in need during the festive season.

Social Bite Village is a unique initiative in Edinburgh aimed at providing temporary accommodation and support for people experiencing homelessness. The village consists of small, sustainable, and fully equipped homes, offering individuals a safe space to rebuild their lives. In addition to accommodation, the village provides access to a range of support services, including mental health care, employment opportunities, and life skills training. Social Bite Village plays a vital role in helping vulnerable individuals transition out of homelessness and into stable, independent living, while also raising awareness about homelessness and the importance of community support.



## Fire Service Delivers Life-Saving Lessons



The Scottish Fire & Rescue Service (SFRS) has relaunched an initiative aimed at teaching young children vital safety lessons through specially designed Education Boxes funded by Scotmid. The boxes, being distributed to Early Years Settings across Perth and Kinross, introduce children to the important concepts of road safety, water safety, fire safety, and healthy eating in an engaging and interactive way.

Five boxes are being distributed, each setting keeps the box for approximately two weeks before it is collected by the Fire Service. On the day of collection, a member of the Fire Service delivers an engaging, in-person "People Who Help Us" talk, further reinforcing the important lessons learned.

Asha Lal, Community Safety Advocate with the SFRS Community Action Team, added: "These Education Boxes provide an excellent opportunity to teach young children essential safety lessons in a way that is both enjoyable and informative. We are delighted to be able to offer these resources to Early Years Settings in our community." The SFRS initiative underscores the importance of safety education for young children and highlights the role of local partnerships in ensuring that children are equipped with the knowledge they need to stay safe in everyday situations.



## A Defib for Darcy's

The Society donated £1,000 to Darcy's Equine Assisted Learning Centre, a non-profit Community Interest Company (CIC) located in South Lanarkshire. This contribution helped the centre purchase a publicly accessible defibrillator, ensuring that both the centre and the surrounding community have access to life-saving equipment in the event of an emergency.

"Our young volunteers raised funds towards a defibrillator, and Scotmid's donation made it possible. This defibrillator benefits both our site and the local community," said Eileen

Mathieson, the founder of Darcy's Equine Assisted Learning Centre CIC. "We are extremely grateful for this support, which will contribute to the safety and well-being of everyone who visits our centre."

Founded in 2017, Darcy's offers a distinctive approach to addressing youth mental health challenges through horse-based interventions. The centre's unique programs are designed to help young people build resilience, improve emotional well-being, and develop essential life skills. Their work with horses provides therapeutic benefits, fostering connection, trust, and emotional growth in a natural and supportive environment.

## Crafters Bring Creativity and Connection to the Community

Rookhope Crafters, based in Rookhope Village Hall, is a friendly local art and craft group open to all. Regardless of skill level, everyone is welcome to join the group to work on creative projects such as painting, knitting, weaving, and more, while enjoying a cup of tea and a chat. They meet twice a week and encourage creativity and social connection. Rookhope Crafters received £5,000 Community Connect funding, which will go towards buying supplies, supporting new projects, and helping the group continue its valuable work in the community.

Leanne Bain from Rookhope Crafters said: "We are over the moon to receive this funding from Lakes & Dales Co-op. It will make such a difference to our group, allowing us to buy new materials and run more projects. Our sessions are a lifeline for many people in the community, providing a space for creativity and social connection, and we're excited to continue bringing people together. Thank you to all those that voted for us and supported our application."





## Summary Group Profit and Loss Account for the year ended 25 January 2025

This is a summary of the information in the Society's Annual Accounts

	2024-25 (52 Weeks)	2023-24 (52 Weeks)
	£000	£000
<b>turnover</b>	429,413	424,938
cost of sales	<u>(311,924)</u>	<u>(309,617)</u>
<b>gross profit</b>	117,489	115,321
other income	3,863	4,071
net expenses	<u>(117,319)</u>	<u>(115,109)</u>
<b>trading profit</b>	4,033	4,283
exceptional items	(151)	-
investment property revaluation	3,281	(1,408)
profit/(loss) on disposal of fixed assets	<u>285</u>	<u>(78)</u>
<b>operating profit</b>	7,448	2,797
net finance charges	<u>(2,227)</u>	<u>(2,075)</u>
surplus before distributions	5,221	722
distributions		
share interest	(103)	(52)
grants and donations	<u>(610)</u>	<u>(560)</u>
<b>surplus before taxation</b>	4,508	110
taxation	<u>(1,677)</u>	<u>8</u>
<b>surplus for the financial year</b>	<u>2,831</u>	<u>118</u>

Trading Profit is calculated by reference to Operating Profit but excluding exceptional items, surplus/loss on disposal of fixed assets and investment property revaluation. See accounting policy provided in the Society's annual report and financial accounts.

## Summary Group Balance Sheet as at 25 January 2025

This is a summary of the information in the Society's Annual Accounts

	2024-25	2023-24
	£000	£000
<b>fixed assets</b>		
intangible assets	10,213	9,900
tangible assets	53,365	52,397
investment properties	105,389	101,666
investments	<u>1,774</u>	<u>1,786</u>
	170,741	165,749
<b>current assets</b>		
stocks - goods for resale	26,513	25,603
debtors and prepayments	13,599	14,191
cash at bank and in hand	<u>9,071</u>	<u>9,801</u>
	<u>49,183</u>	<u>49,595</u>
<b>current liabilities</b>		
amounts falling due within one year		
creditors	<u>(50,344)</u>	<u>(48,899)</u>
<b>net current (liabilities)/assets</b>	<u>(1,161)</u>	<u>696</u>
<b>total assets less current liabilities</b>	169,580	166,445
<b>long term liabilities</b>		
amounts falling due after more than one year		
creditors	(32,121)	(31,286)
<b>provisions for liabilities and charges</b>		
deferred taxation	(8,859)	(8,022)
other provisions	(914)	(201)
<b>net assets excluding pension liability</b>	<u>127,686</u>	<u>126,936</u>
<b>net pension liability</b>	(468)	(6,111)
<b>net assets</b>	<u>127,218</u>	<u>120,825</u>
financed by		
share capital	6,294	6,208
non-distributable reserve	44,535	41,328
revenue reserve	76,389	73,289
<b>shareholders' funds</b>	<u>127,218</u>	<u>120,825</u>

## Summary Group Cash Flow Statement for the year ended 25 January 2025

This is a summary of the information in the Society's Annual Accounts

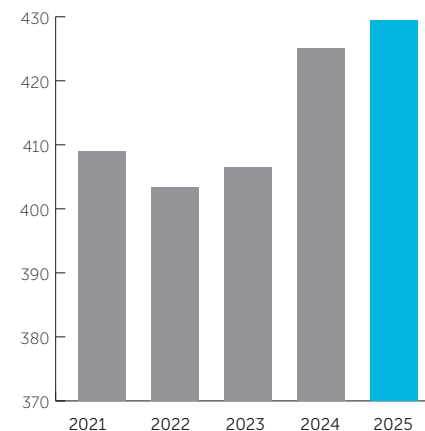
## Group Five Year Summary

	2024-2025 (52 Weeks)	2023-24 (52 Weeks)
	£000	£000
<b>net cash inflow from operating activities</b>	13,686	13,007
cash flows from investing activities		
purchase of equipment	(7,903)	(6,456)
other investing activities	<u>(3,411)</u>	<u>(710)</u>
	(11,314)	(7,166)
cash flows from financing activities	<u>(3,102)</u>	<u>(5,947)</u>
	(3,102)	(5,947)
<b>decrease in cash</b>	<u><u>(730)</u></u>	<u><u>(106)</u></u>

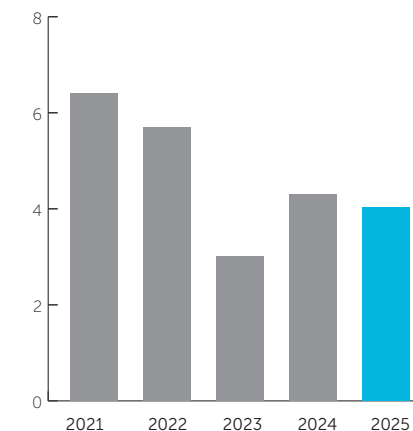
### reconciliation of net cash flow to movement in net debt

decrease in cash for year	(730)	(106)
cash (inflow)/outflow from change in net debt and lease financing	(869)	3,813
<b>movement in net debt for the year</b>	<u>(1,599)</u>	<u>3,707</u>
opening net debt	(22,150)	(25,857)
<b>closing net debt</b>	<u><u>(23,749)</u></u>	<u><u>(22,150)</u></u>

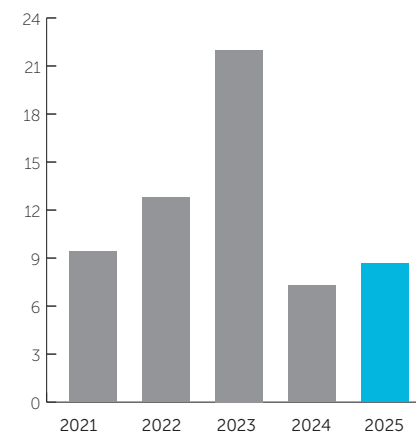
### Turnover (£ millions)



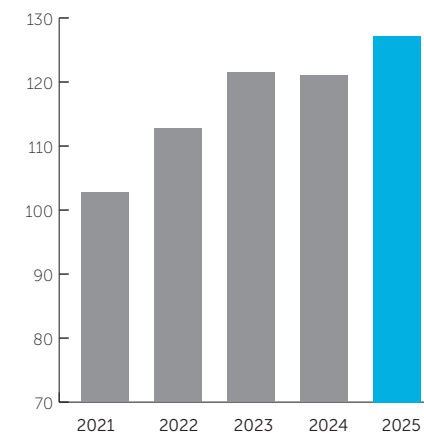
### Trading profit (£ millions)



### Purchase of fixed assets (£ millions)



### Net assets (£ millions)



### Statement of Directors' responsibilities in relation to the Summary Financial Accounts

The Summary Financial Accounts comprise the Summary Profit and Loss Account, Summary Group Balance Sheet and Summary Group Cash Flow Statement of Scottish Midland Co-operative Society Limited (the "Society").

The Summary Financial Accounts presented with the Annual Review do not constitute the full Financial Accounts of the Society for the financial years ended 25 January 2025 and 27 January 2024 but represent extracts from them. These extracts do not provide as full an understanding of the financial performance and position or the financial and investing activities of the Society as the full Financial Accounts of the Society.

The full Financial Accounts for those years have been reported on by the Society's independent auditor. The reports of the audit were:

- I. unqualified
- II. did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report.

The Directors of the Society have accepted responsibility for preparing the Annual Review and for preparing the Summary Financial Accounts included therewith by extracting the financial information included in the Group Balance Sheet and Group Cash Flow Statement for the year ended 25 January 2025 directly from the Society's full Financial Accounts. The full Financial Accounts are available on request. The Summary Financial Accounts were approved by the Board of Directors and signed on their behalf on 27 March 2025.

### Independent auditor's statement to Scottish Midland Co-operative Society Limited

#### Opinion

We have examined the Summary Financial Accounts of Scottish Midland Co-operative Society Limited (the "Society") for the year ended 25 January 2025 set out on pages 14 to 16 of the Annual Review and Summary Financial Accounts.

On the basis of the work performed, in our opinion the Summary Financial Accounts included with the Annual Review have been accurately extracted from the full Financial Accounts of the Society's annual financial statements for the year ended 25 January 2025.

#### Basis of opinion

Our examination of the Summary Financial Accounts consists primarily of agreeing the amounts and captions included in the Summary Financial Accounts to the corresponding items within the full Financial Accounts of the Society for the year ended 25 January 2025.

We also read the other information contained in the Annual Review and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Accounts.

### Respective responsibilities of Directors and Anderson & Brown Audit LLP

As explained more fully in the Statement of Directors' Responsibilities above, the Society's Directors have accepted responsibility for extracting the financial information within the Summary Financial Accounts.

Our responsibility is to report to the Society our opinion on the accurate extraction of the financial information within the Summary Financial Accounts from the full Financial Accounts of the Society.

#### The purpose of our audit work and to whom we owe our responsibilities

This engagement is separate from the audit of the Financial Accounts of the Society and the report here relates only to the extraction of the Summary Financial Accounts and does not extend to the full Financial Accounts taken as a whole.

As set out in our audit report on the Financial Accounts, that audit report was made solely to the Society's members in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and, on terms that have been agreed. The audit work has been undertaken so that we might state to the Society's members those matters we were required or had agreed 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 Society and the Society's members, as a body, for the audit report, or for the opinions we have formed in respect of that audit. This statement is made solely to the Society on terms that have been agreed with the Society. Our work has been undertaken so that we

might state to the Society those matters we have agreed to state to it in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society for our work, for this statement, or for the opinions we have formed.

Andrew Shaw  
(Senior Statutory Auditor)  
For and on behalf of  
Anderson & Brown Audit LLP  
Statutory Auditor  
81 George Street,  
Edinburgh, EH2 3ES

28 March 2025

## Board Members

Board Directors	Board	Audit	Remuneration	Search	General Purposes
Mr E Thorn (P)	12	2		1(C)	2(C)
Mr M Ross (VP)	10	3			2
Mr B Weddell	12			3	
Mr A Clark Hutchison	10	3 (C)			
Mr A Simm	10	3			
Mr I Gilchrist	12		4		
Mrs K Harmon	8		1	1	
Mr K Kelly	11			3	
Dr R McCready	11		4 (C)		1
Mr D Paterson	12	3			
Mr J Mills (E 01/05/2024)	8		2		
Mrs S McSorley (E 30/04/2024)	8			1	
Mr J Watson (R 01/05/2024)	3				
Mrs S Downie (R 30/04/2024)	3		2		
<b>Total meetings held</b>	<b>12</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>2</b>

### Meetings held from 28 January 2024 - 25 January 2025

P President | VP Vice President | C Committee Chair | E Elected | R Retired

On 1 May 2024, Jim Watson retired as Society President with the thanks of the Board and Members for his long service.

On 2 May 2024, Eddie Thorn and Michael Ross were elected by the Board as the Society President and Vice President respectively.

On 30 April 2024, Sheila Downie stepped down as a Director on the Scotmid Board.

The following changes to the composition of the Board committees took effect on 2 May 2024:

- Following his election as President, Eddie Thorn replaced Jim Watson as Chair of the General Purposes Committee and the Search Committee. He was replaced as Chair of the Audit Committee by Andrew Clark Hutchison.
- Kaye Harmon moved from the Search Committee to the Remuneration Committee.
- Sharon McSorley and John Mills, two newly-elected Directors on the Board, were appointed as members of the Search Committee and Remuneration Committee respectively.

The Chair, Vice Chair and Minute Secretary for the Regional Committees are appointed annually. This year's appointments were made on 9 May 2024.

## Regional Committee Members

East Regional Committee		West Regional Committee		North Regional Committee	
Mr E Thorn (C)	8	Mr M Ross (C)	6	Dr R McCready (C)	8
Mr D Paterson (VC)	6	Mrs K Harmon (VC)	6	Mrs D Taylor (VC)	6
Mrs R McCabe (MS)	8	Ms M Nolan (MS)	5	Mrs S McSorley (MS)	8
Mr B Weddell	8	Mr S Ballantyne	8	Ms E Farquhar	7
Mr J Baxter	7	Mr S Curran	7	Mrs J Garnes	6
Mr D Costello	4	Mr I Gilchrist	7	Mr A Hutchison	4
Mr A Clark Hutchison	8	Mr A Simm	8	Mr A MacLeish	7
Mrs H Dalley	7	Mrs M Kane	4	Mr D Patterson	8
Mr C Henderson	7	Mr J Mills	8	Ms E Pipe	8
Mr J Hendrie	6	Mr G Randell	5	Mrs S Downie	7
Mrs L Hinds	7	Mr D Simpson	8	Mr J Martin (E 30/04/24)	4
Mr K Kelly	7	Mr C Sim	8	Ms M Smith (R 30/04/24)	2
Mr J Mackenzie	8	Mr S Ewart (E 01/05/24)	4	Mrs S Sandbach (R 26/02/24)	1
Mrs G Thornton (E 29/04/24)	4	Mrs K Scott (R 09/05/24)	3		
		Mr J Watson (R 01/05/24)	2		
<b>Total meetings held</b>	<b>8</b>	<b>Total meetings held</b>	<b>8</b>	<b>Total meetings held</b>	<b>8</b>

### Meetings held from 28 January 2024 - 25 January 2025

C Committee Chair | VC Committee Vice Chair | MS Minute Secretary | E Elected | R Retired

Michael Ross, David Paterson and Eddie Thorn are directors of Scotmid Pension Trustee Limited, the sole trustee for the Scottish Midland Co-operative Society Limited Pension Plan. Eddie Thorn is a director of Co-operatives UK. David Paterson is a director and Chair of Co-operative News. David Paterson and Richard McCready are members of The Co-operative Group Member Council.

Karen Scott is a director of the Federal Retail Trading Services Limited, Scotmid Holdings Limited, The Independent Family Funeral Directors Limited, David Robb Independent Funeral Directors Limited, Deery Funeral Services Limited, Independent Co-op Services Limited, S.G.F Services Limited, Scottish Grocers Federation (Holdings) Limited, The Alcoholic Water Company Limited and The Start Up Drinks Lab Limited.

John Brodie was a director of the Federal Retail Trading Services Limited, Edinburgh Children's Hospital Charity, Scotmid Pension Trustee Limited, Scotmid-Miller (Great Junction) Street Limited, Task Trading Limited, Independent Co-op Services Limited, Scotmid Holdings Limited, The Independent Family Funeral Directors Limited, David Robb Independent Funeral Directors Limited, Deery Funeral Services Limited, The Alcoholic Water Company Limited and The Start Up Drinks Lab Limited during the period.



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