

ZWARTBLES SHEEP ASSOCIATION

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

28 FEBRUARY 2022

Charity No: 1062319

ZWARTBLES SHEEP ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 FEBRUARY 2022

The Trustees present their report and the financial statements of the charity for the year ended 28 February 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the Charities Act 2011 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 published in October 2019.

Reference and administration information

| | |
|------------------------------|---|
| Charity name: | Zwartbles Sheep Association |
| Charity registration number: | 1062319 |
| Operational address: | Oxnam Neuk Farm Jedburgh Roxburghshire TD8 6RE |

Trustees

| | |
|--------------------|-------------------------------------|
| Mr G P Addison | |
| Mr A Baird | |
| Ms C A Bissett | |
| Mrs G M Blamire | |
| Miss F Brown | |
| Mr C J Cromie | |
| Miss A J Dickinson | Resigned 17.11.21 |
| Mrs E Foster | |
| Mr B J Gibson | |
| Mr S R Gibson | |
| Mr R J Heigh | |
| Mrs. K. Hobbins | Appointed 17.11.21, resigned 1.2.22 |
| Mr D Jones | |
| Mr B Martin | Resigned 24.11.21 |
| Mrs A M Robinson | |
| Mr J P Stevenson | Resigned 17.11.21 |

Secretary

Mrs C M Cormack

Bankers

Lloyds Bank, 48 Belle Vue Terrace, Malvern, Worcester, WR14 4QG

Accountants and Independent examiner

Richard Miller MA (Oxon) FCA, Dafferns LLP, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB

ZWARTBLES SHEEP ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 FEBRUARY 2022

Activities and charitable objects

The principal activities and charitable objects of the Association are to advance the education of the public at large by registering, monitoring and exhibiting Zwartbles sheep and investigating and encouraging efficient breeding of Zwartbles sheep with a view to improving and increasing the numbers of the breed.

- Attracting, supporting and retaining members to enable us to fulfil our objects.
- Conserving the breed through consistent application of support based on a basis of verification.
- Promoting and explaining our work to organisations, new breeders and the general public.
- Maintaining a flock book for registration of sheep in accordance with the rules and regulations of the Association.

The ZSA yearbook is produced annually. This publication includes the present members' details, the breed standards and articles of interest and general information, as well as the Association Rules. The Association website also contains information about Zwartbles sheep.

Public Benefit

The trustees consider they have complied with their duty to have due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Achievements and performance

The Council held four council meetings in the financial year, three were held virtually and one in person.

The Association continues to encourage classes at major shows. The Royal Ulster Agricultural Show, The Royal Welsh, The Great Yorkshire, The Royal Highland, The Royal Bath and West and other selected Agricultural shows. The Great Yorkshire Show went ahead as normal with the other shows going ahead in a reduced format and some without livestock.

The exhibition stands were not present at any NSA sheep events as these events had been cancelled. The Association did not hold any open days.

Financial review

The net income for the year amounted to £5,886 which has been added to the reserves brought forward leaving fund balances of £122,688 at the year end. The trustees consider the results to be satisfactory.

Reserves policy

The Association aims to hold financial reserves that cover one and a half year's operating expenditure. On 28 February 2022 the Association held free reserves amounting to £122,688.

ZWARTBLES SHEEP ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 28 FEBRUARY 2022

Structure Governance and Management

Governing Document

The Association is a charitable incorporated organisation (CIO), and is governed by its constitution. The Association was registered as a charity on 12 May 1997 (No: 1062319).

Structure Governance and Management

Recruitment and appointment of the Council

The Zwartbles Sheep Association is run by the Council. All Council members are also trustees of the charity. Trustees are appointed at the Annual General Meeting and retire by rotation after three years. Retiring trustees are eligible for re-election.

Trustee induction and training

New Trustees are briefed by the Chairman / Council on their obligations as Council members and the future plans and objectives of the Society. Minutes of previous meetings are also available for new Council Members upon request.

Risk review

The uncertainty over the COVID-19 pandemic presents risks to the Association's operations and income streams. The Association's Trustees review and monitor these on an ongoing basis.

Trustees will be conducting meetings and discussions via online conferencing to reduce the need to meet face to face. Registration and membership income have been reviewed and should remain stable in the short term. Ongoing marketing, sales and promotion of the breed will focus on online and social media platforms in order to replace some of the exposure the breed would normally have had from attendance at shows and events. Trustees monitor Government guidelines to ensure members can sell their animals in a COVID secure manner. Online conferencing is being used for the AGM and is being considered by Trustees to deliver educational and management information to members in lieu of organised workshops and farm visits.

The trustees are undertaking a self-assessment of the effectiveness of the charity's internal financial controls in accordance with the Charity Commission's guidance (CC8).

Approved by the Trustees on 1 October 2022 and signed on its behalf by:

Mr C J Cromie, Trustee

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF THE ZWARTBLES SHEEP ASSOCIATION**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 28 February 2022, which are set out on pages 5 to 9.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5) (b) of the Act.

Independent examiner's statement – matter of concern identified

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Richard Miller MA (Oxon) FCA,
For and on behalf of Dafferns LLP
Chartered Accountants,
One Eastwood,
Harry Weston Road,
Binley Business Park,
Coventry, CV3 2UB

Dated 1 October 2022

ZWARTBLES SHEEP ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2022

| | Unrestricted funds | |
|--|--------------------|----------------|
| | 2022 | 2021 |
| | £ | £ |
| INCOME FROM: | | |
| Charitable activities | | |
| Members subscriptions | 18,420 | 19,105 |
| Registrations | 22,448 | 27,914 |
| Merchandise sales | 497 | 560 |
| AGM, year book and advertising | 2,925 | 1,460 |
| Sales commission, levies and entry fees | 4,304 | 2,227 |
| Other Income | 3,581 | 3,161 |
| Investment income | | |
| Bank interest | - | 65 |
| Total income | <u>52,175</u> | <u>54,492</u> |
| EXPENDITURE ON: | | |
| Charitable activities | | |
| Sales costs | 1,449 | 2,595 |
| Publicity, Advertising and Yearbook | 4,576 | 378 |
| Merchandise purchases | 253 | 338 |
| Exhibitions and open days | - | 192 |
| NSA Subscription | 549 | 83 |
| Website and computer software | 2,528 | 1,771 |
| Support costs (not allocated) | | |
| Secretary's remuneration | 18,540 | 18,540 |
| Office running costs | 2,700 | 2,773 |
| Insurance | 799 | 700 |
| Printing, stationery, postage and telephone | 9,719 | 7,372 |
| Hire of equipment | 1,817 | 1,610 |
| Secretary's travelling expenses | 386 | 59 |
| Bank charges | 77 | 20 |
| Accountancy | 2,200 | 2,100 |
| Council travel, expenses and Council meeting costs | 448 | - |
| AGM costs | - | - |
| Depreciation | 248 | 248 |
| Total expenditure | <u>46,289</u> | <u>38,779</u> |
| Net (expenditure) / income | 5,886 | 15,713 |
| Fund balances at 1 March 2021 | <u>116,802</u> | <u>101,089</u> |
| Fund balances at 28 February 2022 | <u>122,688</u> | <u>116,802</u> |

The notes on pages 7 to 9 form part of these financial statements

ZWARTBLES SHEEP ASSOCIATION
BALANCE SHEET AS AT 28 FEBRUARY 2022

| | Note | 2022 | 2021 |
|---|-------------|----------------|----------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 6 | 248 | 496 |
| Current assets | | | |
| Stock | 7 | 907 | 793 |
| Debtors | 8 | 5,652 | 3,356 |
| Investments - deposits | | 80,000 | 80,000 |
| Cash at bank and in hand | | <u>52,589</u> | <u>45,634</u> |
| | | 139,148 | 129,783 |
| Current liabilities | | | |
| Creditors - amounts falling due within one year | 9 | <u>16,708</u> | <u>13,477</u> |
| Net current assets | | <u>122,440</u> | <u>116,306</u> |
| Net assets | | <u>122,688</u> | <u>116,802</u> |
| Financed by: | | | |
| Reserves | | | |
| Unrestricted funds | 10 | <u>122,688</u> | <u>116,802</u> |

The financial statements were approved by Board of Trustees on 1 October 2022 and were signed on its behalf by:

Mr C J Cromie, Trustee

The notes on pages 7 to 9 form part of these financial statements.

ZWARTBLES SHEEP ASSOCIATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022****1. General information and basis of preparation**

The Zwartbles Sheep Association is a charitable incorporated organisation (CIO) in England and Wales.

The operational address is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are stated on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling (£) which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds can only be used in accordance with the restriction imposed upon them.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably

ZWARTBLES SHEEP ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2022

2. Accounting policies

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|-----------------------|---------------------|
| Fixtures and fittings | 20% straight line |
| Computer equipment | 33.3% straight line |

Investments

Investments represent monies on deposit.

Stocks

Stock comprises goods for resale. Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Operating leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

3. Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £2,200.

4. Trustee remuneration and other benefits

No trustees' remuneration or other benefits were paid during the year.

Trustees' expenses

| | 2022 | 2021 |
|----------------------------|-------------|-------------|
| | £ | £ |
| Reimbursed travel expenses | <u>-</u> | <u>-</u> |

5. Staff numbers and costs

The Association did not employ anybody during the year.

ZWARTBLES SHEEP ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2022

6. Tangible fixed assets

| | Fixtures and Fittings | Computer Equipment | Total |
|-----------------------|--------------------------|-----------------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| At 1.3.2021 | 1,966 | 1,417 | 3,383 |
| Additions | - | - | - |
| At 28.2.2022 | <u>1,966</u> | <u>1,417</u> | <u>3,383</u> |
| Depreciation | | | |
| At 1.3.2021 | 1,966 | 921 | 2,887 |
| Charge for year | - | 248 | 248 |
| At 28.2.2022 | <u>1,966</u> | <u>1,169</u> | <u>3,135</u> |
| Net book value | | | |
| At 28.2.2022 | <u>-</u> | <u>248</u> | <u>248</u> |
| At 29.2.2021 | <u>-</u> | <u>496</u> | <u>496</u> |

7. Stock

| | 2022 £ | 2022 £ |
|------------------------|------------|------------|
| Merchandise for resale | <u>907</u> | <u>793</u> |

8. Debtors

| | | |
|---------------|--------------|--------------|
| Debtors | 328 | - |
| Other debtors | 4,500 | 1,870 |
| Prepayments | <u>824</u> | <u>1,486</u> |
| | <u>5,652</u> | <u>3,356</u> |

9. Creditors: amounts falling due within one year

| | | |
|-----------------|---------------|---------------|
| Accruals | 4,600 | 2,133 |
| Deferred income | <u>12,108</u> | <u>11,344</u> |
| | <u>16,708</u> | <u>13,477</u> |

10. Funds

All funds are unrestricted

11. Related party transactions

There were no material related party transactions during the year.