

COMPANY REGISTRATION NUMBER: 01743500

CHARITY REGISTRATION NUMBER: 1108263

THE BRITISH BLUE CATTLE SOCIETY
COMPANY LIMITED BY GUARANTEE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

David Allen
Chartered Accountants
Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

CONTENTS

Trustees report (Incorporating the Directors' Report)	1 to 7
Independent examiner's report	8
Statement of financial activities	9 to 10
Balance sheet	11 to 12
Notes to the financial statements	13 to 29

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT)

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2022. The annual report serves the purpose of both trustees' report and a directors' report under company law.

OBJECTIVES AND ACTIVITIES

The objective of the charity is the promotion of agriculture, for public benefit, by the encouragement, promotion and improvement of the breeding of the British Blue breed of livestock and the maintenance of the purity of the breed. The trustees have considered the guidance produced by the Charity Commission on the provision of the public benefit and they confirm that public benefit has been provided by carrying out this objective.

The charity operated throughout the UK and also worldwide where necessary and appropriate to its objectives.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE

During the year the charity was involved in the following activities:

Handling increasing volumes of pedigree registrations in the year, safeguarding the integrity of the Herd book at all times, issuing transfer certificates, facilitating DNA parentage analysis and discussing various queried from members.

Promoting the beef industry, through the society, at 10 national summer agricultural shows and winter events which has been very successful. Providing Rosettes and awards for these show.

Producing the annual Herd book and also a breed promotional publication for the circulation to charity members and other interested organisations.

Supporting the quality of pedigree animals registered on the Herd book.

Providing 'online' bull semen marketing opportunities in which semen was sold both at home and overseas.

Administering a cattle inspection service, at sales held under the auspices of the charity with the objective of raising beef cattle quality standards in the beef industry.

Continuing to monitor compulsory minimum cattle health standards at sales held under the charity's auspices, with a view to raising general health standards within the national beef herd.

Representing the society on the Breedplan UK user's group.

FINANCIAL REVIEW

The Statement of Financial Activities on page 8 shows a net deficit of £22,563 (2021: net surplus of £33,724).

The total income for the year amounted to £168,071 (2021: £149,022). The main income stream for the charity being registrations, followed by membership income.

The total expenditure for the year amounted to £161,106 (2021: £139,692). The main expenditure incurred by the charity was for breed promotion and office and administrative overheads.

Total funds carried forward at 31 December 2022 amounted to £326,385 (2021: £348,948). The results for the year and the charity's financial position at the end of the year are shown in the attached financial statements.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

Policy on reserves

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

Over a period of years the trustees have followed a policy to establish financial reserves that would be sufficient to cover foreseeable contingencies. The trustees aim to be able to retain sufficient reserves necessary to meet liabilities and expenses for a period of one and a half years, should any of the funding sources become unreliable or be delayed due to an extended period of economic downturn in the agricultural industry.

Investment policy and objectives

Financial investment powers and management lie with the charity Treasurer, with all final decisions being ratified by a majority decision of the charity's trustees.

Principal risks and uncertainties

The board of trustees has conducted a review of the major risks to which the charity is exposed through internal and external processes. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. The significant external risks being managing inter-beef breed competition and upholding the reputation and status of the British Blue Breed.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions. Procedures are in place to ensure compliance with health and safety of staff and visitors to the premises and programmes. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

The key priority regarding financial risks being, firstly, the secure investment of the charity's financial assets and secondly, achieving the highest return without incurring any financial risk.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document

The British Blue Cattle Society is a charitable company limited by guarantee, incorporated on 29 July 1983 and registered as a charity on 23 February 2005. The charitable company is governed under its Memorandum and Articles of Association dated 29 July 1983 as amended by special resolutions dated 9 May 1997, 12 May 1998 and 20 January 2005.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

Recruitment and appointment of trustees

Any person can be admitted as a trustee of the charitable company providing all other trustees give their approval.

The charitable company is made up of 13 elected directors, each serving a period of office for four years. Each year three national seats come up for re-election, with four regional members being elected once in four years.

Induction and training of trustees

Trustees are inducted through a process of best practice. They have the opportunity to meet, study and understand the vision, mission and values of the organisation and clarify their roles and responsibilities. The trustees are selected for their contribution, skills and expertise that they can bring to manage the organisation.

Organisational structure

The board of trustees administers the charity and they meet four times during the year to discuss and formulate the charity's management policy. At the first trustees' meeting, following the AGM in May, the board of trustees appoints the company officers for the forthcoming year. A company secretary is engaged by the board of trustees to implement agreed management policy and to be responsible for the day to day management of the charity.

The company officers during the year were as follows:

Chairman Mr J G Brindley
Vice Chairman Mr S T Hough
Treasurer Mr A J Wilkinson
Vice Treasurer Mr J Barber
Secretary Mr A Ryder

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr J G Brindley
Mr S T Hough
Mr A S Haste
Mrs H M Paterson
Mr R S Pattinson
Mr A J Neachell
Mr J Barber
Mr J O'Kell
Mr A J Wilkinson
Mr J R Hall
Mrs A V Morrison
Mr A Price
Mrs L Morgan

Company Secretary

Mr A Ryder

Charity Registration Number

1108263

Company Registration Number

01743500

The charity is incorporated in England and Wales.

Registered Office

Holme House
The Dale
Ainstable
Carlisle
CA4 9RH

Auditor

Alison Welton FCA
David Allen
Chartered Accountants
Dalmar House
Barras Lane Estate
Dalston
Carlisle
CA5 7NY

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

Bankers

Barclays Bank plc
32 Clarendon Road
Watford
Hertfordshire
WD17 1GT

FINANCIAL INSTRUMENTS

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

The annual report was approved by the trustees of the charity on 13 September 2023 and signed on its behalf by:

.....
Mr A J Wilkinson
Trustee

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

TRUSTEES REPORT (INCORPORATING THE DIRECTORS' REPORT) (INCORPORATING THE DIRECTORS' REPORT) (CONTINUED)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The British Blue Cattle Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 the incoming resources and application of resources, including its income and expenditure, of the charitable company 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 accounting standards, comprising FRS 102 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 proper accounting records that can 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 BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BRITISH BLUE CATTLE SOCIETY ("THE COMPANY")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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:

1. accounting records were not kept in respect of The British Blue Cattle Society 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 accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

.....
Alison Welton FCA
Independent Examiner
David Allen
Dalmar House
Barras Lane Estate
Dalston
Carlisle CA5 7NY

13 September 2023

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted £	Total 2022 £	Total 2021 £
Income from:				
Donations and legacies	3	38,009	38,009	37,099
Other trading activities	4	102,857	102,857	86,230
Investment income	5	5,292	5,292	4,523
Other income	6	21,913	21,913	21,170
Total income		168,071	168,071	149,022
Expenditure on:				
Raising funds		(647)	(647)	-
Charitable activities	7	(160,459)	(160,459)	(139,692)
Total expenditure		(161,106)	(161,106)	(139,692)
Unrealised (losses)/gains on investment assets	15	(29,528)	(29,528)	24,394
Net (expenditure)/income		(22,563)	(22,563)	33,724
Net movement in funds		(22,563)	(22,563)	33,724
Reconciliation of funds				
Total funds brought forward		348,948	348,948	315,224
Total funds carried forward	20	326,385	326,385	348,948

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)**

	Note	Unrestricted £	Total 2021 £
Income from:			
Donations and legacies	3	37,099	37,099
Other trading activities	4	86,230	86,230
Investment income	5	4,523	4,523
Other income	6	21,170	21,170
Total income		<u>149,022</u>	<u>149,022</u>
Expenditure on:			
Charitable activities	7	<u>(139,692)</u>	<u>(139,692)</u>
Total expenditure		<u>(139,692)</u>	<u>(139,692)</u>
Gains on investment assets	15	<u>24,394</u>	<u>24,394</u>
Net income		<u>33,724</u>	<u>33,724</u>
Net movement in funds		33,724	33,724
Reconciliation of funds			
Total funds brought forward		<u>315,224</u>	<u>315,224</u>
Total funds carried forward	20	<u>348,948</u>	<u>348,948</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	8,913	7,280
Investments	15	<u>244,750</u>	<u>271,306</u>
		253,663	278,586
Current assets			
Stocks	16	1,286	294
Debtors	17	111,717	90,657
Cash at bank and in hand		<u>18,598</u>	<u>41,087</u>
		131,601	132,038
Creditors: Amounts falling due within one year	18	<u>(58,879)</u>	<u>(61,676)</u>
Net current assets		<u>72,722</u>	<u>70,362</u>
Net assets		<u>326,385</u>	<u>348,948</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>326,385</u>	<u>348,948</u>
Total funds	20	<u>326,385</u>	<u>348,948</u>

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

BALANCE SHEET AS AT 31 DECEMBER 2022 (CONTINUED)

The financial statements on pages 9 to 29 were approved by the trustees, and authorised for issue on 13 September 2023 and signed on their behalf by:

.....
Mr A J Wilkinson
Trustee
Registration number: 01743500

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 CHARITY STATUS

The liability of the members is limited. Every member of the charity undertakes to contribute to the assets of the charity, in the event of the same being wound up while he or she is a member, or within one year after he or she ceases to be a member, for payment of the debts and liabilities of the charity contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding one pound.

The charitable company is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Holme House, The Dale, Ainstable, Carlisle, CA4 9RH.

These financial statements were authorised for issue by the trustees on 13 September 2023.

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 2019) - (Charities SORP (FRS 102), Companies Act 2006 and the Charities Act 2011.

Basis of preparation

The British Blue Cattle Society 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.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Group accounts not prepared

As disclosed within Note 13, the company holds a 100% holding in Pedigree Livestock Services Ltd. In accordance with FRS 102 Paragraph 9.3 the company is exempt from the requirement to prepare consolidated financial statements..

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Income

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.

Donations and legacies

Donations are recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date.

Income received by way of subscriptions are included in the period to which they relate.

Other trading activities

Income from other trading activities is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

Investment income

Investment income is recognised when receivable.

Other income

Other income is recognised when there is evidence of entitlement, receipt is probable and its amount can be measured reliably.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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, Fittings and Equipment	15% reducing balance
Computer Equipment	33% reducing balance

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Fixed asset investments

Fixed asset 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. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables. Other debtors are measured at their recoverable amounts. Prepayments are calculated as amounts paid during the financial year, but which relate to a future financial period. Accrued income is recognised when the entity is entitled to the income in the financial year, but the receipt does not occur until a future financial year.

Cash and cash equivalents

Cash at bank and in hand comprises all cash held, in bank current and deposit accounts.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method. Accruals are calculated as amounts relating to the financial year, but which are paid after the year end. Deferred income includes amounts received in the financial year for revenue relating to future periods.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted	Total	Total
	General	2022	2021
	£	£	£
Donations and legacies			
Tax recoverable on gift aid donations	4,198	4,198	3,879
Sponsorship			
Promotional and sponsorship income	800	800	-
Subscriptions	<u>33,011</u>	<u>33,011</u>	<u>33,220</u>
	<u>38,009</u>	<u>38,009</u>	<u>37,099</u>

4 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	Total	Total
	General	2022	2021
	£	£	£
Merchandise sales	208	208	30
Registrations	102,649	102,649	84,725
Abri membership	-	-	1,475
	<u>102,857</u>	<u>102,857</u>	<u>86,230</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

5 INVESTMENT INCOME

	Unrestricted		
	General	Total	Total
	£	2022	2021
		£	£
Income from dividends;			
Dividends	5,269	5,269	4,495
Interest receivable and similar income;			
Bank interest receivable	23	23	28
	<u>5,292</u>	<u>5,292</u>	<u>4,523</u>

6 OTHER INCOME

	Unrestricted		
	General	Total	Total
	£	2022	2021
		£	£
DNA testing	541	541	1,894
Late fees 45/90 days	1,150	1,150	105
Auction levy commission	8,751	8,751	5,198
Income from services provided	251	251	3,208
Herd book advertising	8,795	8,795	7,965
Internet income	2,425	2,425	2,800
	<u>21,913</u>	<u>21,913</u>	<u>21,170</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

7 EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Breed promotion	22,427	22,427	13,681
Herd book	11,254	11,254	9,908
Technical development costs	5,377	5,377	5,605
Support costs	<u>121,401</u>	<u>121,401</u>	<u>110,498</u>
	<u>160,459</u>	<u>160,459</u>	<u>139,692</u>

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

Support costs allocated to charitable activities

	Support costs £	Total 2022 £	Total 2021 £
Breed promotion	9,646	9,646	12,285
Herd book	4,044	4,044	3,570
Administration costs	81,538	81,538	76,480
Finance costs	2,517	2,517	2,043
Governance costs	1,200	1,200	1,200
Other support costs	<u>22,456</u>	<u>22,456</u>	<u>14,920</u>
	<u>121,401</u>	<u>121,401</u>	<u>110,498</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

8 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS (CONTINUED)

GOVERNANCE COSTS

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>

9 NET INCOMING/OUTGOING RESOURCES

Net incoming resources for the year include:

	2022 £	2021 £
Loss on disposal of fixed assets held for the charity's own use	647	-
Depreciation of fixed assets	2,768	1,587
Foreign currency (gains)/losses	(221)	358
Independent examination fee	<u>1,200</u>	<u>1,200</u>

10 TRUSTEES REMUNERATION AND EXPENSES

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

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

11 STAFF COSTS

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	71,229	66,493
Social security costs	2,730	2,996
Pension costs	<u>1,762</u>	<u>1,676</u>
	<u>75,721</u>	<u>71,165</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2022 No	2021 No
Administrative staff	<u>2</u>	<u>2</u>

2 (2021 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,762 (2021 - £1,676)

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £53,111 (2021 - £41,775).

12 INDEPENDENT EXAMINER'S REMUNERATION

	2022 £	2021 £
Examination of the financial statements	<u>1,200</u>	<u>1,200</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

13 TAXATION

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

14 TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Equipment £	Computer Equipment £	Total £
Cost			
At 1 January 2022	6,352	10,425	16,777
Additions	670	4,378	5,048
Disposals	-	(6,225)	(6,225)
At 31 December 2022	<u>7,022</u>	<u>8,578</u>	<u>15,600</u>
Depreciation			
At 1 January 2022	3,404	6,093	9,497
Charge for the year	489	2,279	2,768
Eliminated on disposals	-	(5,578)	(5,578)
At 31 December 2022	<u>3,893</u>	<u>2,794</u>	<u>6,687</u>
Net book value			
At 31 December 2022	<u>3,129</u>	<u>5,784</u>	<u>8,913</u>
At 31 December 2021	<u>2,948</u>	<u>4,332</u>	<u>7,280</u>

15 FIXED ASSET INVESTMENTS

	2022 £	2021 £
Shares in group undertakings and participating interests	100	100
Other investments	<u>244,650</u>	<u>271,206</u>
	<u>244,750</u>	<u>271,306</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

15 FIXED ASSET INVESTMENTS (CONTINUED)

SHARES IN GROUP UNDERTAKINGS AND PARTICIPATING INTERESTS

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2022	<u>100</u>	<u>100</u>
At 31 December 2022	<u>100</u>	<u>100</u>
Net book value		
At 31 December 2022	<u>100</u>	<u>100</u>
At 31 December 2021	<u>100</u>	<u>100</u>

OTHER INVESTMENTS

	Listed investments £	Unlisted investments £	Total £
Cost or Valuation			
At 1 January 2022	255,769	15,438	271,207
Revaluation	(28,939)	-	(28,939)
Additions	24,248	27,496	51,744
Disposals	<u>(18,016)</u>	<u>(31,346)</u>	<u>(49,362)</u>
At 31 December 2022	<u>233,062</u>	<u>11,588</u>	<u>244,650</u>
Net book value			
At 31 December 2022	<u>233,062</u>	<u>11,588</u>	<u>244,650</u>
At 31 December 2021	<u>255,769</u>	<u>15,438</u>	<u>271,207</u>

Valuations are prepared on the basis of the middle market price at the close of business, or are the latest available, on the valuation date.

The total unrealised loss for the year is £28,939 (2021: unrealised gains of £15,998) and the total realised losses are £589 (2021: realised gains of £8,396), resulting in a net loss on investments of £29,528 (2021: net gain of £24,394).

THE BRITISH BLUE CATTLE SOCIETY**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

15 FIXED ASSET INVESTMENTS (CONTINUED)**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
			2022	2021	
SUBSIDIARY UNDERTAKINGS					
Pedigree Livestock Services Limited	England & Wales	Ordinary	100%	100%	Livestock services

SUBSIDIARIES

The loss for the financial period of Pedigree Livestock Services Limited was 4,705 (2021 - 736) and the aggregate amount of capital and reserves at the end of the period was (5,341) (2021 - (636)).

16 STOCK

	2022	2021
	£	£
Stocks	<u>1,286</u>	<u>294</u>

17 DEBTORS

	2022	2021
	£	£
Trade debtors	66,983	58,256
Prepayments and accrued income	10,099	11,465
Other debtors	<u>34,635</u>	<u>20,936</u>
	<u>111,717</u>	<u>90,657</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	5,430	13,723
VAT liability	10,274	7,936
Accruals and deferred income	<u>43,175</u>	<u>40,017</u>
	<u>58,879</u>	<u>61,676</u>
	2022	2021
	£	£
Deferred income at 1 January 2022	31,490	33,130
Resources deferred in the period	33,325	31,490
Amounts released from previous periods	<u>(31,490)</u>	<u>(33,130)</u>
Deferred income at year end	<u>33,325</u>	<u>31,490</u>

19 DEFINED CONTRIBUTION PLANS

The amount recognised in the statement of financial activities as an expense in relation to defined contribution plans was £2,812 (2021: £2,726).

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

20 FUNDS

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General	<u>348,948</u>	<u>168,071</u>	<u>(161,106)</u>	<u>(29,528)</u>	<u>326,385</u>

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General	<u>315,224</u>	<u>149,022</u>	<u>(139,692)</u>	<u>24,394</u>	<u>348,948</u>

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets	8,913	8,913
Fixed asset investments	244,750	244,750
Current assets	131,601	131,601
Current liabilities	<u>(58,879)</u>	<u>(58,879)</u>
Total net assets	<u>326,385</u>	<u>326,385</u>

	Unrestricted funds General £	Total funds at 31 December 2021 £
Tangible fixed assets	7,280	7,280
Fixed asset investments	271,306	271,306
Current assets	132,038	132,038
Current liabilities	<u>(61,676)</u>	<u>(61,676)</u>
Total net assets	<u>348,948</u>	<u>348,948</u>

22 RELATED PARTY TRANSACTIONS

During the year the charity made the following related party transactions:

Pedigree Livestock Services Limited (Pedigree Livestock Services Limited is a Subsidiary of the Company)

During the year there was £19,081 (2021: £896) recharged from The British Blue Cattle Society to Pedigree Livestock Services Limited. At the balance sheet date the amount due from Pedigree Livestock Services Limited was £19,350 (2021 - £269).

Mr A Ryder (Secretary)

Mr A Ryder was provided with a short term loan for office improvements. At the balance sheet date the amount due from Mr A Ryder was £9,845 (2021 - £15,845).

THE BRITISH BLUE CATTLE SOCIETY

COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022
(CONTINUED)**

22 RELATED PARTY TRANSACTIONS (CONTINUED)

Mr A Ryder also owed the charity £756 (2021: £348) at the balance sheet date relating to costs incurred during the year.

The premises that the charity operates from are owned by Mr A Ryder. A commercial rent of £6,000 (2021: £6,000) is paid for the use of these premises.