

Charity registration number 1115366

Company registration number 03678612 (England and Wales)

NATIONAL BEEF ASSOCIATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NATIONAL BEEF ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S Heenan Mr A Laughton Mr E Ritchie Mr A Watson Mr D Mitchell Dr J Capper Mr G Boyes Mr R Venner Mrs S Tomlinson	(Appointed 1 April 2021)
Chief Executive Officer	Mr N Shand	
Charity number	1115366	
Company number	03678612	
Registered office	Concorde House 24 Warwick New Road Leamington Spa Warwickshire CV32 5JG	
Independent examiner	Burgis & Bullock 23-25 Waterloo Place Leamington Spa Warwickshire CV32 5LA	
Bankers	Lloyds TSB Bank Plc 48 Belle Vue Terrace Malvern Worcestershire WR14 4QG	
Solicitors	Blythe Liggins Edmund House Rugby Road Leamington Spa CV32 6EL	

NATIONAL BEEF ASSOCIATION

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NATIONAL BEEF ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document being the charity's Memorandum and Articles of Association, the Companies Act 2006 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 (FRS 102)" (effective 1 January 2019).

Objectives and activities

The principal objectives of the Association are:

- Preserve and improve for the benefit of the public the general standards of cattle, especially beef cattle, in the United Kingdom and elsewhere, by promoting and encouraging breeding of beef cattle.
- Improve general standards in the management, transport, slaughter and treatment of cattle, especially beef cattle, and otherwise improve the quality and safety of beef, by the education of farmers and farm managers, veterinarians, auctioneers, hauler's, the managers of abattoirs, processors and retailers of food and the general public.
- Promote agriculture and work for the protection of the environment by encouraging, where appropriate, the grazing of cattle.
- Carry out such other charitable purposes including the relief in cases of need or hardship of beef farmers and their employees and the dependents of beef farmers and their employees, as the board of management think fit.
- Improve the health and welfare of beef cattle.
- Improve transparency in the food chain.

The Trustees confirm that they have referred to the directions contained in the Charity Commission's general guidance on public benefit when reviewing the Association's aims and objectives and in the planning of future activities to achieve the Trust's objectives to preserve and improve for the benefit of the public the general standards of cattle, especially beef cattle, in the United Kingdom and elsewhere, by promoting, improving and encouraging the breeding, health, transport and slaughter of beef cattle.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

NATIONAL BEEF ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Review of 2021

The Association's activities were completely wiped out by the COVID pandemic in 2020. 2021 was similar with an extended lockdown at the start of the year. The EXPO - planned at Darlington market - was cancelled, and due to continued and varied restrictions throughout the year, no farm walks or events took place.

As indicated in prior years the organisation worked with HMRC during 2021 in an attempt to be aligned to current Charitable regulation on membership organisations. The VAT enquiry has now concluded and a resulting Output VAT liability has been reflected as a prior year adjustment in the accounts.

The Association remained fully engaged both with Government at Westminster and all the devolved administrations. The SBA continued to lead the discussions successfully with the Scottish Executive.

The Association was represented at numerous virtual meetings, and continued to make a concerted effort to re-establish itself as a major voice in the industry, ensuring the food chain from farmer level was represented during the pandemic.

The organisation was invited to give evidence twice at EFRA committee meetings and also at the Northern Ireland Affairs Committee, testament that the organisation has realigned its place in the industry. The political landscape in terms of changes in Government officials during the summer have made consistency quite difficult.

Association staff and members have been engaged in discussions with Governments and other parties on many topics, including meat hygiene, food security, beef labelling, giving appropriate shelf space to UK products, forward contracts for cattle, TB policy, etc. Research projects and strategies have been discussed with research organisations and those funding research projects; it remains a critical topic as cattle keepers strive for greater efficiency in order to maintain a viable business.

The decision to leave the EU has added to the work of the NBA as we represent the beef industry to Government. We have been involved in providing evidence to committees in both the Commons and House of Lords. The NBA have been heavily involved in work towards provision of a new cattle database and the proposed introduction of EID.

The NBA continue to believe the way forward is for an Ombudsman to be created to ensure the relationship between the primary producer, processor and retailer is one of fairness and transparency.

The Association has continued to provide a facility for breeding cattle to be transported across the English Channel in a healthy environment with high standards of animal welfare, via the organisations' subsidiary, National Beef Services Limited. Animal nutrition is important in animal welfare, economic production, and carbon gas emissions. Cattle health has also been an important topic in meetings and journals, with considerable emphasis on Bovine Viral Diarrhoea, Johne's Disease and Liver Fluke.

Members are sent a weekly newsletter by e-mail keeping them abreast of market trends in the UK and across the world. The newsletter also covers rule changes for animal keepers, disease, and nutrition news and other subjects of relevance to cattle. Via the Newsletter, the Association has been able to keep cattle owners informed of the moving cattle price enabling them to better sustain their cattle business.

NATIONAL BEEF ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Association continues to publish its own magazine the "National Beef Association Magazine" a quarterly publication containing industry insights, technical information, and NBA updates. The Magazine has proved itself to be well received by all aspects of industry.

Financial review

The association has a deficit for the year of £49,855 (2020 £56,767 as restated) which has resulted in a deficit fund balance position at the year end, the details of which have been set out in more detail in the reserves policy note below.

Going concern

The Trustees have considered the going concern assumption in light of the results noted above. The conclusions on going concern have been set out in the accounting policy in note 1 to the financial statements.

Reserves policy

The board of Trustees' aim is to maintain enough in the Association's reserves to provide against a sudden and unpredicted fall in future income.

Unrestricted reserves as at 31 December 2021 were in deficit of £17,103 (2020 - surplus £37,109).

In 2021 the conclusion of the HMRC VAT enquiry which has resulted in a liability of output VAT has resulted in such a fall in income and been reflected as a prior year adjustment in the accounts. The Trustees intend to rebuild reserves once the liability has been discharged.

Structure, governance and management

The charity is a company limited by guarantee . The members of the National Beef Association have no shareholding but in the event of a winding up each has undertaken to contribute to the payment of liabilities such an amount as may be required not exceeding a total of £1.

NATIONAL BEEF ASSOCIATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S Heenan

Mr A Laughton

Mr E Ritchie

Mr W Walton

(Resigned 5 April 2022)

Mr A Watson

Mr D Mitchell

Dr J Capper

Mr G Boyes

Mr R Venner

Mrs S Tomlinson

(Appointed 1 April 2021)

Mr B Turner

(Appointed 1 April 2021 and resigned 26 February 2022)

Trustees are voted and elected at board meetings as required in line with the Association's governing document.

Other matters

As indicated in prior years, the NBA Trustees became concerned about irregular financial activity towards the end of 2019. At the beginning of 2020 one of the Trustees was designated to start an investigation into the finances of the NBA. During this investigation process serious financial irregularities were identified. Regulatory bodies included the Charity Commission and the police were notified. The investigations are now concluded and the previous CEO has been charged with embezzlement. No further recompense is expected to the Association.

The Trustees' report was approved by the Board of Trustees.

AR Laughton

Andrew Laughton (Dec 22, 2022, 8:41pm)

Mr A Laughton

Trustee

22 Dec 2022

Date:

NATIONAL BEEF ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NATIONAL BEEF ASSOCIATION

I report to the Trustees on my examination of the financial statements of National Beef Association (the charity) for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 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 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

W A Hubbard

Wende Hubbard (Dec 22, 2022, 9:25pm)

Burgis & Bullock

23-25 Waterloo Place
Leamington Spa
Warwickshire
CV32 5LA

22nd December 2022

Dated:

NATIONAL BEEF ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 As restated £
	Notes		
<u>Income from:</u>			
Voluntary income	3	92,758	86,380
Charitable activities	4	52,675	58,824
Investments	5	4	12
Total income		<u>145,437</u>	<u>145,216</u>
<u>Expenditure on:</u>			
Raising funds	6	<u>23,532</u>	<u>15,116</u>
Charitable activities	7	<u>176,117</u>	<u>189,756</u>
Total expenditure		<u>199,649</u>	<u>204,872</u>
Net expenditure for the year/ Net movement in funds		(54,212)	(59,656)
Fund balances at 1 January 2021		<u>37,109</u>	<u>96,765</u>
Fund balances at 31 December 2021		<u><u>(17,103)</u></u>	<u><u>37,109</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NATIONAL BEEF ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		-		44
Investments	12		1		1
			<u>1</u>		<u>45</u>
Current assets					
Debtors	13	60,965		107,429	
Cash at bank and in hand		111,444		120,167	
		<u>172,409</u>		<u>227,596</u>	
Creditors: amounts falling due within one year	15	(160,602)		(155,532)	
Net current assets			<u>11,807</u>		<u>72,064</u>
Total assets less current liabilities			<u>11,808</u>		<u>72,109</u>
Creditors: amounts falling due after more than one year	16		(28,911)		(35,000)
Net (liabilities)/assets			<u>(17,103)</u>		<u>37,109</u>
Income funds					
Unrestricted funds			<u>(17,103)</u>		<u>37,109</u>
			<u>(17,103)</u>		<u>37,109</u>

NATIONAL BEEF ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

22 Dec 2022

The financial statements were approved by the Trustees on

AR Laughton

Andrew Laughton (Dec 22, 2022, 8:41pm)

Mr A Laughton

Trustee

Company registration number 03678612

NATIONAL BEEF ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

National Beef Association is a private company limited by guarantee incorporated in England and Wales. The registered office is Concorde House, 24 Warwick New Road, Leamington Spa, Warwickshire, CV32 5JG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Association's activities continued to be heavily affected by the impact of the Covid-19 pandemic during the year and also as a result of the HMRC VAT enquiry as set out in the Trustee's Report. At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future despite the deficit for the year and the reserves position at the year end. This is reliant on the continued support of the members and the organisation has taken advantage of the UK Government business support schemes available to assist with any imminent cashflow issues. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Membership income is recognised over the period to which it relates.

Warranty income are recognised at the point of sale.

Advertising income is recognised in the period to which it relates.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Voluntary income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Government grants	875	-
Sponsorship	-	720
Membership fees	56,676	52,299
Gift aid	22,670	23,068
Corporate subscriptions	4,182	6,290
Breed society subscriptions	8,355	4,003
	<u>92,758</u>	<u>86,380</u>

Government grants - Covid Bounce Back Loan interest

The Coronavirus Bounce Back Loan is a government initiative to help UK small and medium sized businesses affected by coronavirus to access finance. The interest element shown above represents the interest that the government has paid on the charity's behalf during the year.

4 Charitable activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Cattle warranty sales	10,122	18,674
Other income	3,604	21,859
Advertising income	38,949	18,291
	<u>52,675</u>	<u>58,824</u>

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	4	12

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Advertising	23,532	15,116
	<u>23,532</u>	<u>15,116</u>

7 Charitable activities

	Members services	Members services
	2021	2020
	£	£
Other event costs	804	9,289
Motor and travel expenses	7,983	-
	<u>8,787</u>	<u>9,289</u>
Share of support costs (see note 8)	90,019	98,916
Share of governance costs (see note 8)	77,311	81,551
	<u>176,117</u>	<u>189,756</u>

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2021**

8 Support costs	Support Governance costs	2021	Support Governance costs	2020	Basis of allocation
	£	£	£	£	
Staff costs	47,801	47,801	53,316	53,316	
Premises	12,419	12,419	9,072	9,072	
Light & heat	(170)	(170)	1,606	1,606	
Insurance	1,172	1,172	1,366	1,366	
Communications & IT	13,128	13,128	10,249	10,249	
General office	11,684	11,684	17,582	17,582	
Depreciation	44	44	548	548	
Bank charges	1,307	1,307	2,289	2,289	
Meetings	1,195	1,195	-	-	
Other interest payable	-	-	2,888	2,888	
Other loan interest	1,439	1,439	-	-	
Accountancy fees	-	14,770	-	10,331	Governance
Legal and professional	-	62,541	-	71,220	Governance
	<u>90,019</u>	<u>167,330</u>	<u>98,916</u>	<u>180,467</u>	
Analysed between					
Charitable activities	<u>90,019</u>	<u>167,330</u>	<u>98,916</u>	<u>180,467</u>	

Included in accountancy fees are Independent Examiners fees of £8,000 (2020 - £6,795).

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses during the year totalled £1,575 (2020 - £nil).

On 15th June 2020 Mr Neil Shand resigned his position as a trustee of the charity in order to take up the permanent position of CEO. Prior to his resignation, in the prior year Mr Shand was paid £19,250 for services provided as CEO of the charity.

10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	2	4
	<u> </u>	<u> </u>
Employment costs	2021	2020
	£	£
Wages and salaries	46,604	48,612
Social security costs	30	2,442
Other pension costs	1,167	2,262
	<u> </u>	<u> </u>
	47,801	53,316
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2021	29,356
At 31 December 2021	29,356
Depreciation and impairment	
At 1 January 2021	29,312
Depreciation charged in the year	44
At 31 December 2021	29,356
Carrying amount	
At 31 December 2021	-
At 31 December 2020	44

12 Fixed asset investments

	Other investments
Cost or valuation	
At 1 January 2021 & 31 December 2021	1
Carrying amount	
At 31 December 2021	1
At 31 December 2020	1

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries	19	1	1

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	23,604	60,864
Amounts owed by subsidiary undertakings	18,136	36,575
Other debtors	1,964	1,704
Prepayments and accrued income	17,261	8,286
	<u>60,965</u>	<u>107,429</u>

14 Loans and overdrafts

	2021	2020
	£	£
Bank loans	32,801	35,000
	<u>32,801</u>	<u>35,000</u>
Payable within one year	3,890	-
Payable after one year	28,911	35,000
	<u>28,911</u>	<u>35,000</u>

The above loan relates to a Covid Bounce Back Loan which is accruing interest at 2.5% and is repayable over 10 years.

15 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans and overdrafts	14	3,890	-
Other taxation and social security		38,063	47,062
Trade creditors		24,775	2,478
Other creditors		2,489	2,601
Accruals and deferred income		91,385	103,391
		<u>160,602</u>	<u>155,532</u>

Included in other creditors are defined benefit pension creditor of £713 (2020 - £568).

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	14	28,911	35,000
		<u>28,911</u>	<u>35,000</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	13,940	9,445
Between two and five years	5,917	14,857
	<u>19,857</u>	<u>24,302</u>

18 Related party transactions

Some of the trustees of the charity pay membership fees to the charity in accordance with the provisions that apply to other members.

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Subsidiaries

These financial statements are separate charity financial statements for National Beef Association. Due to the size of the charity and the group there is no requirement to prepare group accounts and therefore group accounts have not been prepared.

National Beef Services Limited is a wholly owned subsidiary of the National Beef Association. The directors of National Beef Services Limited have approved the donation of the company's annual profits each year, where applicable, to the National Beef Association under the corporate gift aid scheme.

Details of the charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
National Beef Services Limited	England & Wales	Import and export of livestock	Ordinary	100.00	
Scottish Beef Association	England & Wales	Dormant	Limited by Guarantee		100.00

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Prior period adjustment

Changes to the balance sheet

		At 31 December 2020		
		As previously reported	Adjustment	As restated
		£	£	£
Current assets				
Debtors due within one year	(1) (4) (5)	85,206	22,223	107,429
Bank and cash	(6)	137,105	(16,938)	120,167
Creditors due within one year	(1) (2) (3)			
	(4) (5)	(65,366)	(90,166)	(155,532)
		<u> </u>	<u> </u>	<u> </u>
Net assets	(1) (2) (3)			
	(4) (5) (6)	121,990	(84,881)	37,109
		<u> </u>	<u> </u>	<u> </u>
Capital funds				
Income funds				
Unrestricted funds	(1) (2) (3)			
	(4) (5) (6)	121,990	(84,881)	37,109
		<u> </u>	<u> </u>	<u> </u>
Total equity	(1) (2) (3)			
	(4) (5) (6)	121,990	(84,881)	37,109
		<u> </u>	<u> </u>	<u> </u>

Changes to the profit and loss account

		Period ended 31 December 2020		
		As previously reported	Adjustment	As restated
		£	£	£
Voluntary income	(3) (4) (5)			
	(6)	161,738	(75,358)	86,380
Charitable activities	(1)	40,533	18,291	58,824
		<u> </u>	<u> </u>	<u> </u>
Raising funds	(2)	-	15,116	15,116
Charitable activities	(4) (5)	215,097	(25,341)	189,756
		<u> </u>	<u> </u>	<u> </u>
		<u> </u>	<u> </u>	<u> </u>
Net movement in funds	(1) (2) (3)			
	(4) (5) (6)	(12,814)	(46,842)	(59,656)
		<u> </u>	<u> </u>	<u> </u>

NATIONAL BEEF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Prior period adjustment

(Continued)

(1) In the prior year magazine income of £18,291 related to the NBA magazine was recorded as income in the charity's subsidiary, National Beef Services Limited. The prior year adjustment increases income from charitable activities in the charity and reduces the amounts owed to subsidiary included in creditors in the accounts. Outstanding debtors as at 31 December 2021 in relation to this income of £6,193 have been classified as trade debtors in the accounts.

(2) In the prior year magazine costs of £15,116 related to the NBA magazine were recorded as costs in the charity's subsidiary, National Beef Services Limited. The prior year adjustment increases costs of raising funds in the charity and increases the amounts owed to subsidiary included in creditors in the accounts. Outstanding creditors as at 31 December 2021 in relation to these costs of £1,007 have been classified as other creditors in the accounts.

(3) Membership income is received in advance for a 12 month period starting in the month it is received. In the prior year the element of membership income that related to 1 January 2021 onwards was not deferred. The prior year adjustment of £40,407 increases accruals and deferred income and reduces membership income to account for this.

(4) During the year the charity was subject to an HMRC VAT enquiry. The outcome was that £43,264 VAT is owing to HMRC of which £14,788 relates to income received in 2020 and £28,476 relating to 2018 and 2019. The prior year adjustment has therefore reduced membership income in 2020 by £14,788, brought forward reserves by £28,476 and increased the VAT creditor by £46,152 which includes £2,888 of interest which has been recorded as a cost in the Statement of Financial Activities. VAT recovered on memberships in relation to this claim amounts to £2,692 which has been included in other debtors.

(5) Costs associated with the running of the subsidiary company, National Beef Services Limited were previously recognised in expenses of the charity. These have been recharged to the subsidiary company through the intercompany account. This recharge has created a loss in the subsidiary so the associated gift aid debtor of £12,879 has been eliminated from income and trade debtors.

(6) On review of the agreement between the association and the Scottish Beef Association it was identified that certain income and bank accounts which had been reported within the accounts for the association belonged to the Scottish Beef Association. The prior year adjustment removes this income and these bank accounts.