
**THE SHROPSHIRE SHEEP BREEDERS ASSOCIATION
AND FLOCK BOOK SOCIETY
(A company limited by guarantee)**

**COUNCIL MEMBERS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

The council members (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Shropshire Sheep Breeders Association and Flock Book Society (the company) for the ended 31st August 2021. The Council members confirm that the Annual report and financial statements of the company comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (Financial Reporting Standard 102).

Structure, governance and management

CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 24th March 2006.

The purpose of the company is to encourage the breeding of Shropshire Sheep and the maintenance of the purity of the breed and to this purpose the compilation and publication of a flock book and the arrangement of shows and classes for which prizes may be donated and augmented.

The obligations of the members are to pay the Society an annual subscription according to the scale determined by the Council.

There have been no changes in the charitable purposes since the last annual report.

METHOD OF APPOINTMENT OR ELECTION OF COUNCIL MEMBERS

The Society is managed on a daily basis by the President and the Secretary.

The management of the company is the responsibility of the Council members who are elected and co-opted under the terms of the Articles of Association.

RISK MANAGEMENT

The Council members have assessed the major risks to which the company is exposed, in particular, those related to the operations and finances of the company and they are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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Objectives and Activities

PUBLIC BENEFIT

The Council have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Council consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

INVESTMENT POLICY AND PERFORMANCE

The Council has considered the most appropriate policy for investing funds and has found that Barclays Bank and Cambridge and Counties Bank meet their requirements to general income.

Financial review

RESERVES POLICY

The Council has established a policy to maintain unrestricted funds which are free reserves of the charity at a level which equates to approximately twenty-four months unrestricted expenditure. This provides sufficient funds to cover management administration and support costs.

The balance held as unrestricted funds at 31st August 2021 was £61,451 all of which are regarded as free reserves, after allowing for funds tied up in tangible fixed assets. The Council regularly review the level of reserves and considers that sufficient unrestricted resources are held.

Plans for the future

FUTURE DEVELOPMENTS

The Society plans to continue the activities as authorised above in the forthcoming years subject to satisfactory funding arrangements.

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**COUNCIL MEMBERS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

COUNCIL MEMBERS' RESPONSIBLE STATEMENT

The Council members (who are also directors of The Shropshire Sheep Breeders Association and Flock Book Society for the purposes of company law) are responsible for preparing the Council members' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council members to prepare finance statements for each financial year. Under company law the Council members 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Council members are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 Council members are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, advantage has been taken of the small companies exemptions provided by section 415(1A) of the Companies Act 2006.

This report was prepared and signed on behalf of the Council members on 4th October 2021 and signed on their behalf by:

.....
L R Newman
Director & Company Secretary

.....
M Webb
Treasurer

4th October 2021

Financial Statements for the year ended 31 August 2021

for

The Shropshire Sheep Breeders Association and Flock Book Society

Registered Company Number: 05756141

Registered Charity Number: 1115599

The Shropshire Sheep Breeders Association and Flock Book Society
Statement of Financial Activities
(Incorporating and Income and Expenditure Account)
For the year ended 31 August 2021

		2021			2020
		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	10,642	-	10,642	9,825
Activities for generating funds	3	1,304	-	1,304	1,643
Investment income	4	239	-	239	364
Incoming resources from charitable activities					
Registration and inspection fees	5	13,360	-	13,360	13,291
Export levies		420	-	420	824
Total incoming resources		25,965	-	25,965	25,947
RESOURCES EXPENDED					
Costs of generating funds					
Trading and other costs		22	-	22	61
Charitable activities					
Show stands and expenses		-	-	-	352
Flock Book		2,244	-	2,244	1,463
Export inspections		399	-	399	537
Registrar		3,000	-	3,000	3,000
Breed improvement scheme		422	-	422	667
General administration	6	13,049	-	13,049	13,040
Prizes		-	75	75	50
Governance costs		200	-	200	200
Total resources expended		19,336	75	19,411	19,370
NET INCOME/(EXPENDITURE)		6,629	(75)	6,554	6,577
RECONCILIATION OF FUNDS					
Total funds brought forward		54,822	200	55,022	48,445
TOTAL FUNDS CARRIED FORWARD		61,451	125	61,576	55,022

The Shropshire Sheep Breeders Association and Flock Book Society
Balance Sheet
As at 31 August 2021

	2021			2020
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
FIXED ASSETS				
Tangible and intangible assets	-	-	-	-
CURRENT ASSETS				
Stock	265	-	265	287
Debtors	1,374	-	1,374	2,291
Cash at bank and in hand	61,542	125	61,667	54,267
	<u>63,181</u>	<u>125</u>	<u>63,306</u>	<u>56,845</u>
CREDITORS				
Amounts falling due within one year	(1,730)	-	(1,730)	(1,823)
NET ASSETS	<u>61,451</u>	<u>125</u>	<u>61,576</u>	<u>55,022</u>
FUNDS				
Unrestricted funds			61,451	54,822
Restricted funds			125	200
TOTAL FUNDS			<u>61,576</u>	<u>55,022</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small charitable companies and with the Charities Statement of Recommended Practice (Financial Reporting Standard 102).

For the year ending 31 August 2021 the company 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 company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved and authorised for issue by the Board on 3rd October 2021.

M E WEBB

Treasurer and Trustee

The Shropshire Sheep Breeders Association and Flock Book Society
Notes to the Financial Statements
For the year ended 31 August 2021

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and the requirements of the Charities Statement of Recommended Practice (Financial Reporting Standard 102).

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Life membership income is spread over ten years.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the relevant category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources

Stocks are valued at the lower of cost and estimated selling price after making allowance for obsolete and slow-moving items.

The charity is exempt from corporation tax on its charitable activities

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the object of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2 Voluntary income

	2021	2020
	£	£
Subscriptions	9,916	9,225
Gift aid	726	600
	<hr/> 10,642	<hr/> 9,825

3 Activities for generating funds

	2021	2020
	£	£
Sale of merchandise	84	190
Flock book sales and adverts	870	1,133
100 club	350	320
	<hr/> 1,304	<hr/> 1,643

The Shropshire Sheep Breeders Association and Flock Book Society
Notes to the Financial Statements
For the year ended 31 August 2021

4	Investment income	2021	2020
		£	£
	Bank interest	239	364
		<hr/>	<hr/>
		239	364
		<hr/>	<hr/>
5	Incoming resources from charitable activities	2021	2020
		£	£
	Ram registrations (including ram levy)	3,151	2,962
	Ewe registrations	10,209	10,329
		<hr/>	<hr/>
		13,360	13,291
	Export levies	420	885
		<hr/>	<hr/>
		13,780	14,115
		<hr/>	<hr/>
6	General administration	2021	2020
		£	£
	Advertising and software support	1,417	1,740
	Website	1,140	1,892
	Printing, postage and stationery	5,365	3,856
	Purchase of banner stands		-
	Grassroots	998	990
	Other travel	32	217
	Room hire and meeting expenses	45	319
	Secretarial	2,700	2,600
	Treasurer	300	300
	Insurance	873	866
	100 Club	155	65
	Bank charges	11	35
	Sundries	13	160
		<hr/>	<hr/>
		13,049	13,040
		<hr/>	<hr/>

The Shropshire Sheep Breeders Association and Flock Book Society
Notes to the Financial Statements
For the year ended 31 August 2021

7 Trustees' expenses and remuneration

The treasurer received an honorarium of £300 (2020: £300) to cover out of pocket expenses. No other trustees received any remuneration (2020: £nil) and there were no other trustees' expenses incurred (2020: £nil).

8 Related party transactions

During the year, the Association received subscriptions, registrations and other income from council members. These amounts are not considered to be material and are on exactly the same terms as others.

In addition, out of pocket expenses were reimbursed to council members for attending shows. Again, these amounts are not considered to be material.

In 2013, a donation of £500 was received from J&P Bowles to award an annual cash prize to the winner of the Hardwicke Perpetual Challenge Cup

9 Ultimate controlling party

The Association is controlled by the council members who are also the charity trustees.

The Shropshire Sheep Breeders Association and Flock Book Society
Notes to the Financial Statements
For the year ended 31 August 2021

10 Trophies

The following trophies were donated to the Society and are not included within the assets stated on the Balance Sheet.

Trophy	Insured value (£)
Alderton Perpetual Cup	250
Apiary Cup	200
Breed Trophy	150
Clinton Perpetual Trophy	250
Court House Cup	1,500
Farquhar Novice Trophy	150
Farquhar Trophy	300
Freckenwell Trophy	250
Hardwicke Perpetual Challenge Cup	6,500
Hornpipe Rosebowl	100
Hornpipe Quaich	135
Mansell Memorial Cup	2,000
Morley Cup	300
Morley Shropshire Champion Cup	250
Peter Roberts Trophy	650
Piddington Trophy	150
Presidents Trophy	150
Roydon Flock Shield	150
Roydon Perpetual Salver	300
S J Wood Trophy	250
Schofield Shimwell Trophy	300
Shieldaig Perpetual Trophy	300
Southworth Flock Shield	150
Stephen Pettifer Memorial Challenge Cup	15,000
Stonehill Shield	150
Tern Salver	3,500
	<hr/>
Total	£33,385
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Independent Examiner's Report to:**The Members of the Shropshire Sheep Breeders Association and Flock Book Society**

I report on the accounts of the company for the year ended 31 August 2021, which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Having satisfied myself that the charity is not subject to audit under company law and is eligible for Independent Examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act;
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements have not been met:

- to keep accounting records in accordance with section 386 of the Companies Act 2006;
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, and which are consistent with the methods and principles of the Charities Statement of Recommended Practice (Financial Reporting Standard 102).

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Philip D Frost
Chartered Accountant
Gilmorton
Leicestershire

8th October 2021