

REGISTERED COMPANY NUMBER: 11636603 (England and Wales)
REGISTERED CHARITY NUMBER: 1186008

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
RUTLAND AGRICULTURAL SOCIETY**

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of 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

Objectives and aims

The objectives and aims of the Society are to improve agriculture for the public benefit by the demonstration, exhibition and showing of livestock, machinery, crafts, products, methods and processes connected with agriculture and agricultural education.

Our longer term aims include supporting the community of Rutland through education on issues involving farming and food and helping young people who are entering farming as a profession by facilitating training and apprenticeships.

Significant activities

Significant activities expected to be undertaken by the Society during the period under review would normally consist of the following.

- o The hosting of the annual Rutland Agricultural Show and other events at our Showground as a means of fulfilling our stated objectives and aims.

Our ability to fulfil our stated objectives and aims during the period under review was severely restricted as a result measures enacted by HM Government in England during the year ended 31 December 2020 to contain the growth of the Covid-19 virus. In March, we had to take the decision to cancel the annual Rutland County Show. In addition all the major events booked for 2020 were cancelled.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

OBJECTIVES AND ACTIVITIES

Public benefit

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes.

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

The focus of our work

The focus of the Society's work is as follows.

- Showcase best practice and create educational opportunities.
- Help young people to learn about farming and the outdoors.
- Grow our membership to give a voice to people involved in farming and food production and to help them teach others and learn for themselves.
- Develop our green spaces, buildings and infrastructure at the Rutland Showground.
- Host and stage events, primarily at the Rutland Showground, to generate funds for the Rutland Agricultural Society.

STRATEGIC REPORT

Achievement and performance

Charitable activities

How our activities deliver public benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit, including the guidance on public benefit and fee charging.

Our main activities and who we try to help are described below. The charity's activities focus on our ability to assist in the promotion, wellbeing and efficiency of agriculture and all professions, trades and crafts connected to agriculture.

Covid-19 pandemic

The Society's main source of funding would usually be income from the Annual Show together with income from other events through Rutland Showground Limited and rental income due from Oakham Rugby Club and Royce Rangers Junior Football Club.

The Society's main expenditure costs would usually include the promotion and organisation of the Society's annual show and other events.

Due to the on-going Covid-19 pandemic and various measures taken by HM Government to curtail the spread of the virus it was necessary to cancel all the major events that were due to be held during the year including the Annual Rutland County Show. As a consequence income and expenditure for the year was severely impacted.

RUTLAND AGRICULTURAL SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRATEGIC REPORT

Financial review

Financial position

The previously unincorporated Rutland Agricultural Society (charity registration number 241028) ceased activity on 31 December 2019.

As a result, the net assets of the previously unincorporated Rutland Agricultural Society as at 31 December 2019 totalling £3,828,858 were transferred to the current incorporated Rutland Agricultural Society (company registration number 11636603, charity registration number 1186008) by way of a donation on 1 January 2020 under the terms of an asset transfer agreement.

This donation is included within total incoming resources totalling £3,887,501 for the year ended 31 December 2020

The Statement of Financial Activities for the year ended 31 December 2020 shows incoming resources totalling £3,887,501 (period ended 31 December 2019: £nil) being the transfer of assets referred to above and other income of £58,643 from rent, subscriptions, grant/furlough support and income from Rutland Showground Ltd. Resources expended totalled £252,517 (period ended 31 December 2019: £nil), This generated a surplus of income over expenditure totalling £3,634,984 (period ended 31 December 2019: £nil).

As a result, the Society's net assets total £3,634,984 as at 31 December 2020 (31 December 2019: £nil).

All aspects of the Society's finances are kept under review by the trustees and their advisors.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRATEGIC REPORT

Financial review

Reserves policy

Rutland Agricultural Society recognises the importance of having reserves. These funds are freely available to spend on any of the charity's purposes and hence exclude any restricted funds should there be any.

Rutland Agricultural Society faces a number of risks that may result in the need to use the charity's reserves.

Some of the include the following.

- o A reduction in funding from supporters.
- o Unexpected refurbishment costs in relation to the charity's property.
- o External factors impacting the charity such as wage increases or increasing utility bills.

Reserves are represented by the fund balances as disclosed in the charity's balance sheet on page 13 of the financial statements.

The charity's balance sheet shows unrestricted reserves (reserves that do not carry out any restrictions on how they can be used) of £3,634,984 as at 31 December 2020 (31 December 2019: £nil). In assessing our level of free reserves as at 31 December 2020 we also exclude fixed assets totalling £1,480,158. This leaves free reserves at £2,154,826 as at 31 December 2020 (31 December 2019: £nil).

It is the trustees view that this amount means that the charity has funds available to run the charity on a day-to-day basis and keep fund aside in case any of the risks mentioned above materialise. The trustees believe this level of reserves provides the charity with adequate financial stability and the means to meet its charitable objectives for the future. It is the trustees intention to invest up to £1.7m of the free reserve in order to grow our capital in the long term and generate an income to support our educational activities.

The level of reserves will be reviewed annually to ensure alignment with the risks the charity faces.

Going concern

No matters have come to the attention of the trustees which might suggest the Society will not be able to maintain its current activities for the foreseeable future. They have, therefore, considered that it is appropriate for the financial statements to be prepared on the going concern basis.

Future plans

The Annual Show and many other events have been cancelled again in 2021 due to the on-going impact of the Covid-19 pandemic.

It is hoped that events organised from July onward including the Rutland Festival of Food and Farming will be the start of our recovery from the effects of the pandemic.

We are fully booked for outside events for the Showground thought he late summer although at this stage very limited events within the Pavilion.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Rutland Agricultural Society was formed on or around 1825 and obtained charitable status on 26 March 1965.

The charity was an unincorporated charity (charity registration number 241028) governed by its constitution originally adopted on 24 March 1897 and last amended on 8 March 2010.

On 1 January 2020 all of the assets and liabilities of the unincorporated charity were transferred to a company limited by guarantee (company registration number 11636603) which was incorporated on 23 October 2018 and which achieved charitable status on 28 October 2019 (charity registration number 1186008).

The Society is established under a Memorandum of Association which establishes the objects and powers of the Society and is governed under its Articles of Association.

In the event of the Society being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of new trustees

All of the current trustees agreed to be appointed as trustees of the new incorporated Society.

At the next Annual General Meeting those trustees who were last appointed or reappointed as a director three or more years previously shall retire from office in accordance with the Memorandum and Articles of Association and, being eligible, offer themselves for re-election.

Trustees are appointed for a three year term. They are usually appointed at the Annual General Meeting with any vacancies open to all members. If none are forthcoming trustees are co-opted to serve.

All trustees give their time voluntarily and receive no benefits from the Society. Any expenses reclaimed from the Society are set out in the notes to the financial statements.

Organisational structure

The trustees usually meet quarterly and, in addition, there is an Annual General Meeting.

As well as the full trustees' meetings during the year there are also several sub-committees (both formal and informal) to enable the operation of the Society, the main ones being the Oversight Committee, the Executive Operations Meeting, the Show Committee and Rutland Showground Limited (formerly known as RAS Enterprises (Rutland) Limited).

These committees will generally meet as required.

Individual trustees also have individual responsibilities - for instance, R D Wood served as Chairman of the Board of Trustees, A Nelson served as Vice Chairman and Chief Executive Officer until his retirement on 30 March 2020 and Rupert Mayo served as Chairman of the Oversight Committee during period under review. At the year end the trustees appointed an Investment Sub Committee being David Wood, Rupert Mayo and Mark Aitchison.

The current management, now led by Kevin Tighe as Chief Executive Officer, comprises a small team consisting of a Show Manager, Society Secretary and Education Officer and an Operations Manager and Accountant on contract. The Operations Manager has responsibility for the whole of the Society's showground site and with particular responsibility for hiring out the Society's showground and pavilion for events.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

The Society has a procedure to follow for the induction and training of new trustees which include the following.

- o The new trustee will meet with all existing trustees.
- o The new trustee will receive a copy of the Society's governing documents and the Society's annual report and accounts.
- o The new trustee will meet with the most relevant trustee or trustees on a one to one basis - for example, a new treasurer will meet with the previous treasurer.
- o The new trustee will meet with the Society's key executives.
- o The new trustee will have access to all statutory and contractual documents of the Society.
- o The new trustee will also be introduced to any relevant external contacts.

Key management remuneration

In the trustees' opinion the key management personnel of the Society responsible for the direction, control, running and operation of the Society on a day to day basis consists of the Board of Trustees and the Chief Executive Officer.

Key management personnel - trustees

Most trustees give of their time freely. During the year ended 31 December 2020 1 trustee (period ended 31 December 2019: nil) received remuneration from the Society.

Details of trustees' remuneration and expenses are disclosed in note 10 to the financial statements.

Key management personnel - Chief Executive Officer

The pay of the Society's senior staff is reviewed annually and normally increased based upon the position of the Society's finances and the cost of living in general.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11636603 (England and Wales)

Registered Charity number

1186008

Registered office

The Rutland Showground
Showground Way
Barleythorpe
Oakham
Rutland
LE15 7TW

RUTLAND AGRICULTURAL SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

R D Wood	- appointed 23 October 2018	
M Aitchison	- appointed 5 November 2019	
J Baker	- appointed 5 November 2019	
S Brook-Shanahan	- appointed 5 November 2019	
A Grey	- appointed 9 December 2019	
Dr A R Leake	- appointed 5 November 2019	
R C Mayo	- appointed 5 November 2019	
R H Miles	- appointed 5 November 2019	
A Nelson	- appointed 23 October 2018	- resigned 30 March 2020

Chief Executive Officer

K Tighe

Senior Statutory Auditor

Peter Smith ACA

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Solicitors

Knights plc
Lancaster House
67 Newhall Street
Birmingham
B3 1NQ

Bankers

HSBC Bank plc
Mid Lincolnshire and the Fens Commercial Centre
Unex House
Bourges Boulevard
Peterborough
PE1 1NG

COMMENCEMENT OF ACTIVITIES

On 1 January 2020 all the assets and liabilities of the previously unincorporated Rutland Agricultural Society (charity registration number 241028) were transferred to the now incorporated Rutland Agricultural Society (company registration number 11636603, charity registration number 1186008) under the terms of an asset transfer agreement.

As a result, the incorporated Rutland Agricultural Society commenced activities on 1 January 2020.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rutland Agricultural Society for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9.08.2021 and signed on the board's behalf by:


.....
R D Wood - Chairman

Opinion

We have audited the financial statements of Rutland Agricultural Society (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error.
- Evaluating and understanding the internal control system.
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear.
- Testing documentation supporting account balances or classes of transactions.
- Confirming accounts receivable and other accounts with a third party.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RUTLAND AGRICULTURAL SOCIETY**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Smith ACA (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
B15 3BH

Date: 9 August 2021

RUTLAND AGRICULTURAL SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Year Ended 31.12.20 Unrestricted fund £	Period 23.10.18 to 31.12.19 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	3,863,835	-
Other income			
HMRC – Coronavirus job retention scheme		6,596	-
Investment income	4	17,070	-
Total		3,887,501	-
EXPENDITURE ON			
Charitable activities	5	(252,517)	-
NET INCOME		3,634,984	-
RECONCILIATION OF FUNDS			
Total funds brought forward		-	-
TOTAL FUNDS CARRIED FORWARD		3,634,984	-

The notes form part of these financial statements

BALANCE SHEET
31 DECEMBER 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Tangible assets	11	1,476,022	-
Investments	12	4,136	-
		<u>1,480,158</u>	-
CURRENT ASSETS			
Debtors	13	14,379	-
Cash at bank and in hand		2,161,571	-
		<u>2,175,950</u>	-
CREDITORS			
Amounts falling due within one year	14	(21,124)	-
		<u></u>	<u></u>
NET CURRENT ASSETS		<u>2,154,826</u>	-
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,634,984</u>	-
NET ASSETS		<u>3,634,984</u>	-
FUNDS	15		
Unrestricted funds		3,634,984	-
TOTAL FUNDS		<u>3,634,984</u>	-

The financial statements were approved by the Board of Trustees and authorised for issue on 9.08.2021 and were signed on its behalf by:


R D Wood Chairman

The notes form part of these financial statements

RUTLAND AGRICULTURAL SOCIETY

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
	Notes		
Cash flows from operating activities			
Cash generated from operations	1	<u>3,659,642</u>	-
Net cash provided by operating activities		<u>3,659,642</u>	-
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,493,981)	-
Purchase of fixed asset investments		(4,136)	-
Interest received		<u>46</u>	-
Net cash (used in)/provided by investing activities		<u>(1,498,071)</u>	-
Change in cash and cash equivalents in the reporting period		2,161,571	-
Cash and cash equivalents at the beginning of the reporting period		<u>-</u>	-
Cash and cash equivalents at the end of the reporting period		<u>2,161,571</u>	-

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Net income for the reporting period (as per the Statement of Financial Activities)	3,634,984	-
Adjustments for:		
Depreciation charges	17,959	-
Interest received	(46)	-
Increase in debtors	(14,379)	-
Increase in creditors	21,124	-
	<u>21,124</u>	-
Net cash provided by operations	<u>3,659,642</u>	<u>-</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	-	<u>2,161,571</u>	<u>2,161,571</u>
	-	<u>2,161,571</u>	<u>2,161,571</u>
Total	<u>-</u>	<u><u>2,161,571</u></u>	<u><u>2,161,571</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

General information

Rutland Agricultural Society is an incorporated charity registered with the Charity Commission in England and Wales. The address of Rutland Agricultural Society's registered office is Showground Way, Barleythorpe, Oakham, Rutland, LE15 7TW.

Accounting convention

The financial statements of Rutland Agricultural Society, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "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 United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared using the historic cost convention and are presented in sterling which is the functional currency of Rutland Agricultural Society, rounded to the nearest £1.

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

PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements contain information about Rutland Agricultural Society as an individual company and do not contain consolidated financial information as the parent of a group. The charity is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

GOING CONCERN

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon the Society being able to continue to operate and come to terms with the significant impact of the Covid-19 pandemic.

At the present time there are many unknown variables which makes forecasting the future results and impact on the Society very difficult.

The trustees recognise that the current situation is uncertain but they have considered the position of the Society both at present and for the next 12 months given the current information available.

The Society has a strong balance sheet and forecasts have been prepared and reviewed for the next 12 months which consider the trading and cashflow impacts of possible implications from the current situation.

The trustees are in regular communication with the Society's stakeholders to understand their position and this information has been used in preparing and reviewing the forecasts.

The trustees have implemented plans to reduce costs where necessary and the Society will apply for and make use of direct financial support from third parties such as Rutland County Council to support the Society.

The objective of the Society is to continue its charitable activities while monitoring and adapting to the impact of the Covid-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

REPORTING PERIOD

The Society's financial statements for the year ended 31 December 2020 covers the period 1 January 2020 to 31 December 2020, an accounting period which is shorter in length than the Society's comparative financial statements for the period ended 31 December 2019 which covered the accounting period 23 October 2018 to 31 December 2019.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For donations to be recognised the Society will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Society and it is probable that they will be fulfilled.

For legacies to be recognised, entitlement is the earlier of the Society being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies may be notified to the Society. However, it is not always possible to measure the amount expected to be distributed. On these occasions the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Society. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income received in advance of the activity being performed is deferred.

Income from local authority grants and grants from other third parties is recognised at fair value when the Society has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets such as cash on deposit. It includes interest receivable. Interest income is recognised using the effective interest rate method and is recognised as the Society's right to receive payment is established.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the 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.

It is categorised under the following headings.

- o Expenditure on charitable activities.

Support costs are those that assist with the work of the Society but do not directly represent charitable activities and include office costs, governance costs and other administrative costs.

Governance costs represent the costs incurred in connection with the administration of the Society and compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost or valuation less accumulated depreciation.

Depreciation is calculated to write off the cost or valuation of fixed assets to their estimated residual value at the following rates.

Freehold land	Not depreciated
Buildings and facilities - driveway and car park	6.67% on cost per annum
Buildings and facilities - septic tank	5% on reducing balance per annum
Buildings and facilities - other	2% on cost per annum
Plant and machinery	15% on reducing balance per annum
Computer equipment	33% on reducing balance per annum

The gain or loss arising from 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 net income/(expenditure) for the year.

IMPAIRMENT OF FIXED ASSETS

At each reporting period end date, the Society 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit.

TAXATION

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

FIXED ASSET INVESTMENTS

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in "net gains/(losses) on investments" in the Statement of Financial Activities if the investments are publicly traded or their fair value can otherwise be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

DEBTORS

Debtors are amounts owed to the Society. They are measured on the basis of their recoverable amount.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

CREDITORS

Creditors are amounts owed by the Society. They are measured at the amount that the Society expects to pay to settle the debt.

Amounts which are owed in more than a year are shown as long term creditors.

FUND ACCOUNTING

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 objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

OPERATING LEASES

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

EMPLOYEE BENEFITS

When employees have rendered service to the Society, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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 Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

FINANCIAL INSTRUMENTS

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and are subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Society'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 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.

The following is a key source of estimation uncertainty.

Expenditure allocations: expenditure is apportioned where it relates to more than one cost category.

3. DONATIONS AND LEGACIES

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Donations	16,539	-
Grants receivable	10,000	-
Subscriptions	8,288	-
Miscellaneous income	150	-
Exceptional items – see below	<u>3,828,858</u>	-
	<u>3,863,835</u>	-

Grants receivable

Grants received, included in the above, are as follows.

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Rutland County Council: Covid-19 revenue grant	<u>10,000</u>	-
	<u>10,000</u>	-

Exceptional items - donations

Exceptional items totalling £3,828,858 for the year ended 31 December 2020 consists of a donation received by the current Rutland Agricultural Society, an incorporated charity (company registration number 11636603, charity registration number 1186008) from the previously unincorporated Rutland Agricultural Society (charity registration number 241028) which represents a transfer of the net assets from the previously unincorporated Rutland Agricultural Society to the current incorporated Rutland Agricultural Society under the terms of an asset transfer agreement.

The previously unincorporated Rutland Agricultural Society ceased activity on 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

4. INVESTMENT INCOME

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Rents received	17,024	-
Deposit account interest	46	-
	<u>17,070</u>	<u>-</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6) £	Support costs (see note 7) £	Totals £
Charitable activities	<u>200,800</u>	<u>51,717</u>	<u>252,517</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Staff costs	70,577	-
Annual show expenses	12,830	-
Insurance	4,892	-
Light and heat	4,966	-
Telephone	5,224	-
Advertising and promotion	3,298	-
Postage and stationery	1,976	-
Sundries	1,380	-
Rates	584	-
Facilities management	23,333	-
Grounds maintenance	53,241	-
Equipment hire	540	-
Depreciation	17,959	-
	<u>200,800</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

7. SUPPORT COSTS

	Year Ended 31.12.20	Period 23.10.18 to 31.12.19
	£	£
Bank interest and charges	2,169	-
Subscriptions	344	-
Motor and travel expenses	691	-
Early settlement discount	10,000	-
Bookkeeping and accountancy fees	19,456	-
Legal and professional fees	4,178	-
	<u>36,838</u>	<u>-</u>

GOVERNANCE COSTS

	Year Ended 31.12.20	Period 23.10.18 to 31.12.19
	£	£
Auditors' remuneration	5,750	-
Legal and professional fees	6,159	-
Trustees' expenses	2,970	-
	<u>14,879</u>	<u>-</u>

8. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.12.20	Period 23.10.18 to 31.12.19
	£	£
Auditors' remuneration	5,750	-
Depreciation - owned assets	17,959	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

9. TRUSTEES' REMUNERATION AND BENEFITS

During the year ended 31 December 2020 one trustee received remuneration from the Society amounting £2,970.

TRUSTEES' EXPENSES

There were trustees' expenses paid for the year ended 31 December 2020 of £450 to one trustee.

10. STAFF COSTS

	Year Ended 31.12.20 £	Period 23.10.18 to 31.12.19 £
Wages and salaries	66,210	-
Other pension costs	<u>4,367</u>	<u>-</u>
	<u>70,577</u>	<u>-</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.20	Period 23.10.18 to 31.12.19
Management and administrative staff	<u>3</u>	<u>-</u>

No employees received emoluments in excess of £60,000.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS

	Freehold land £	Buildings and facilities £	Plant and machinery £	Computer equipment £	Totals £
COST					
Additions	<u>706,250</u>	<u>701,580</u>	<u>80,175</u>	<u>5,976</u>	<u>1,493,981</u>
DEPRECIATION					
Charge for year	<u>-</u>	<u>6,945</u>	<u>9,468</u>	<u>1,546</u>	<u>17,959</u>
NET BOOK VALUE					
At 31 December 2020	<u>706,250</u>	<u>694,635</u>	<u>70,707</u>	<u>4,430</u>	<u>1,476,022</u>
At 31 December 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Fixed asset additions

Included within fixed asset additions as at 31 December 2020 are fixed assets which were transferred to the current incorporated Rutland Agricultural Society at a deemed cost of £1,450,077 from the previously unincorporated Rutland Agricultural Society which ceased activity on 31 December 2019 under the terms of an asset transfer agreement.

Current year fixed additions for the year ended 31 December 2020 amount to £43,904.

As a result, total fixed asset additions for as at 31 December 2020 amount to a total of £1,493,981.

Plant and machinery - sundry equipment

Plant and machinery includes equipment used in the Society's annual show such as rope, hurdles etc which over time has been fully depreciated. However, the equipment is still held and used and is valued for insurance purposes at over £80,000.

12. FIXED ASSET INVESTMENTS

	2020 £	2019 £
Investment in trading subsidiary	100	-
Cups and trophies	<u>4,036</u>	<u>-</u>
	<u>4,136</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

12. FIXED ASSET INVESTMENTS - continued

Additional information as follows:

	Shares in group undertakings £
MARKET VALUE	
Additions	<u>100</u>
NET BOOK VALUE	
At 31 December 2020	<u>100</u>
At 31 December 2019	<u>-</u>

There were no investment assets outside the UK.

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
Cups and trophies	<u>4,036</u>	<u>-</u>

The company's investments at the balance sheet date in the share capital of companies include the following:

Rutland Showground Limited (company registration number 08745204)

Registered office: Showground Way, Barleythorpe, Oakham, Rutland, LE15 7TW

Nature of business: organiser of conferences

	% holding	2020 £	2019 £
Class of share:			
Ordinary	100		
Aggregate capital and reserves		<u>232</u>	231
Loss for the year/period		<u>-</u>	<u>(146)</u>

Fixed asset investments totalling £4,136 as at 31 December 2020 are comprised of shares in a wholly owned subsidiary company, Rutland Showground Limited, and cups and trophies which were donated to the current incorporated Rutland Agricultural Society by the previously unincorporated Rutland Agricultural Society under the terms of an asset transfer agreement.

The previously unincorporated Rutland Agricultural Society ceased activity on 31 December 2019.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	4,416	-
Amounts owed by group undertakings	37	-
Other debtors	4,368	-
Prepayments and accrued income	5,558	-
	14,379	-

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	5,809	-
Social security and other taxes	958	-
Accruals and deferred income	14,357	-
	21,124	-

15. MOVEMENT IN FUNDS

	At 1.1.20	Net movement	At
	£	in funds	31.12.20
		£	£
Unrestricted funds			
General fund	-	3,634,984	3,634,984
	<u>-</u>	<u>3,634,984</u>	<u>3,634,984</u>
TOTAL FUNDS	<u>-</u>	<u>3,634,984</u>	<u>3,634,984</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	3,887,501	(252,517)	3,634,984
	<u>3,887,501</u>	<u>(252,517)</u>	<u>3,634,984</u>
TOTAL FUNDS	<u>3,887,501</u>	<u>(252,517)</u>	<u>3,634,984</u>

Purpose of Unrestricted FundsGeneral fund

This fund represents the free funds of the Society that are not designated for particular purposes.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

16. RELATED PARTY DISCLOSURES

Farm & Garden Limited

J Baker, a trustee of Rutland Agricultural Society, also served as a director of a company called Farm & Garden Limited

During the year ended 31 December 2020 Farm & Garden Limited undertook work on setting up the Society's annual show at a cost of £1,578 (period ended 31 December 2019 - £nil).

Frontier Agriculture Limited

M Aitchison, a trustee of Rutland Agricultural Society, also served as a director of a company called Frontier Agriculture Limited.

During the year ended 31 December 2020 Frontier Agriculture Limited sponsored the members' pavilion at the Society's annual show at a cost of £10,000 (period ended 31 December 2019 - £nil).

This sum was refunded to Frontier Agriculture Limited following the cancellation of the Society's 2020 annual show.

Hambleton Farms Limited

A Nelson, a trustee of Rutland Agricultural Society until 30 March 2020, also served as a director of a company called Hambleton Farms Limited

During the period 1 January 2020 to 30 March 2020 the Society purchased goods and services amounting to £2,030 from Hambleton Farms Limited (period ended 31 December 2019 - £nil).

Rutland Showground Limited (formerly known as RAS Enterprises (Rutland) Limited)

Rutland Agricultural Society is the parent of a wholly owned subsidiary trading company called Rutland Showground Limited.

Donations received from Rutland Showground Limited

Rutland Showground Limited is a trading company which organises events from the Society's Showground. Any profits made by Rutland Showground Limited are gifted to Rutland Agricultural Society as a donation. Donations totalling £16,537 were received by Rutland Agricultural Society from Rutland Showground Limited for the year ended 31 December 2020 (period ended 31 December 2019: £nil).

Debtors - amounts falling due within one year

Included within amounts due within one year as at 31 December 2020 is £37 (period ended 31 December 2019: £nil) due from Rutland Showground Limited to Rutland Agricultural Society.

17. OPERATING LEASE COMMITMENTS

Lessee

Operating lease payments represent rentals payable by the Society for the provision of office equipment. Leases are negotiated for an average term of 5 years.

At 31 December 2020 the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows.

	2020	2019
	£	£
Within one year	324	-
	<u>324</u>	<u>-</u>

