

**REGISTERED NUMBER: 22684 (England and Wales)**  
**REGISTERED NUMBER IN SCOTLAND: SC043459**  
**REGISTERED CHARITY NUMBER: 211348**

**SUFFOLK SHEEP SOCIETY**  
**REPORT OF THE COUNCIL OF MANAGEMENT**  
**AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

REGISTERED NUMBER: 22684 (England and Wales)  
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**SUFFOLK SHEEP SOCIETY**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**for the year ended 30 September 2021**

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	<b>Page</b>
Council of Management's Report	1
Report of the Independent Auditors	6
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12

## SUFFOLK SHEEP SOCIETY

### COUNCIL OF MANAGEMENT'S REPORT

The Council of Management (who are also directors of the charity for the purpose of the Companies Act 2006) presents its report and audited financial statements for the year ended 30 September 2021. The Council of Management have adopted the provisions of the Statement of Recommended Practice Charities SORP 2019 (FRS102).

#### Reference and Administrative Information (see additional information)

Charity Name:	Suffolk Sheep Society
Charity registration number:	211348
OSCR registration number:	SC043459
Company registration number:	22684
Registered office	and operational address:
One Eastwood	Unit 19 Ballymena Business Centre
Harry Weston Road	62 Fenaghy Road
Binley Business Park	Galgorm, Ballymena,
Coventry	Co Antrim, N Ireland
CV3 2UB	BT42 1FL
<b>President:</b>	W Fleming
<b>President-Elect:</b>	V Samuel

#### COUNCIL OF MANAGEMENT

	<i>Area represented</i>
<b>Chairperson:</b> MJ Weaver	West Midlands and Monmouthshire
<b>Vice -</b>	
<b>chairperson:</b> Miss J Soulsby	Northumberland, Cumbria, Durham and Isle of Man

#### Members:

R Greig	Northern Scotland Retired 10/12/2020
I R Barbour	South of Scotland
J Stewart	Northern Ireland
I Porter	Northern Ireland Retired 10/12/2020
Miss L Needham	Lancashire, Yorkshire and Lincolnshire
Mrs S Eggleston	Midland and Eastern Counties Retired 10/12/2020
N S Towns	Western Area Retired 10/12/2020
Miss D Lindon	South East
A Reed	South West
D Miskelly	Northern Scotland Appointed 10/12/2020
A Evans	Wales excluding Monmouthshire Appointed 10/12/2020
M Pinny	Middle and Eastern Counties Appointed 10/12/2020
D O'Mahony	South of Ireland Appointed 10/12/2020
O Deane	South of Ireland Appointed 10/12/2020
M Priestley	Northern Ireland Appointed 10/12/2020

Chief Executive	R McIlrath
Personal Assistants	A McCullough, M Fenton and K Allen

**Auditors:** Dafferns LLP, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB

**Bankers:** Lloyds Bank plc, 48 Belle Vue Terrace, Malvern, Worcs, WR14 4QG  
Bank of Ireland, Lower Baggot Street, Dublin 2

**Solicitors:** Ladders Solicitors LLP, Elm Court, Arden Street, Stratford upon Avon, CV37 6PA

**Investment advisors:** Charles Stanley & Co., 9-10 St Andrew Square, Edinburgh, EH2 2AF

## **SUFFOLK SHEEP SOCIETY**

### **COUNCIL OF MANAGEMENT'S REPORT (continued)**

#### **Structure, Governance and Management**

##### Governing Document

The Suffolk Sheep Society is a charitable company limited by guarantee, incorporated on 26th May 1886 and registered as a charity on 23rd October 1962. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

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##### Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of Council. Under the requirements of the Memorandum and Articles of Association the members of Council are elected to serve for a period of two years (UK) or one year (South of Ireland) after which they must be re-elected. Nominations are invited from members who must be proposed and seconded. If more than one nomination is received by the due date an election takes place.

##### Trustee Induction and Training

All new trustees must be members of the Society and will be familiar with the Society's activities. They will have received annual copies of the Report and Accounts and all other Society publications. On becoming trustees they are provided with the Society's Memorandum and Articles of Association, Charity Commission guide for trustees and detailed papers relating to major projects with which the Society is concerned.

##### Risk Management

Internal control risks are minimised by the implementation of written procedures and lines of communication for authorisation of transactions. Specialist advice has been obtained to ensure compliance with health and safety requirements. Staff training has also been provided for specific matters. Every item of work will be assessed and improvements in protocol made where necessary.

##### Organisational Structure

The Society is managed by a 16 member elected Council plus co-opted members, which met twice during the year. Four members of Council form a Chairman's Advisory Group to provide guidance to the Chief Executive and Society office between Council meetings. The Chief Executive (Company Secretary) and Personal Assistant attend Council meetings but have no voting rights.

##### Related Parties

The Branches of the Society based in England, Wales and Scotland have registered as Charities in their own right.

##### Public Benefit

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



**SUFFOLK SHEEP SOCIETY**  
**COUNCIL OF MANAGEMENT'S REPORT (continued)**

**Objects and Activities**

The Society's objects and principal activities are:

- (1) To advance and promote agriculture by improving the breed of Suffolk Sheep.
- (2) To promote research and improvement of the breed of Suffolk Sheep and the publication of the results thereof.

The Society will continue to carry out the following activities:

- Maintain and publish the annual Flock Book and Year Book;
- Compile and publish annual statements, statistics and information relating to the Suffolk Sheep breed.
- Participate and/or organise shows, sales and other events throughout the UK. The main shows include the Royal Ulster Show, Royal Highland Show, Royal Welsh Show, Great Yorkshire Show, The Three Counties Show and many other smaller regional shows. Suffolk Sheep Society members had great success at each of these shows and won a number of interbreed classes, all of which raises public awareness of the breed and its popularity to commercial farmers.
- The Society either directly or through its branches will continue to arrange several shows and sales which are open to all members with visitors always welcome. The first of these is the National Show and Sale which will continue to be held at Shrewsbury. Other similar events will be held at Stirling, Ballymena, Roscrea, Carlisle and Builth.
- Promoting public interest in the Suffolk Sheep breed via publications and publicity. The Suffolk Society has a breed stand at every major National Sheep Association event which contains a variety of material about the Society, the Suffolk Sheep breed, forthcoming events etc.

The Society premises have been offered for use by other charitable organisations operating in the Ballymena area. These mainly include other agricultural charities that hold fund raising evenings but also alcoholics anonymous.

**Financial Review**

Principal Funding Sources

Subscriptions, registration and birth notification fees comprised the main sources of income.

Investment Policy

Under the Memorandum and Articles of Association the Society has the power to make any investment which the Trustees see fit. Mr Ian Harley of Charles Stanley Stockbrokers, Edinburgh has continued to keep the portfolio under review and has made adjustments as appropriate to serve the current and future needs of the Society, with the aims of producing a balance between growth and income with low/medium risk.

Reserves policy

It is the Society's policy to maintain sufficient reserves to provide for at least twelve months unrestricted expenditure. The Trustees wish to maintain a level of investments to produce an income stream to help sustain its operations in the medium term. Investments at 30 September 2021 totalled £690,817. The Society has no restricted funds. The value of reserves, that are free reserves are £894,435 (2020: £806,269).

## **SUFFOLK SHEEP SOCIETY**

### **COUNCIL OF MANAGEMENT'S REPORT (continued)**

#### **Responsibilities of the Council of Management**

Company law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources including income and expenditure for the financial year. In preparing those financial statements, the Council of Management should follow best practice and:

- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue on that basis

The Council of Management are responsible for maintaining 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, The Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Council of Management is 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.

#### **Members of the Council of Management**

Members of the Council of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on Page 1.

In accordance with company law and as the company's directors we certify that:

- so far as we are aware there is no relevant audit information of which the company's auditors are unaware and;
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.
- The Trustees (who are also directors of Suffolk Sheep Society for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Impact of COVID-19**

During the year, and since the balance sheet date, there has been significant economic uncertainty as a result of the Covid-19 virus outbreak both internationally and within the UK, the scale and duration of which remains inherently uncertain. In response, the Trustees made the decision to continue trading. All precautions were taken to meet government guidelines and directives including investing in required software for remote meetings, furloughing staff, facilitating remote working arrangements, and creating a safe office working environment where applicable. The management team are monitoring and reacting to the situation daily. The Society currently has an adequate level of liquidity which the trustees consider sufficient to see the charity through any potential implications. Based on these assessments the trustees have a reasonable expectation that the charity has adequate resources to sustain itself and continue for the foreseeable future.

## **SUFFOLK SHEEP SOCIETY**

### **COUNCIL OF MANAGEMENT'S REPORT (continued)**

#### **Statement as to disclosure of information to auditors**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

#### **Auditors**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Council of Management on 23 February 2022 and signed on its behalf by



Mr M Weaver  
Chairperson

## SUFFOLK SHEEP SOCIETY

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SUFFOLK SHEEP SOCIETY

#### Opinion

We have audited the financial statements of Suffolk Sheep Society (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 30 September 2021 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 Auditor's 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report<sup>2</sup>. 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.

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 course of 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.



## **SUFFOLK SHEEP SOCIETY**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SUFFOLK SHEEP SOCIETY**

#### **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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report 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 [strategic report and the]<sup>3</sup> directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 4, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 an auditor's report 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

## SUFFOLK SHEEP SOCIETY

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SUFFOLK SHEEP SOCIETY

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.<sup>4</sup>

## SUFFOLK SHEEP SOCIETY

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF SUFFOLK SHEEP 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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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 auditor's 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.

Richard Miller MA (Oxon) FCA (Senior Statutory Auditor)



23/2/22

For and on behalf of Dafferns LLP  
Chartered Accountants  
Statutory Auditor  
One Eastwood  
Harry Weston  
Road  
Binley Business Park  
Coventry CV3 2UB

Dafferns LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



**SUFFOLK SHEEP SOCIETY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**for the year ended 30 September 2021**

	Note	2021 £	2020 £
<b>INCOME</b>			
<b>Voluntary income</b>			
Members subscriptions		76,218	72,631
Gift aid		11,598	8,847
<b>Other income</b>			
Government grant income		8,819	6,381
<b>Charitable activities</b>	2	221,876	188,426
<b>Activities to generate funds</b>			
Investment income	3	12,724	13,367
Interest receivable		15	350
Gain(Loss) on foreign exchange		(914)	126
<b>Total income</b>		330,336	290,128
<b>EXPENDITURE</b>			
<b>Voluntary income</b>	4	43,025	42,386
<b>Charitable activities</b>	4	225,331	183,389
<b>Head Office costs</b>	5	58,057	40,708
<b>Total expenditure</b>		326,413	266,483
<b>Net incoming/(outgoing) resources for the period</b>		3,923	23,645
<b>OTHER RECOGNISED GAINS AND LOSSES</b>			
Net gains/(losses) on investments		84,243	(13,719)
<b>Net income/(expenditure) for year</b>		88,166	9,926
Reconciliation of funds			
Funds brought forward at beginning of period		806,269	796,343
<b>Balances carried forward at end of period</b>		894,435	806,269

All the charity's activities are continuing activities - there were no acquisitions in the year.

All the charity's funds are unrestricted in the above two financial years.

# SUFFOLK SHEEP SOCIETY

## BALANCE SHEET 30 September 2021

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	7	12,252	15,821
Investments	8	690,817	601,142
		<hr/>	<hr/>
		703,069	616,963
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Stocks	9	1,290	2,412
Debtors	10	54,822	45,825
Cash at bank and in hand		185,963	188,396
		<hr/>	<hr/>
		242,075	236,633
		<hr/>	<hr/>
<b>CREDITORS</b>			
Amounts falling due within one year	11	(50,709)	(47,327)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		191,366	189,306
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		894,435	806,269
		<hr/>	<hr/>
<b>NET ASSETS</b>		894,435	806,269
		<hr/>	<hr/>
<b>FUNDS</b>			
Unrestricted funds			
General reserves	12	894,435	806,269
		<hr/>	<hr/>
<b>TOTAL FUNDS</b>		894,435	806,269
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102.

Approved by the Council of Management on 23 February 2022 and signed on its behalf by



Mr M Weaver  
Chairperson

## **SUFFOLK SHEEP SOCIETY**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021**

#### **1 ACCOUNTING POLICIES**

##### **General information and basis of preparation**

Suffolk Sheep Society is an incorporated charity registered in England & Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to advance and promote agriculture by improving the breed of Suffolk Sheep and to promote research and improvement of the breed of Suffolk Sheep and the publication of the results.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and 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 stated.

##### **Funds**

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

##### **Income recognition**

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

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

## **SUFFOLK SHEEP SOCIETY**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021**

#### **1 ACCOUNTING POLICIES (Continued)**

##### **Employment support income**

Grant income received from the UK's Coronavirus Job Retention Scheme has been recognised in the period in which the related staff expense was incurred. This income has been recognised in other income.

##### **Expenditure recognition**

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

- Costs of raising funds includes investment management costs and certain legal fees;
- Expenditure on charitable activities includes grants made in accordance with the terms of the trust deed; and
- Other expenditure represents those items not falling into the categories above.

##### **Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs etc. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

##### **Investments**

Quoted 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 SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

Unlisted investments are stated at cost less any provision for impairment.

##### **Debtors and creditors receivable / payable within one year**

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

##### **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## SUFFOLK SHEEP SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

#### 1 ACCOUNTING POLICIES (Continued)

##### Tangible fixed assets

Fixed assets are stated in the balance sheet at cost less depreciation. All expenditure on acquisition, enhancement, production and installation are capitalised as fixed assets. They are stated in the balance sheet at cost less depreciation.

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates:

Office equipment	25% of cost per annum
Database	20% of cost per annum

##### Research and development

Expenditure on research and development is written off in the year in which it is incurred.

##### Pension costs

The society operates a money purchase pension scheme on behalf of certain employees. All costs are charged as an expense as they become payable under the rules of the scheme.

##### Stocks

Stock is valued at the lower of cost and net realisable value.

##### Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

2. INCOME FROM CHARITABLE ACTIVITIES	2021 £	2020 £
Flock book registration	141,820	142,141
Surplus from Society sales and promotion levy	15,987	10,826
Flock book sales	3,521	4,486
Testing	35,429	11,674
Other	25,119	19,299
	<hr/> 221,876 <hr/>	<hr/> 188,426 <hr/>
3. INVESTMENT INCOME	2021 £	2020 £
Income from UK listed investments and unit trusts	<hr/> 12,724 <hr/>	<hr/> 13,367 <hr/>



# SUFFOLK SHEEP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

4. EXPENDITURE	2021 £	2020 £
<b>Voluntary income</b>		
<b>Support costs</b>		
Salaries and wages costs	33,220	34,071
Office administration costs	8,083	6,519
Depreciation	1,722	1,796
	<hr/>	<hr/>
	43,025	42,386
	<hr/>	<hr/>
<b>Direct charitable activities</b>		
Breed promotion expenses	62,208	55,033
Flock book expenses	2,299	2,814
Cost of year book	9,567	11,937
Testing	43,913	16,064
Other	20,424	19,013
<b>Support costs</b>		
Salaries and wages costs	67,112	63,123
Office administration costs	16,328	12,078
Depreciation	3,480	3,327
	<hr/>	<hr/>
	225,331	183,389
	<hr/>	<hr/>

Support costs are allocated based on the proportion of income generated.

5. HEAD OFFICE COSTS	2021 £	2020 £
Legal fees and professional fees	19,943	1,933
Audit	2,600	2,600
Accountancy fees	12,000	12,110
Stockbroker fees	5,516	6,551
Head office running costs	15,621	13,380
Council meetings and AGM	2,377	4,134
	<hr/>	<hr/>
	58,057	40,708
	<hr/>	<hr/>

# SUFFOLK SHEEP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

### 6. STAFF COSTS AND COUNCIL OF MANAGEMENT REMUNERATION

	2021 £	2020 £
<b>Staff costs</b>		
Wages and salaries	90,727	88,240
Social security costs	3,733	3,814
Pension costs	3,998	3,745
Other staff costs	1,874	1,395
	<u>100,332</u>	<u>97,194</u>

The average number of employees was:	<b>2021</b>	<b>2020</b>
Administration	3	4

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

No member of the Council of Management received any remuneration and the total value of reimbursed expenses were £2,157 reimbursed to 16 members of the council.

#### Costs incurred in the management and administrations of the charity include:

	£	£
Auditors' remuneration – audit	2,600	2,600



# SUFFOLK SHEEP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

### 7. TANGIBLE FIXED ASSETS

	Office equipment £	Database £	Challenge cups and trophies £	Total £
<b>Cost or valuation</b>				
At 1 October 2020	29,125	14,037	10	43,172
Additions	1,633	-	-	1,633
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2021	<u>30,758</u>	<u>14,037</u>	<u>10</u>	<u>44,805</u>
<b>Depreciation</b>				
At 1 October 2020	18,929	8,422	-	27,351
Charge for year	2,395	2,807	-	5,202
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2021	<u>21,323</u>	<u>11,229</u>	<u>-</u>	<u>32,553</u>
<b>Net book value</b>				
At 30 September 2021	<u>9,435</u>	<u>2,808</u>	<u>10</u>	<u>12,252</u>
At 30 September 2020	<u>10,196</u>	<u>5,615</u>	<u>10</u>	<u>15,821</u>

The net book value at 30 September 2021 represents tangible fixed assets used wholly for administrative purposes.

### 8. INVESTMENTS

	Listed Investments £	Unlisted Investments £	Total £
<b>Valuation</b>			
At 1 October 2020	601,142	-	601,142
Additions	86,750	-	86,750
Disposal proceeds	(81,318)	-	(81,318)
Net realised and unrealised gains	84,243	-	84,243
	<hr/>	<hr/>	<hr/>
At 30 September 2021	<u>690,817</u>	<u>-</u>	<u>690,817</u>

Quoted investments at market value comprise:

	2021 £	2020 £
British Government securities	176,749	178,964
Ordinary stocks and shares	514,068	422,178
	<hr/>	<hr/>
	<u>690,817</u>	<u>601,142</u>

# SUFFOLK SHEEP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

### 8. INVESTMENTS (Continued)

Included in investments above are quoted investments with a market value of £342,635 (2020: £269,912) which are held outside the UK.

Investments in individual entities held at 30 September 2021 which are over 5% of portfolio by value are:

	Market value
UK Govt Stk 2.25% 07/09/23	41,496
UK Govt Stk 2.5% 17/07/24	43,026
Finsbury Growth & Income Trust	45,026
JP Morgan Mid Cap Inv Trust Ord GBP0.25	42,035
Axa Framlington Unit Mangt Fund	37,413
M&G Investment Man Global Dividend	39,566
Scot Mort Inv Tst Ord GBP0.25	42,769

### 9. STOCKS

	2021 £	2020 £
Promotional items	1,290	2,412

### 10. DEBTORS

Trade debtors	31,798	28,684
Other debtors	22,324	16,621
Prepayments	700	520
	<u>54,822</u>	<u>45,825</u>

### 11. CREDITORS - due within one year

	2021 £	2020 £
Trade creditors	34,337	22,616
Accruals	6,771	4,354
Other taxes and social security	8,350	19,225
Other creditors	1,251	1,132
	<u>50,709</u>	<u>47,327</u>

# SUFFOLK SHEEP SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2021

### 12. RESERVES

	General reserves £	Total £
At 1 October 2020	806,269	806,269
Retained gain for the year	88,166	88,166
At 30 September 2021	<u>894,435</u>	<u>894,435</u>

### 13. SHARE CAPITAL

The company does not have a share capital as it is limited by guarantee. Each of the members is a guarantor to the extent of £1 in the event of the company being wound up whilst they are members, or within one year of them ceasing to be members in respect of debts and liabilities contracted before they ceased to be a member.

At 30 September 2021 the Society had 1,004 members.

### 14. ULTIMATE CONTROLLING PARTY

The council of management control the charity.

