

THE HEREFORD CATTLE SOCIETY

Statement of Accounts, Balance Sheet and Annual Report
FOR THE YEAR ENDED 30 JUNE 2024

Notice of the

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of Members of this Society will be held at the Society's Offices, Hereford House, 3 Offa Street, Hereford on Tuesday 12 November 2024 at 9.00 a.m.

A G E N D A

1. To confirm the minutes of the Annual General Meeting held on 14 November 2023
2. To approve the statement of accounts, balance sheet and council's report for the year ended 30 June 2024.
3. To appoint Thorne Widgery, chartered accountants and auditors to the society for the ensuing year and to authorise the council to fix their remuneration.
4. To transact any other business permissible at the Annual General Meeting.

Dated this the 10 September 2024 by order of the council.

Paul Sneyd, Director of Operations

Registered Office:
Hereford House,
3, Offa Street,
Hereford, HR1 2LL.
Registered Charity No: 217428
Company Registered No: 12100

Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2024
for
The Hereford Cattle Society

Thorne Widgey Accountancy Ltd
Chartered Accountants
Statutory Auditors
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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for the Year Ended 30 June 2024

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The Hereford Cattle Society

Report of the Trustees for the Year Ended 30 June 2024

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 30 June 2024. 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 Society is established to maintain unimpaired the purity of, and improve the breed of, cattle known as Herefords and to promote impartially the breeding of all the various tribes, families and strains of such cattle.

The Society's promotional activities during the year have been aimed at developing the market for pedigree and commercial Hereford cattle and building increased awareness of the Hereford beef brand to consumers.

To achieve its objectives, the Society has participated in numerous promotional events throughout the country.

The Society this year has adopted linear scoring which provides an independent assessment of cows in your herd reviewing strengths and weaknesses to enhance longevity, health & welfare.

The Society's plans for the future are to continue the promotion and expansion of the breed both domestically and internationally.

Public benefit

The trustees consider that they have complied with the duty in section 4 of the Charities Act 2011, in having due regard to public benefit.

In this regard, the Society implements Breed Improvement Schemes to facilitate the economic and efficient production of beef, constantly taking into consideration eco friendly systems of extensive food production using, whenever and wherever possible, natural resources.

The Hereford is a Breed renowned internationally for its ability to utilise natural grazing areas of the World to produce high quality beef economically. The Society will continue to promote this aspect of the Breed so as to increase its use with the aim of assisting the farming industry to meet the extremely challenging financial constraints put upon them in the current period of austerity.

STRATEGIC REPORT

Achievement and performance

Having served on council for many years the challenges remain, and I feel the next 5 - 10 years will probably see the biggest changes in Agriculture that we have ever seen particularly in the beef industry. This year we have seen registrations decrease which is not just unique to us as a breed but also across other breeds.

In the last financial year costs have increased dramatically and, at the same time, our income has reduced, this inevitably makes for some tough decisions ahead. The council are very aware of how tight money is for members with no fees having been increased.

During the last financial year, we have continued to deliver on our core objectives, but it is disappointing to have to report on our expenditure for legal fees due to circumstances out of our control and leading to the Society making a loss.

The Council

As Chairman of council, I wish to express my sincere thanks to all council members for their support and dedication, none more so than your President Allen Massey. Council members as trustees of the Society freely give up their time and energy for the benefit of all members. We continue to have just under 1400 members with around 911 of those being active Hereford Pedigree breeders. In 2023 we also saw Hereford x sired progeny increase by 6% where other breeds particularly some of the continentals have seen a decrease. I wrote to you in July to inform you that a resolution had been passed by the board of Directors on 27 June 2024. The legal fees in doing this and which were out of the society's control were £77,000.

The Chairman would like to thank staff on behalf of the membership as we complete another 12 months of activities and a special thanks to our staff, Paul, Beverley, Tracey and Naomi for ensuring the smooth running of the society.

Financial Report

The income from Charitable activities was £578,424 compared with £614,681 (30.6.23) of which all is incoming resources of unrestricted funds. As has already been mentioned we have seen a huge increase in legal fees from £29,704 to £101,474 which has made the year extremely challenging. The legal fees for the resolution that was passed on the 27th June 2024 have been covered from the society's investment fund.

Overall, our revenues are down by £36,162 with the largest drop being the registration income of £20,000.

Some areas such as rates, water and electricity year on year have risen significantly which has also made the financial year challenging.

We have made savings in regard to shows and breed promotion circa £20k by doing things slightly differently but having not dropped any of our commitments from the plan.

It is also worth noting that our balance sheet remains strong allowing the society to continue to support the membership where possible in terms of costs.

With all these challenges we kept members fees and all other society fees unchanged meaning we have continued to support member services by circa £40,000.

Financial review

Investment policy and objectives

Council uses its investment advisors to meet its requirements, which is to generate income. This has been achieved with a mix of equity and fixed return investments. Council is satisfied with the returns achieved given current market conditions.

STRATEGIC REPORT

Financial review

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level, which equate to approximately 12 months unrestricted expenditure. The trustees consider that the ideal level of reserves as at 30 June 2024 would be £500,000. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at least at this level throughout the year.

The financial results for the charity are as detailed in the statement of financial activity on page 11 and the balance sheet on page 12. The charity total assets of £1,528,025 (2023 - £1,587,403). All funds are unrestricted with the exception of £2,905 restricted for UKHY. But all other funds are available for the general purposes of the society.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Society is a company limited by guarantee and not having a share capital. As such it is governed by its Memorandum and Articles of Association. It was incorporated on 5 March 1878. It is registered as a charity with the Charity Commission.

Appointment & Training of Council Members

A Council of 16 members is elected by the general membership at 4 yearly intervals and meet with the Director of Operations regularly. The Council make all policy decisions. The Director of Operations is responsible for carrying out these policies and for all office administration procedures.

Council Members must, at the time of their election, be actual breeders of Hereford Cattle (as defined in the Memorandum and Articles) and are elected on an area basis.

As and when new Council Members (Trustees) are elected, they are provided with all appropriate guidelines for the trusteeship. They are made aware of their legal obligations under charity and company law, and the Charity Commission guidance on public benefit. They are informed of the content of the Memorandum and Articles of Association, decision-making processes and the recent financial performance of the Society. None of the Council Members receive remuneration or other benefit from their work with the Society.

Pay Policy for Senior Staff

The pay of all staff is reviewed annually and normally increased in accordance with average earnings. All pay awards are approved at Council meetings.

Risk Management

The Council Members actively review the major risks, which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The Council Members have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00012100 (England and Wales)

Registered Charity number

217428

Registered office

Hereford House
3 Offa Street
Hereford
HR1 2LL

The Hereford Cattle Society

Report of the Trustees
for the Year Ended 30 June 2024

Trustees

Council Members

The Council members during the year were:

Mr P J Allman (Chairman)

Mr M J Clark - resigned 31.12.23

Mrs J Cooper

Mrs S Cowle

Mr J Graham - resolution passed 27.06.24 by council and no longer a member

Mr G Harvey

Mr J Hodge - resigned 31.12.23

Mr M Jenkins (Vice Chairman)

Mr A Jones - resigned 31.12.23

Mrs A Kerslake - resigned 31.12.23

Mr D Makin - elected 01.01.24

Mr A J Massey

Mr C Roberts - resigned 31.12.23

Mr M Shaw

Mr D Smyth - resolution passed 27.06.24 by council and no longer a member

Miss E N Thorne

Mr G Wood - resigned 31.12.23

President

Mr A J Massey

The president is elected annually by Council.

Vice President

Mr S Edwards

Director of operations

Mr P Sneyd

Key Management

Mr P Sneyd

Miss L Bowyer - Resigned July 2023

Ms T Thomas

Mrs B Turner

Mrs N Williams-Roberts - Commenced July 2023

Auditors

Thorne Widgery Accountancy Ltd

Chartered Accountants

Statutory Auditors

2 Wyevale Business Park

Kings Acre

Hereford

Herefordshire

HR4 7BS

Solicitors

T A Matthews & Co

First Floor Broadway House

32 - 35 Broad Street

Hereford

HR4 9AR

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Natwest
12 Broad Street
Hereford
HR4 9AH

Investment Advisors

Canaccord Genuity Wealth Management
41 Lothbury
London
EC2R 7AE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Hereford Cattle 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).

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, Thorne Widgery Accountancy Ltd, 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 and signed on the board's behalf by:

.....
P Allman - Trustee

Report of the Independent Auditors to the Trustees of
The Hereford Cattle Society

Opinion

We have audited the financial statements of The Hereford Cattle Society (the 'charitable company') for the year ended 30 June 2024 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 30 June 2024 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of council members, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading Council Members' meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by DEFRA and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Report of the Independent Auditors to the Trustees of
The Hereford Cattle Society

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:

The Hereford Cattle Society

Statement of Financial Activities
for the Year Ended 30 June 2024

	Notes	Unrestricted funds £	Restricted fund £	30.6.24 Total funds £	30.6.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,000	-	5,000	5,000
Charitable activities	4				
Furtherance of the breed		578,424	-	578,424	614,681
Investment income	3	62,578	-	62,578	64,583
Other income		<u>64,469</u>	<u>-</u>	<u>64,469</u>	<u>62,369</u>
Total		<u>710,471</u>	<u>-</u>	<u>710,471</u>	<u>746,633</u>
EXPENDITURE ON					
Raising funds	5	3,506	-	3,506	3,530
Charitable activities	6				
Furtherance of the breed		<u>783,365</u>	<u>-</u>	<u>783,365</u>	<u>770,248</u>
Total		<u>786,871</u>	<u>-</u>	<u>786,871</u>	<u>773,778</u>
Net gains/(losses) on investments		<u>17,022</u>	<u>-</u>	<u>17,022</u>	<u>(20,951)</u>
NET INCOME/(EXPENDITURE)		(59,378)	-	(59,378)	(48,096)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,584,498</u>	<u>2,905</u>	<u>1,587,403</u>	<u>1,635,499</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,525,120</u></u>	<u><u>2,905</u></u>	<u><u>1,528,025</u></u>	<u><u>1,587,403</u></u>

The notes form part of these financial statements

The Hereford Cattle Society

Balance Sheet

30 June 2024

	Notes	Unrestricted funds £	Restricted fund £	30.6.24 Total funds £	30.6.23 Total funds £
FIXED ASSETS					
Tangible assets	14	56,401	-	56,401	58,459
Heritage assets	15	382,050	-	382,050	382,050
Investments					
Investments	16	691,044	-	691,044	641,771
Investment property	17	<u>375,000</u>	<u>-</u>	<u>375,000</u>	<u>375,000</u>
		1,504,495	-	1,504,495	1,457,280
CURRENT ASSETS					
Stocks	18	6,890	-	6,890	6,890
Debtors	19	55,160	-	55,160	69,837
Cash at bank and in hand		<u>24,135</u>	<u>2,905</u>	<u>27,040</u>	<u>104,000</u>
		86,185	2,905	89,090	180,727
CREDITORS					
Amounts falling due within one year	20	(65,560)	-	(65,560)	(50,604)
NET CURRENT ASSETS		<u>20,625</u>	<u>2,905</u>	<u>23,530</u>	<u>130,123</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
NET ASSETS		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
FUNDS	21				
Unrestricted funds				1,525,120	1,584,498
Restricted funds				<u>2,905</u>	<u>2,905</u>
TOTAL FUNDS				<u>1,528,025</u>	<u>1,587,403</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The Hereford Cattle Society

Balance Sheet - continued
30 June 2024

.....
P Allman - Trustee

.....
M Jenkins - Trustee

The Hereford Cattle Society

Cash Flow Statement
for the Year Ended 30 June 2024

	Notes	30.6.24 £	30.6.23 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(76,459)</u>	<u>(116,665)</u>
Net cash used in operating activities		<u>(76,459)</u>	<u>(116,665)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(813)	-
Purchase of fixed asset investments		(273,498)	(92,887)
Sale of fixed asset investments		241,247	123,291
Dividends received		<u>32,563</u>	<u>34,423</u>
Net cash (used in)/provided by investing activities		<u>(501)</u>	<u>64,827</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(76,960)	(51,838)
Cash and cash equivalents at the beginning of the reporting period		<u>104,000</u>	<u>155,838</u>
Cash and cash equivalents at the end of the reporting period		<u>27,040</u>	<u>104,000</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 June 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES			
	30.6.24	30.6.23	
	£	£	
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(59,378)	(48,096)	
Adjustments for:			
Depreciation charges	2,871	3,415	
(Gain)/losses on investments	(17,022)	20,951	
Dividends received	(32,563)	(34,423)	
Decrease/(increase) in debtors	14,677	(7,618)	
Increase/(decrease) in creditors	<u>14,956</u>	<u>(50,894)</u>	
Net cash used in operations	<u>(76,459)</u>	<u>(116,665)</u>	
2. ANALYSIS OF CHANGES IN NET FUNDS			
	At 1.7.23	Cash flow	At 30.6.24
	£	£	£
Net cash			
Cash at bank and in hand	<u>104,000</u>	<u>(76,960)</u>	<u>27,040</u>
	<u>104,000</u>	<u>(76,960)</u>	<u>27,040</u>
Total	<u>104,000</u>	<u>(76,960)</u>	<u>27,040</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 UK 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' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Society meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has considered the effects of the current economic climate on their financial future and are confident there will be no significant effect on them continuing as a going concern. A 5 year strategic plan has been established to focus on future sustainability.

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.

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the Society but do not directly undertake charitable activities. Support costs include governance costs which support the Society's activities. Support costs are allocated on an appropriate basis according to activity.

Intangible fixed assets

Intangible fixed assets are amortised evenly over their estimated useful lives.

Trade Mark - 5 years

Breedplan - 3 years

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation. Items are capitalised where the acquisition cost exceeds £1,000.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided on all tangible fixed assets, except those described below, at rates calculated to write off the cost, less residual value, of each asset over its expected useful life, as follows:

Motor vehicles - 25% reducing balance

Office equipment - 25% / 20% / 10% reducing balance, 20% straight line

The Council carries out a continual programme of repairs and maintenance to its freehold buildings, the cost of which is charged to the statement of financial activities. In the opinion of Council, the useful economic life of the freehold buildings is in excess of 50 years, and the programme of repairs and maintenance holds their residual value at a level that a depreciation charge would not be material.

Heritage assets

Heritage assets include oil paintings and pictures. These are stated at valuation. No depreciation is provided in respect of oil paintings and pictures as, in the opinion of Council, their value increases over time and a depreciation charge would therefore not be appropriate.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

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.

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.

Donated goods

Donated goods are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102).

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the bank.

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

1. ACCOUNTING POLICIES - continued

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Investment policy

Council uses its investment advisors to meet its requirements, which is to generate income. This has been achieved with a mix of equity and fixed return investments. Council is satisfied with the returns achieved given current market conditions.

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 subsequently measured at their settlement value.

Preparation of the accounts on a going concern basis

There are no material uncertainties about the Society's ability to continue. All of the Society's ability to continue. All of the Society's activities over the last 10 to 15 years have been on an upward trend and there is no indication that this will not continue. On this basis the Society is considered to be a going concern.

2. DONATIONS AND LEGACIES

	30.6.24	30.6.23
	£	£
Donations	<u>5,000</u>	<u>5,000</u>

The income from donations and legacies was £5,000 (2023: £5,000) of which £5,000 was unrestricted (2023: £5,000).

3. INVESTMENT INCOME

	30.6.24	30.6.23
	£	£
Rents received	30,015	30,160
Dividends	<u>32,563</u>	<u>34,423</u>
	<u>62,578</u>	<u>64,583</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	30.6.24	30.6.23
		£	£
Membership income	Furtherance of the breed	104,403	110,614
Gift aid	Furtherance of the breed	18,403	18,743
Registration fees	Furtherance of the breed	222,923	242,083
Transfer fees	Furtherance of the breed	36,480	35,116
Beef scheme levies	Furtherance of the breed	27,720	24,596
Export fees	Furtherance of the breed	900	904
Sales and commissions	Furtherance of the breed	58,896	68,015
DNA testing	Furtherance of the breed	103,349	110,093
Herd prefix	Furtherance of the breed	<u>5,350</u>	<u>4,517</u>
		<u>578,424</u>	<u>614,681</u>

The income from charitable activities was £578,424 (2023: £614,681) of which all is incoming resources of unrestricted funds. £27,720 of Beef Scheme Levies was designated fund - breed improvement (2023: £24,596). The remainder being general fund within unrestricted funds.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

5. RAISING FUNDS

Investment management costs

	30.6.24	30.6.23
	£	£
Portfolio management	<u>3,506</u>	<u>3,530</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Furtherance of the breed	<u>667,421</u>	<u>3,250</u>	<u>112,694</u>	<u>783,365</u>

7. GRANTS PAYABLE

	30.6.24	30.6.23
	£	£
Furtherance of the breed	<u>3,250</u>	<u>4,059</u>

The total grants paid to institutions during the year was as follows:

	30.6.24	30.6.23
	£	£
Area Association Grant	<u>3,250</u>	<u>4,059</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Furtherance of the breed	<u>1,900</u>	<u>110,794</u>	<u>112,694</u>

9. NET INCOME/(EXPENDITURE)

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

	30.6.24	30.6.23
	£	£
Auditors' remuneration	5,292	4,803
Depreciation - owned assets	<u>2,871</u>	<u>3,415</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2024 nor for the year ended 30 June 2023.

Trustees' expenses

Council Members Expenses

Expenses totalling £4,536.47 have been reimbursed to 7 Council Members for travel expenses (2023: £4,389.67 to 9 members).

11. STAFF COSTS

	30.6.24	30.6.23
	£	£
Wages and salaries	201,710	196,000
Social security costs	17,711	17,638
Other pension costs	3,659	3,886
	<u>223,080</u>	<u>217,524</u>

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

	30.6.24	30.6.23
Administration	<u>4</u>	<u>4</u>

The key management personnel of the charity are listed under reference and administrative details. The total employee benefits that were received by the key management personnel in the year were £223,080 (2023: £217,524). The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 banded £90,000 - £100,000 was 1 (2023: banded £80,000-£90,000 was 1).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,000	-	5,000
Charitable activities			
Furtherance of the breed	614,681	-	614,681
Investment income	64,583	-	64,583
Other income	<u>62,369</u>	<u>-</u>	<u>62,369</u>
Total	<u>746,633</u>	<u>-</u>	<u>746,633</u>
EXPENDITURE ON			
Raising funds	3,530	-	3,530
Charitable activities			
Furtherance of the breed	<u>770,248</u>	<u>-</u>	<u>770,248</u>
Total	<u>773,778</u>	<u>-</u>	<u>773,778</u>
Net gains/(losses) on investments	<u>(20,951)</u>	<u>-</u>	<u>(20,951)</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued				
	Unrestricted funds £	Restricted fund £	Total funds £	
NET INCOME/(EXPENDITURE)	(48,096)	-	(48,096)	
RECONCILIATION OF FUNDS				
Total funds brought forward	1,632,594	2,905	1,635,499	
TOTAL FUNDS CARRIED FORWARD	<u>1,584,498</u>	<u>2,905</u>	<u>1,587,403</u>	
13. INTANGIBLE FIXED ASSETS				
	Certified trade mark £	Breedplan setting up costs £	Totals £	
COST				
At 1 July 2023 and 30 June 2024	<u>3,966</u>	<u>25,480</u>	<u>29,446</u>	
AMORTISATION				
At 1 July 2023 and 30 June 2024	<u>3,966</u>	<u>25,480</u>	<u>29,446</u>	
NET BOOK VALUE				
At 30 June 2024	<u>-</u>	<u>-</u>	<u>-</u>	
At 30 June 2023	<u>-</u>	<u>-</u>	<u>-</u>	
14. TANGIBLE FIXED ASSETS				
	Freehold property £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 July 2023	46,645	20,798	156,398	223,841
Additions	<u>-</u>	<u>-</u>	<u>813</u>	<u>813</u>
At 30 June 2024	<u>46,645</u>	<u>20,798</u>	<u>157,211</u>	<u>224,654</u>
DEPRECIATION				
At 1 July 2023	-	18,022	147,360	165,382
Charge for year	<u>-</u>	<u>694</u>	<u>2,177</u>	<u>2,871</u>
At 30 June 2024	<u>-</u>	<u>18,716</u>	<u>149,537</u>	<u>168,253</u>
NET BOOK VALUE				
At 30 June 2024	<u>46,645</u>	<u>2,082</u>	<u>7,674</u>	<u>56,401</u>
At 30 June 2023	<u>46,645</u>	<u>2,776</u>	<u>9,038</u>	<u>58,459</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

15. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 July 2023 and 30 June 2024	<u>382,050</u>
NET BOOK VALUE	
At 30 June 2024	<u>382,050</u>
At 30 June 2023	<u>382,050</u>

Revaluation

During December 2019 a revaluation of the Heritage Assets was performed by Brightwells Auctioneers and Valuers, Leominster. The result of the revaluation is reflected in these financial statements. A revaluation will be obtained in the 24/25 financial year.

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2023	641,771
Additions	233,297
Disposals	(224,225)
Revaluations	<u>40,201</u>
At 30 June 2024	<u>691,044</u>
NET BOOK VALUE	
At 30 June 2024	<u>691,044</u>
At 30 June 2023	<u>641,771</u>

There were no investment assets outside the UK.

Cost or valuation at 30 June 2024 is represented by:

	Listed investments £
Valuation in 2024	<u>691,044</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

17. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2023	
and 30 June 2024	<u>375,000</u>
NET BOOK VALUE	
At 30 June 2024	<u>375,000</u>
At 30 June 2023	<u>375,000</u>
Fair value at 30 June 2024 is represented by:	
Valuation in 2024	<u>£</u> <u>375,000</u>

Investment Property relates to the car park located on East Street in Hereford. The most recent valuation was completed 23/03/2022 by Sunderlands.

18. STOCKS

	30.6.24	30.6.23
	£	£
Stocks	<u>6,890</u>	<u>6,890</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.24	30.6.23
	£	£
Trade debtors	41,157	56,474
Prepayments and accrued income	<u>14,003</u>	<u>13,363</u>
	<u>55,160</u>	<u>69,837</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.24	30.6.23
	£	£
Trade creditors	59,639	26,458
VAT	2,555	11,171
Other creditors	583	731
Accruals and deferred income	<u>2,783</u>	<u>12,244</u>
	<u>65,560</u>	<u>50,604</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

21. MOVEMENT IN FUNDS

	At 1.7.23 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	1,284,926	(84,217)	1,200,709
Designated fund - Breed Improvement	<u>299,572</u>	<u>24,839</u>	<u>324,411</u>
	1,584,498	(59,378)	1,525,120
Restricted funds			
Restricted fund	2,905	-	2,905
TOTAL FUNDS	<u>1,587,403</u>	<u>(59,378)</u>	<u>1,528,025</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	682,751	(783,990)	17,022	(84,217)
Designated fund - Breed Improvement	<u>27,720</u>	<u>(2,881)</u>	<u>-</u>	<u>24,839</u>
	710,471	(786,871)	17,022	(59,378)
TOTAL FUNDS	<u>710,471</u>	<u>(786,871)</u>	<u>17,022</u>	<u>(59,378)</u>

Comparatives for movement in funds

	At 1.7.22 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	1,319,604	(34,678)	1,284,926
Designated fund - Breed Improvement	<u>312,990</u>	<u>(13,418)</u>	<u>299,572</u>
	1,632,594	(48,096)	1,584,498
Restricted funds			
Restricted fund	2,905	-	2,905
TOTAL FUNDS	<u>1,635,499</u>	<u>(48,096)</u>	<u>1,587,403</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	722,037	(735,764)	(20,951)	(34,678)
Designated fund - Breed Improvement	<u>24,596</u>	<u>(38,014)</u>	<u>-</u>	<u>(13,418)</u>
	<u>746,633</u>	<u>(773,778)</u>	<u>(20,951)</u>	<u>(48,096)</u>
TOTAL FUNDS	<u>746,633</u>	<u>(773,778)</u>	<u>(20,951)</u>	<u>(48,096)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.22 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	1,319,604	(118,895)	1,200,709
Designated fund - Breed Improvement	<u>312,990</u>	<u>11,421</u>	<u>324,411</u>
	1,632,594	(107,474)	1,525,120
Restricted funds			
Restricted fund	<u>2,905</u>	<u>-</u>	<u>2,905</u>
TOTAL FUNDS	<u>1,635,499</u>	<u>(107,474)</u>	<u>1,528,025</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,404,788	(1,519,754)	(3,929)	(118,895)
Designated fund - Breed Improvement	<u>52,316</u>	<u>(40,895)</u>	<u>-</u>	<u>11,421</u>
	<u>1,457,104</u>	<u>(1,560,649)</u>	<u>(3,929)</u>	<u>(107,474)</u>
TOTAL FUNDS	<u>1,457,104</u>	<u>(1,560,649)</u>	<u>(3,929)</u>	<u>(107,474)</u>

Revaluation Fund

The revaluation fund is required by the Companies Act 2006 and represents the following:
£228,450 - the amount by which fixed assets stated at a valuation exceed their historical cost.
£373,100 - the amount by which investment property valuation exceeded its historical cost.
These are included within General fund.

Designated fund - Breed Improvement

This designated fund represents income received from beef scheme levies which is used for the promotion of schemes which aim to improve the breed.

Restricted Fund

21. MOVEMENT IN FUNDS - continued

UKHY Bursary Received in YE 30.06.2020 to be spent in financial year 24/25.

22. CONTINGENT LIABILITIES

There is currently a potential claim against the Society by two Society members who have instructed solicitors. At present no Court claim has been issued and we do not know the legal position of the claim or any potential liability that may arise.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2024 (or year ended 30 June 2023).

24. GUARANTEE

The Society is a company limited by guarantee and has no share capital. Members of the Society guarantee to contribute an amount not exceeding £5 to the assets of the Society in the event of a winding up in the time that they are members, or within one year of ceasing to be a member. The total number of such guarantees at 30 June 2024 was 1,374 (2023: 1,357)

25. MEMBERSHIP

	Number of Members2024	Number of Members 2023
Northern Ireland	140	145
Scotland	75	73
Wales	247	249
North of England	209	202
South of England	103	106
South West of England	161	157
Midlands and East Anglia	176	154
West Midlands	243	251
Overseas	20	20
	<hr/>	<hr/>
	1,374	1,357

NUMBER OF NEW MEMBERS ELECTED

2014/2015	133 Members
2015/2016	135 Members
2016/2017	102 Members
2017/2018	118 Members
2018/2019	89 Members
2019/2020	113 Members
2020/2021	107 Members
2021/2022	104 Members
2022/2023	74 Members
2023/2024	78 Members

26. DETAILED PROFIT AND LOSS ACCOUNT

	2024 £	2023 £
Turnover	578,424	614,681
Administrative Expenses	(786,871)	(773,778)
Other Operating Income	99,484	97,529
Operating (Loss)/Profit	(108,963)	(61,568)
Investment Income	32,563	34,423
Profit on Ordinary Activities Before Taxation	(76,400)	(27,145)
Profit on Disposal of Investments	(23,179)	1,658
Trading Profit for the Financial Year	(99,579)	(25,487)

RECONCILIATION OF PROFIT AND LOSS ACCOUNT TO STATEMENT OF FINANCIAL ACTIVITIES

	2024 £	2023 £
Trading Profit for the Financial Year	(99,579)	(25,487)
Profit (Loss) on revaluation of investment property	-	-
Profit (Loss) on revaluation of listed investments	40,201	(22,609)
Net Movement in Funds	(59,378)	(48,096)

The Hereford Cattle Society

Detailed Statement of Financial Activities
for the Year Ended 30 June 2024

	30.6.24 £	30.6.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,000	5,000
Investment income		
Rents received	30,015	30,160
Dividends	<u>32,563</u>	<u>34,423</u>
	62,578	64,583
Charitable activities		
Membership income	104,403	110,614
Gift aid	18,403	18,743
Registration fees	222,923	242,083
Transfer fees	36,480	35,116
Beef scheme levies	27,720	24,596
Export fees	900	904
Sales and commissions	58,896	68,015
DNA testing	103,349	110,093
Herd prefix	<u>5,350</u>	<u>4,517</u>
	578,424	614,681
Other income		
Rental income	<u>64,469</u>	<u>62,369</u>
Total incoming resources	710,471	746,633
EXPENDITURE		
Investment management costs		
Portfolio management	3,506	3,530
Charitable activities		
Wages	201,710	196,000
Social security	17,711	17,638
Pensions	3,659	3,886
Rates and water	11,267	6,475
Premises & Health Insurance	8,892	8,050
Light and heat	33,387	24,699
Telephone	2,716	3,586
Postage and stationery	19,411	19,076
Shows & Breed Promotion	177,208	197,898
Sundries	11,485	4,229
Cleaning	11,568	11,222
Vehicle expenses	3,468	2,877
Travelling expenses	22,972	16,538
DNA testing	80,710	111,226
Repairs and maintenance	24,429	19,074
Carried forward	630,593	642,474

The Hereford Cattle Society

Detailed Statement of Financial Activities
for the Year Ended 30 June 2024

	30.6.24 £	30.6.23 £
Charitable activities		
Brought forward	630,593	642,474
Breed improvement scheme	2,881	3,014
Breedplan costs	16,521	17,628
Subscriptions	1,412	1,854
Transfer of beef scheme levies to N.I.	-	35,000
Transfer of semen	13,143	15,393
Donations	-	7,222
Depreciation of tangible fixed assets	2,871	3,415
Grants to institutions	<u>3,250</u>	<u>4,059</u>
	670,671	730,059
Support costs		
Finance		
Bank charges	1,900	1,967
Governance costs		
Auditors' remuneration	5,292	4,803
Accountancy fees	4,028	3,715
Legal and professional fees	<u>101,474</u>	<u>29,704</u>
	<u>110,794</u>	<u>38,222</u>
Total resources expended	<u>786,871</u>	<u>773,778</u>
Net expenditure before gains and losses	(76,400)	(27,145)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>17,022</u>	<u>(20,951)</u>
Net expenditure	<u>(59,378)</u>	<u>(48,096)</u>