



NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

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**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees	Mr W Adamson (appointed 6 May 2025) Mr A Alderson (resigned 6 May 2025) Mr J Bickerton (appointed 6 May 2025) Ms D Colley (appointed 1 May 2024) Mr M Credland (appointed 1 May 2024) Mr P Delbridge Mr P Derryman (appointed 1 May 2024) Dr Y P Le Du Mr H Dunn (resigned 1 May 2024) Mr J Farmer (resigned 6 May 2025) Mr A Foulds Mr D Gregory Ms K Hovers Miss C Hughes Mr P Myles (resigned 1 May 2024) Ms P Nicol Mr D Phipps (resigned 10 January 2024) Mr C Sercombe (resigned 15 August 2024) Mr T Ward (resigned 1 May 2024) Mr J Wozencraft (appointed 1 May 2024) Mr E Adamson (appointed 6 May 2025) Mr J Bickerton (appointed 6 May 2025) Mr J Raine (appointed 6 May 2025)
Company registered number	00037818
Charity registered numbers	249255 and SC042853
Registered office	The Sheep Centre Malvern Worcestershire WR13 6PH
Honorary President	Lord Inglewood
Chief executive officer	Mr P Stocker
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB
Bankers	Lloyds Bank plc Malvern Worcestershire WR14 4QG

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

Solicitors	Roythornes Enterprise Way Pinchbeck Spalding Lincolnshire PE11 3YR
Investment advisors	Rathbones George House 50 George Square Glasgow G2 1EH

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

The Trustees present their Annual Report and audited financial statements of the company for the year 1 January 2024 to 31 December 2024. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019). Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Summary of objectives and activities. There was no material change to the association's pursuance of its charitable objectives during the year, which remain to be 'to encourage and improve breeding, management and promotion of sheep as a species and as an activity in the UK and elsewhere in pursuit of advancing education, health, heritage, science, environmental protection and improvement and animal welfare for the public benefit'. NSA continues to take a broad interpretation of 'promotion of the activity' to encompass the setting up of private and public dialogue with those directly involved in sheep farming (NSA members, other sheep farmers, ancillary service providers and agricultural organisations) and those who NSA believes would benefit from better appreciating the contribution of sheep to the economy, health, environment and society (policymakers, opinion influencers and the general public). The highlight of the year for those directly involved in the sheep sector was the huge success of NSA Sheep 2024 and NSA Scot Sheep, which were held in addition to the usual calendar of events, ram sales and regional activities. Coupled with written publications, a strong online presence, ongoing engagement with members and the NSA Next Generation programme, the support and information offered to the sector strengthened yet again over the year. Given the unprecedented pace of change to agricultural support in the four nations of the UK, in addition to the impact of climate change and increased risk of midge-borne diseases, NSA once again stepped up to the plate to educate and inform non-sheep farmers about the unique role of sheep in the UK countryside. A highlight within this work was the publication of the NSA Sustainability Report – 'UK sheep farming and the sustainability agenda' – in conjunction with the School of Sustainable Food & Farming at Harper Adams University. This report challenges ill-founded assumptions that sheep are bad for the environment, but also outlines areas where farmers need to take additional action. It will continue to be a key promotional tool for NSA for several years and is influencing work done on this subject by others. NSA's work continued to benefit from the association being a UK-wide organisation that understands the devolved nature of agricultural policy, and that sheep farming varies greatly in different regions, while also emphasising the need for consistency where possible.

b. Main objectives for the year. The additional detail behind the NSA's charitable objectives is a vision for an optimum and resilient UK sheep population that is inherently healthy and able to cope with disease and parasite challenges. Diverse in its structure, contributing to feeding and providing fibre for an increasing global population, while adapting to the effects of and responding to the challenges of climate change and sustainable land management. We see our reputation being enhanced by working in harmony with areas of public interest – playing our part in mitigating global warming, improving our environment and ecology, enhancing landscapes, wise and responsible resource use, and protecting and creating culture and rural employment. Our vision is one of the people involved in keeping sheep being enthusiastic, knowledgeable and aspiring to best practice – and those not keeping sheep increasingly aware of the core aspects of sheep farming and appreciative of the contribution sheep make to society. Maximising membership numbers and the profile of and respect for NSA are critical to this. For 2024 this has specifically meant exploring and informing the difficult balance between profitability, sustainably land management and climate mitigation against a backdrop of huge policy change and the advent of a new government. Internally, it has also meant managing significant change to the NSA property and investment portfolios and strengthening the NSA staffing structure ahead of significant future change (more detail later).

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

c. Main aims and significant activities for achieving objectives. The ability for NSA to communicate best practice to those involved in sheep farming relies on strong membership numbers. This is also vital in terms of having a mandate to promote relevant elements of the sector to policymakers, opinion influencers and the general public. As the number of UK sheep farmers decreases, NSA has continued to work hard to attract and retain members – meaning the membership has fallen to a far lesser extent than industry statistics show a contraction of total industry participants. NSA sheep events continue to provide a vital platform for NSA and a service for sheep farmers and ancillary services. Within the NSA biennial calendar of events, NSA Sheep 2024 and NSA Scot Sheep were hugely successful. They acted as flagship events within a line-up of smaller regional meetings, farm walks and other activities. The NSA Wales & Border Early Ram Sale moved location, allowing it to manage escalating costs while continuing to provide a service for pedigree breeders and commercial buyers. It continues to be an important activity within the mix of six NSA ram sales. The concept of NSA Field Days as a half-way point between a large sheep event and a farm walk has continued to be developed, with more NSA regions getting involved and adding successful elements to the concept. Coupling face-to-face activity with a strong online offering, particularly on social media, continues to be a strong model for NSA to communicate and maintain its profile. The task of promoting sheep farming to non-sheep farmers relies on separate methods, including attending industry stakeholder meetings, engaging in key policy discussions and filing consultation responses. NSA continues to be invited to engage and input to an increasing number and range of meetings and forums, which emphasises the esteem in which the organisation is held, and the quality of the work done to encourage and improve UK sheep farming. Press releases, public-facing information on the NSA website and public-facing social media posts also continue to have an important role, particularly when it comes to topics such as sheep worrying by dogs and promoting Love Lamb Week.

d. Volunteers. NSA wouldn't be what it is without the volunteers from within its membership who act as officeholders, sit on committees, help at events, support the NSA Next Generation initiatives and selflessly share their time and expertise. The Trustees would like to take this opportunity to thank them all, not least the volunteers who made NSA Sheep 2024 and NSA Scot Sheep possible. NSA prides itself on being a grassroots organisation and the incredible efforts of its volunteers ensures it always remains strongly anchored within its membership of sheep farmers.

e. Main activities undertaken to further the association's purposes for the public benefit. As outlined in the NSA vision for the sheep sector, sheep farming provides a plethora of public goods. As the UK grapples with the best use of the public purse, NSA's role is more than important than ever to promote the contribution of sheep farming to, amongst other things, food security, sustainable land management, nature recovery, climate change mitigation, the one-health agenda, animal welfare, and public access to the outdoors. Inspiring UK sheep farmers to be world leaders while surviving the seismic changes to farm support schemes is an ongoing challenge that NSA continues to embrace, continuing adapting and keeping abreast of policy shifts. In 2024, in addition to NSA's output, it also ventured for the first time into making a donation to an external cause that it felt was closely aligned with its charitable objectives. NSA Cymru/Wales Region gifted £60k to the Welsh Veterinary Science Centre to invest in new technology and be able to deliver affordable disease screening to owners of UK sheep flocks. The decision was agreed at Board level, given its close link to NSA's objectives around sheep health and the fact the money could be donated without unduly affecting NSA's day-to-day finances or net worth.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Achievements and performance

a. Main achievements of the association

- High profile launch of the 'UK Sheep Farming and the Sustainability Agenda' report, followed by autumn and winter activity to ensure wide pick-up and acknowledgement.
- Engagement with the new government elected in July, the first Labour government in 14 years, to ensure good understanding by relevant ministers of the public benefits delivered by sheep farming.
- Continuous engagement with MPs across the country to raise the human and business cost of budget announcements and other decisions lacking in detail.
- Regular attendance at high level government meetings and contact with key policymakers and civil servants to promote the role of sheep in all four UK nations, particularly in relation to farm support programmes.
 - In England, successful influence of the decision to expand options under the Sustainable Farming initiative, add endemic disease to the Animal Health & Welfare Pathway, and address lack of SFI options for hill farmers.
 - In Wales, successful influence of the decision to rethink elements of the Sustainable Farming Scheme, particularly the level of complication and 10% tree-planting target.
 - In Scotland, successful coordination with other agricultural stakeholders to ensure a consistent approach to future scheme development.
 - In Northern Ireland, increased profile of the lack of provision for sheep in the Sustainable Farming Scheme in relation to other livestock, and successful influence of DAERA to reconsider removal of funding for maedi visna disease accreditation.
- Successful influence of the decision to mandate sheep carcass classification and price reporting.
- Successful influence of the decision to review farm assurance in England, with the findings published in early 2025 including many of the concerns raised by NSA in recent years.
- Successful influence of the decision to hold a Dartmoor Inquiry into conflict over land management in the national park – more on this in the staffing section.
- Promotion of the risk to sheep farmers posed by the removal of agricultural property relief, calling for a higher exemption threshold and longer implementation period.
- Increased awareness of illegal meat imports, with more funding now allocated to border checks, particularly at Dover-Calais.
- High level engagement in the UK response to the bluetongue outbreak, contributing to government decisions on restriction zones, successful communicating updates to members, and influencing the fast-tracking of vaccine licencing.
- Increased awareness of Schmallenberg disease and communication to members about the importance of submitting samples for analysis.
- Continued activity around sheep vaccine shortages, highlighting the need for sustainable supply and supporting members unable to access doses.
- Continued activity around control of sheep scab, particularly around finding solutions to ongoing problems with dip disposal.
- Involvement in the Global Sheep Producers Forum, raising the global profile of the UK and expanding membership to more countries – more on the Next Generation element of this below.
- Successful campaign in March 2024 to raise awareness of sheep worrying by dogs, plus sustained activity through the year and a farmer survey launched in late 2024.
- Launch of 'Graziers List' in October 2024, a match-making service for land owners and sheep graziers.
- Influential involvement in various research projects, including: Fabulous Fibre (2023-24), Breed for CH4ge (2023-25), Forage for CH4ge (2024-25), the Lamb Monitor Project (2023-26), Canine DNA Recovery (2024-26), Sheep Efficiency (2024-2025), Breeding Animals For Resilient Feet (2024-25) and Grassland Resilience for Net Zero (2024-2026).
- Expansion of the NSA Next Generation programme to include a new Sheep Sustainability Competition (held at NSA Sheep 2024), a delegation of UK competitors at the International Young Shepherd Competition in France, and two NSA delegates attending the Global Sheep Producers Forum Next Generation Conference in Australia, in addition to existing activities including the Ambassador programme, Wool Symposium and regional competitions.

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- Delivery of two NSA sheep events, six NSA ram sales and four NSA field days, plus nine annual regional members' meeting and multiple regional farm walks / meetings.

b. Key performance indicators.

- **External. Economics.** NSA considers the size and productivity of the national flock to be the most accurate indicator of the health and sustainability of the sector. The number of UK sheep farmers continues to reduce, but not at the rate feared when the UK exited the EU and the security of the Common Agricultural Policy. Prices paid to sheep farmers for finished lambs were strong throughout 2024. The increase in consumer prices for other proteins (notably beef) meant lamb was comparable, resulting in strong demand in the domestic and international market for UK sheep meat.
- **External. Health.** NSA continues to be at the forefront of initiatives to increase the health of the national flock. The arrival of 'new' diseases spread by midges (bluetongue and Schmallenberg) and problems with vaccine supply to protect sheep from 'old' diseases are not helping efforts to improve health, but NSA's work in these two areas has been considerable in 2024, in addition to sustained work around iceberg diseases and parasite management. NSA is very proud of the high levels of awareness among NSA members and its close relationships with SCOPS, RUMA, RHWG, SVS, Moredun, animal health companies and others.
- **External. Environment.** The publication of 'UK sheep farming and the sustainability agenda' was a milestone event for NSA. Previous NSA reports have been well researched and full of statistics, but this one has the added weight of being written in conjunction with a university. The report commanded a lot of respect in 2024 and was circulated to MP, policymakers, organisations with an anti-farming agenda and more. It will continue to be a useful tool in NSA's work, due to its clear message about the multi-faceted nature of sustainability, the contribution sheep already make, and the areas where more work is needed.
- **External. Society.** As above, the NSA Sustainability Report has strengthened NSA's existing work to highlight the contribution sheep farming makes to wider society. The appreciation of the role of family farms increased in the latter part of 2024, with widespread public outcry about the government removing agricultural property relief. NSA maximised this opportunity to highlight the wide range of public goods delivered by sheep farming and the particular value of multigenerational family farms. Activity by the current NSA Love Lamb Ambassador was also particularly strong in 2024, giving a human face to NSA messages.
- **Internal. Membership.** As referred to elsewhere in this report, membership decline linked to a shrinking industry has been well-managed. There has been an increase in the number of people holding joint NSA membership, demonstrating the value placed on having two people within a household accessing NSA benefits. A two-part Gift Aid campaign (in spring and winter 2024) was very successful in increasing the amount of members giving permission for NSA to claim Gift Aid on their subscription.
- **Internal. Association profile.** Many of the high-profile successes of NSA in 2024 are listed in the previous section. NSA continues to be regularly quoted in the agricultural press and to increase its following on social media. The appointment of Phil Stocker, NSA Chief Executive, as the Independent Chair of the Dartmoor Land Use Partnership (more detail later) has added to this. The Dartmoor role is completely separate to Phil's NSA role, but the creation of the post was something NSA has long been campaigning for.
- **Internal. Finances.** Following work in 2022 and 2023 to identify ways to maximise the NSA Sheep Centre (the site owned by NSA in Malvern, Worcestershire), the sale of a property known as Firs Farmhouse finally completed in July 2024. This building and garden at the far end of the Sheep Centre site was sold to the Three Counties Agricultural Society (TCAS) and the deed included the relaxation of covenants placed on the whole site when NSA bought it from TCAS in 1988. The combination of this and improvements made to rental property on the site has increased the site value. Work continues to decide how to best invest the proceeds of the sale back into the site, with an extension and upgrade of the NSA office under discussion. This boost to the property portfolio, strong performance by the investment portfolio, and two profitable sheep events in 2024 have contributed to a strong financial position (more detail later).

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

- **Internal. Governance.** Work continued in 2024 to bring together written policies and procedures into a single NSA Operating Manual. Huge improvements have been made to the inductions given to new Trustees, regional managers and regional chairs. A risk assessment required by the new sexual harassment legislation was completed and work concluded in the first half of 2025 to implement policies for NSA staff, officeholders and volunteers and mitigate risk.
- **Internal. Staff.** The additional five days holiday granted to staff from 2024 onwards was well received. Discussion around investment in the office facilities is similarly linked to a desire to improve working conditions. Considerable changes to staffing in 2024 – including the difficult decision to make a position redundant (more detail later) – have been managed carefully and continued to be a key focus into 2025.

c. Review of activities. Structures are in place for regular reviews of activity. Two Trustees – the Chair and Treasurer – sit on the Senior Management Team with the NSA Chief Executive and NSA Operations Director and meet regularly. This is in addition to quarterly Board meetings and regularly interim updates to Trustees. Committees with delegated responsibilities meet regularly, as do NSA regional committees. Forums are also facilitated for regional managers and event/ram sale organisers to communicate and compare information.

d. Factors relevant to achieve objectives. The commitment of staff members to keep abreast of fast-paced policy change, ever developing technological change, and the latest research and innovation is vital. Development of the staffing structure and empowerment of individuals with the NSA Management Team has achieved the desired objective of having more decisionmakers within the team and people more than capable of deputising for the Chief Executive on policy and technical topics. Staffing is underpinned by dedicated officeholders and committees members, ensuring NSA delivers its objectives.

e. Fundraising activities and income generation. NSA continues to spread its risk by bringing in income from membership subscriptions, sponsorship, events, project funding and other sources, rather than relying solely on one source. All income streams and significant expenditure continue to be monitored regularly, but there are no significant changes to report in relation to 2024. NSA Sheep 2024 and NSA Scot Sheep were both tremendously successful from a financial point of view.

f. Investment policy and performance. The investment portfolio increased in 2024, due to the sale of Firs Farmhouse completing in July and the proceeds being invested while decisions are made on how to reinvest the money into the NSA Sheep Centre site. Two additional NSA regions also felt able to invest funds in a way that would safeguard them for the future and fund longer-terms plans to support young people in the sheep sector. The bulk of the NSA Head Office investment is with Rathbones and is on a medium risk tolerance with the performance viewed in the medium/long term (three to five-year cycles). Rathbones has the discretion to manage the portfolio based on an investment policy agreed by Trustees and this portfolio did particularly well in 2024. Performance of the Rathbones portfolio and investments by NSA Head Office, NSA regions and NSA ram sales with CCLA and NFU Mutual were tracked in 2024 via quarterly report to the Board. Additional quarterly reports were bank balances (with and without investments included) and net worth. Throughout 2024 the organisation continued to take steps to reduce funds held in high street banks over and above the £85k per institution protection limit of the Financial Services Compensation Scheme. This risk has been reduced but is still present. Trustees are continuing to take mitigating steps and also monitor the proposal to increase the £85k threshold to £125k.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

Financial review

a. Overview. The financial position at the end of 2024 shows an increase over 2023, with the total closing reserves at £2,345,072 (2023: £2,103,357), an increase in funds of 11.5%. The increase of £241,715 (as shown on page 16) comprises three elements. The first is an operating loss of £17,327, which is after the provision of special project funding by NSA Cymru/Wales Region in the form of a donation to the Welsh Veterinary Science Centre of £60,000. For comparison purposes the regular operating contribution for the year is £42,673. The second element is an increase in investments of £105,784. The third is the gain from the revaluation of fixed assets of £153,258, largely resulting from the sale of Firs Farmhouse and the easing of covenants held over the rest of the site. This financial performance provides a secure basis for managing the varying cashflows that result from the two-year cycle of events. The annual regular operating contribution has averaged £64,320 over the two-year cycle of 2023 and 2024. This provides a sound basis for supporting the varied activities of NSA across the coming years. NSA maintained a flexible balance between investments and working capital, as shown on page 17. NSA has a number of strong income streams, including membership subscriptions and events, but is not solely reliant on either to support its activities. This income spread is illustrated on pages 25 and 26 and in the supporting notes.

b. Going concern. NSA has neither the intention or the need to cease its work or significantly reduce the scale of its work. The long-term viability of NSA is something the NSA Trustees regularly consider, supported by input and information provided by the Senior Management Team and other staff members. This includes quarterly updates on financial KPIs, a biannual review of the NSA Risk Register and working to two-year budgets wherever possible. NSA continues to operate with diverse income streams meaning, while it remains a membership organisation, with membership subscriptions at its core, it is not reliant on solely this income. Income from sponsorship, advertising and trade shows remains steady across the organisation, as well as money from externally funded research projects and from various investment portfolios. Should income fall below our projections, NSA has reserves which can be drawn on if required.

c. Reserves policy. The reserves policy for NSA continues to be to hold sufficient free reserves at NSA Head Office to cover more than one month's salary costs, for NSA ram sales to be equivalent to 12 months of expenditure, and for NSA regions to be equivalent to 24 months of expenditure, as these are the periods between the major fundraising events where income is generated.

d. Investment policy. The investment policy for NSA continues to be for funds not needed for cashflow to be held in interest-generating accounts that can be accessed at fairly short notice (under a week). Funds over and above this are invested with a more long-term view with the intention of generating a yield for NSA to contribute to its day-to-day activities or, for NSA regions, contribute to less frequent stand-alone activities, such as for the benefit of young people in the sheep sector.

e. Principal risks and uncertainties. The Trustees review the NSA Risk Assessment & Register at every other Board meeting (i.e. twice per year) and are updated on steps taken by NSA employees to mitigate risks identified in the register. One risk that reduced during the year was reliance on individual staff members (as additional steps have been taken to ensure no single person is indispensable) and one that increased was keeping pace with changing employment law and legislation (highlighting the need for NSA to keep taking external advice).

f. Fundraising policy. NSA does not use professional fundraisers and does not fundraise through public appeals. It did not receive any complaints about fundraising activities in 2024. NSA does provide the facility for individuals to make donations via the website, but this was not utilised in 2024.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

g. Principal funding. Membership subscriptions remain the most important funding stream (just below 50% of total income) but a commitment to not being reliant on a single income stream means funding comes via corporate sponsorship packages, business-to-business trade events, advertising sales, grant funding for research projects, the HMRC Gift Aid claim, rental income from buildings on the NSA Sheep Centre, and interest from investments. All events and activities have budgets prepared in advance having regard to risks. The content and sponsors of events are chosen by committees to be appropriate to the aims of the association. There are financial controls in place to reduce the risk of fraud and financial loss. There is regular liaison and reporting between regions, ram sales and head office to monitor fundraising activities. NSA occasionally receives legacies but, due to not knowing about these in advance, does not rely on this as an income stream or make assumptions about legacies in annual budget. A single legacy of £16k was received in late 2024.

Structure, governance and management

a. Constitution. During 2024 NSA was a Company Limited by Guarantee governed by its Memorandum and Articles of Association dated 21st December 1892 and most recently amended at the 2015 AGM to allow for current governance. NSA is registered as a Private Company Limited by Guarantee without share capital and is a Registered Charity. In the event of the association being wound up members may be required to contribute a sum not exceeding £1. The plan to take a proposed change to the Articles of Association to the AGM in August 2024 did not go ahead (due to lack of time to inform members of the special resolution) so will be taken to the August 2025 AGM – to provide clarity on the role of the Chair and create provision for a Vice Chair to be elected in the final year of the Chair's three-year term.

b. Methods of appointment or election of Trustees. There were 17 Trustees, who are also directors for the purpose of company law, who served during 2024. In January 2024 Dan Phipps reached the end of his three-year term as NSA Chair. The Trustees elected Peter Delbridge, a Trustee of six years' standing, as his successor. In May 2023 three Trustees reached the end of their second three-year terms – Henry Dunn, Peter Myles and Tim Ward. Four new Trustees were elected at this time, to replace the three retirees and the vacancy created by Peter Delbridge when he stepped up to the position of Chair. These were Mike Credland, Debs Colley, Peter Derryman and Paul Wozencraft. In August 2024 NSA Trustee and friend Charles Sercombe passed away. Given Charles' extensive network and numerous industry roles, this huge loss was felt by NSA and throughout the UK sheep sector. The NSA Board operated with 13 Trustees rather than 14 from August 2024 to May 2025. Between the end of the financial year and the production of this report, one Trustee reached the end of their six-year term, and another declined the option to do a second three-year term. Alan Alderson and Jonny Farmer, plus the vacancy left by Charles Sercombe, were filled in May 2025 by Edward Adamson, James Bickerton and James Raine. Trustee nominations and appointments are as per the Articles of Association. When a Trustee is appointed, they are informed of their responsibilities and duties as a Trustee Director and given copies of Charity Commission guidance and NSA printed information. An induction session is also provided, to give the Trustee an in-depth understanding of the NSA structure and operations from the outset.

c. Organisational structure and decision-making policies. The Trustee Directors administer the Charity and Company. There are a minimum of four Board meetings each year, plus additional information and updates shared digitally in between. The Trustees delegate responsibility to the NSA Finance Scrutiny Committee and the NSA UK Policy & Technical Committee. Each of the devolved nations has its own committee, as well as six regional committees in England feeding into the NSA English Committee. The Chief Executive manages the day-to-day operations, having regard to the decisions of the Board. This is unchanged from previous years.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

d. Management and staff in 2024. The year started with 14 employees (five individuals working full-time, seven part-time and two on zero hours contracts) but a clear instruction from the Board to fill a newly created, full-time position of NSA Assistant to the Chief Executive. This role, to ensure the Chief Executive was able to use his time and expertise most effectively, was filled in April 2024 and immediately made a positive impact on workstreams. Around the same time the incumbent Digital Communications Officer left NSA for a different company within the agricultural sector and a replacement was recruited. They delivered important work for NSA over the following months but decided the role was not for them and resigned in December 2024, being successfully replaced only few weeks into 2025. After several months of the NSA Northern Ireland Region Development Officer expressing a wish to retire, the model of him providing services to NSA as a self-employed contractor was reviewed and a new, part-time, employed role created in Northern Ireland instead. This was successfully filled in September 2024 and a six-week transition period implemented. The NSA Policy Manager accepted a role elsewhere in the agricultural sector and resigned in December 2024. A suitable candidate was quickly identified but was not able to start until April 2025 due to a long notice period with his current employer. These changes in staffing were all fairly minor compared to some difficult and significant decisions made in the autumn of 2024. In response to ongoing divergence of opinions between farmers and other groups with specific interests, particularly in national parks, NSA has long been promoting the concept of land use groups with independent chairs for these areas. Defra agreed to pilot this concept in the Dartmoor National Park following the Fursdon Review, and Phil Stocker, NSA Chief Executive, was offered and accepted the role in October 2024. In order for Phil to take this role (reducing his NSA hours to 3.5 days per week) and relieve already existing pressure on staff members delivering policy and technical work, the difficult decision was taken to create an additional outreach role within the team and make an existing administrative role redundant. The position of NSA Association Manager was made redundant in October as the result of a restructure that allowed Phil to reduce his NSA hours / accept the Dartmoor role. The new position of NSA Technical Communications Officer was created and subsequently filled, in February 2025, and is working well. Administrative duties have been redistributed amongst the team.

e. Pay policy for key management personnel. The Senior Management Team discusses individual salaries and proposes a total salary figure to Trustees within the annual budget. The Chair and Treasurer, who form part of that Senior Management Team, provide an annual appraisal for the Chief Executive. All other staff members go through an appraisal process with their line manager, which helps inform decisions about the staffing structure and salaries. Budget discussions in late 2023 agreed a minimum of 3% pay increase for staff in early 2024, plus a five-day increase in the basic holiday allowance from 20 days to 25 per year. Salary discussions in late 2024 agreed a minimum of 2% pay increase in early 2025, in addition to the increase in employer national insurance contributions.

f. Related party relationships. Details of related party transactions are detailed in note 29 of the Finance Statement. There were no transactions where a person or close member of that person's family had significant control. There were transactions with third parties with a link to an NSA Trustee, but these were all in pursuit of NSA's charitable objectives. Income as on a par with 2023 and is mainly sponsorship received from companies and breed societies where NSA Trustees also sit on management boards. Expenditure was considerably more than 2024 due to the decision by NSA Cymru/Wales Region to make a donation to the Welsh Veterinary Science Centre (as detailed in the 'Objectives and activities' part of this report) and the WVSC having an NSA Trustee on their books as a contractor. The donation was not influenced by this link.

g. Financial risk management. Finances are a specific section within the NSA Risk Assessment & Register. Trustees track financial KPIs (bank balances, investment performance and net worth) and compare the budget to quarterly actuals. In addition, staff meet regularly to discuss major income streams, including membership recruitment and retention, financial tasks (e.g. debt chasing), project management and commercial opportunities. Two large events – NSA Sheep 2024 and NSA Scot Sheep – were managed carefully to maximise the profit margins generated. Improvements were made to the way investments are tracked, with the decision to put funds not needed for short periods of time into accounts that generate interest, taken in a way that spreads risk across different financial institutions.

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**TRUSTEES' REPORT
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h. Trustees' indemnities. Each member of NSA, including the Trustees, undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required not exceeding £1 for the debts and liability contracted before they cease to be a member.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, and signed on its behalf by:

David Gregory
Treasurer

Date:

David H.
24-6-25.

Peter Delbridge
Chair

Pete J. Delbridge

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL SHEEP ASSOCIATION

OPINION

We have audited the financial statements of National Sheep Association (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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, 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 31 December 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, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

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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 United Kingdom, including the Financial Reporting Council'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 Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL SHEEP ASSOCIATION
(CONTINUED)**

OPINION 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.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, 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.

AUDITORS' 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 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 an Auditors' 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL SHEEP ASSOCIATION
(CONTINUED)**

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

- We have considered the nature of the industry and sector, control environment and the Charity's performance;
- We have considered the results of our enquiries of management and the Trustees in relation to their own identification and assessment of the risk of irregularities
- For any matters identified we have obtained and reviewed the Charity's documentation of their policies and procedures relating to;
 - Identifying, evaluating and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected or alleged fraud; and
 - The internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We have obtained an understanding of the legal and regulatory frameworks that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS102 and the terms and conditions attaching to material grants received by the Charity. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Charity's ability to operate or to avoid a material penalty. These included the Health & Social Care Act, data protection regulations, health and safety regulations, employment legislation, the Code of Fundraising Practice and gambling legislation.

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of Trustee meetings;
- Enquiring of Trustees and management concerning actual and potential litigation and claims;
- Performing detailed transactional testing in relation to the recognition of income, specifically grants and legacies, with a particular focus around year-end cut off;

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL SHEEP ASSOCIATION
(CONTINUED)**

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one-off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, 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 trustees and 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 4 September 2025

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	33,517	-	33,517	71,794
Charitable activities	5	644,514	23,636	668,150	684,274
Other trading activities	6	551,444	-	551,444	544,805
Investments	7	57,404	-	57,404	50,582
Other income	8	9,125	-	9,125	9,644
Total income		1,296,004	23,636	1,319,640	1,361,099
Expenditure on:					
Charitable activities	9	1,323,523	13,444	1,336,967	1,275,133
Total expenditure		1,323,523	13,444	1,336,967	1,275,133
Net (expenditure)/income before net gains on investments		(27,519)	10,192	(17,327)	85,966
Net gains on investments		105,784	-	105,784	59,523
Net income		78,265	10,192	88,457	145,489
Transfers between funds	21	55,942	(55,942)	-	-
Net movement in funds before other recognised gains/(losses)		134,207	(45,750)	88,457	145,489
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets		153,258	-	153,258	(35,000)
Net movement in funds		287,465	(45,750)	241,715	110,489
Reconciliation of funds:					
Total funds brought forward		2,046,230	57,127	2,103,357	1,992,868
Net movement in funds		287,465	(45,750)	241,715	110,489
Total funds carried forward		2,333,695	11,377	2,345,072	2,103,357

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 43 form part of these financial statements.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00037818**

**BALANCE SHEET
AS AT 31 DECEMBER 2024**

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	14	20,902	10,966
Tangible assets	15	114,319	187,067
Investments	17	1,518,901	1,111,340
Investment property	16	447,000	455,000
		2,101,122	1,764,373
Current assets			
Stocks	18	2,825	2,924
Debtors	19	175,281	112,842
Cash at bank and in hand		443,228	473,597
		621,334	589,363
Creditors: amounts falling due within one year	20	(377,384)	(250,379)
Net current assets		243,950	338,984
Total assets less current liabilities		2,345,072	2,103,357
Total net assets		2,345,072	2,103,357
Charity funds			
Restricted funds	21	11,377	57,127
Unrestricted funds	21	2,333,695	2,046,230
Total funds		2,345,072	2,103,357

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:00037818**

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024**

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

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

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

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

Mr D Gregory
Treasurer



Date: 26-6-25.

Mr P Delbridge
Chair



The notes on pages 20 to 43 form part of these financial statements.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	24	11,605	(27,286)
Cash flows from investing activities			
Dividends, interests and rents from fixed asset investments		57,404	50,582
Purchases of fixed assets		(32,065)	(39,026)
Proceeds from the sales of fixed asset investments		210,000	61,000
Purchase of fixed asset investments		(507,313)	(160,000)
Proceeds from the sales of fixed asset investment property		230,000	-
Net cash used in investing activities		(41,974)	(87,444)
Change in cash and cash equivalents in the year		(30,369)	(114,730)
Cash and cash equivalents at the beginning of the year		473,597	588,327
Cash and cash equivalents at the end of the year	25	443,228	473,597

The notes on pages 20 to 43 form part of these financial statements

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1. GENERAL INFORMATION

National Sheep Association is a private charitable company limited by guarantee incorporated in England and Wales. The registered office is The Sheep Centre, Blackmore Park Road, Malvern, Worcestershire, WR13 6PH.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Sheep Association 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.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investments properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 GOING CONCERN

NSA has neither the intention or the need to cease its work or significantly reduce the scale of its work. The long-term viability of NSA is something the NSA Trustees and staff regularly consider, with risks and potential risks to the association discussed on a regular basis and expenditure and income across the entire association closely monitored. NSA works hard to ensure membership subscriptions remain as stable as possible, even in the face of continued consolidation of sheep farming businesses within the UK. NSA also ensures it is not reliant on membership subscriptions alone, also drawing funds from sponsorship, advertising, business-to-business trade events, online events, externally funded projects and other income streams. Should income fall below our projections, the association has reserves which can be drawn on if required.

2.3 INCOME

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. ACCOUNTING POLICIES (continued)

2.3 INCOME (CONTINUED)

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset over its expected useful life.

Amortisation is provided on the following bases:

Website development	- 20 % Straight line basis
Computer software	- 20 % Straight line basis

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. ACCOUNTING POLICIES (continued)

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2% Straight line
Royal Welsh Pavilion	- 5% Reducing balance
Fixtures and fittings	- 10-25% on Cost / 20-25% Reducing balance
Computer equipment	- 20% Straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investment property, which is property held to earn rentals and/or capital appreciation, is measured using the fair value model and stated at its fair value as the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is charged on investment property.

Although this accounting policy is in accordance with FRS102 section 16, the lack of depreciation is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the trustees, compliance with the standard is necessary for the financial statements to give a true and fair view and in all other respects the Charity has complied with the Act. As a result, the value of investment property in the balance sheet is higher, and the depreciation charge in the statement of financial activities lower than they would be under the requirements of the Act.

2.8 STOCKS

Stocks are stated at the lower cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. ACCOUNTING POLICIES (continued)

2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 FINANCIAL INSTRUMENTS

The Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 PENSIONS

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.15 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Estimated useful lives of tangible fixed assets

In determining the estimated useful life the Charity considers the expected physical wear and tear of the asset that could lead to obsolescence of the asset. Each year the Charity reviews the above to establish if there is any change in the expected useful life of tangible assets.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Investment property valuation

The investment property is held at fair value and the original valuation was carried out on 1 September 2022 by Charles Knowles, a RICS registered firm. A subsequent valuation was carried out in September 2024 following the removal of restricted covenants. Both valuations were arrived at by reviewing the market for transaction prices for similar properties. Each year the charity reviews the valuations, to determine whether they still considered this to be accurate at the year end.

Deferred subscription income

Annual membership renewals occur throughout the year, so when the charity receives member's subscription income in the current year, some of this may relate to the following year. This part is treated as deferred income in the current accounting period and will be recognised in the statement of Financial Activities in the following accounting period.

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations from Gift Aid	16,844	-	16,844	57,323
Other donations and legacies	16,673	-	16,673	10,971
Grants	-	-	-	3,500
	<u>33,517</u>	<u>-</u>	<u>33,517</u>	<u>71,794</u>
TOTAL 2023	<u>68,294</u>	<u>3,500</u>	<u>71,794</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Ram Sales	116,124	-	116,124	122,738
Sheep Farmer Advertising	118,003	-	118,003	105,526
Other Charitable Income	33,432	87	33,519	53,887
Sustainable Control of Parasites in Sheep	8,325	-	8,325	6,775
Membership Services	368,630	-	368,630	378,643
Defra Sheep Efficiency	-	4,050	4,050	-
Low Methane Sheep	-	8,574	8,574	6,243
Fabulous Fibre	-	10,925	10,925	-
Erasmus project	-	-	-	4,155
RDPE Moredun project	-	-	-	6,307
	<u>644,514</u>	<u>23,636</u>	<u>668,150</u>	<u>684,274</u>
TOTAL 2023	<u>667,142</u>	<u>17,132</u>	<u>684,274</u>	

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising events	551,444	551,444	544,805
TOTAL 2023	544,805	544,805	

7. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Rental income	15,496	15,496	21,348
Investment income	37,095	37,095	23,337
Interest receivable	4,813	4,813	5,897
	57,404	57,404	50,582
TOTAL 2023	50,582	50,582	

8. OTHER INCOMING RESOURCES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Other income	5,025	5,025	2,861
Promotional items	3,742	3,742	4,691
P & O Booking Service	358	358	2,092
	9,125	9,125	9,644
TOTAL 2023	9,644	9,644	

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Breeding Improvement Other Costs	68,060	-	68,060	94,588
Membership Services and Enquiries	222,225	-	222,225	217,210
Education and Promotion Other Costs	441,468	13,444	454,912	442,640
Fundraising Costs	591,770	-	591,770	520,695
	<u>1,323,523</u>	<u>13,444</u>	<u>1,336,967</u>	<u>1,275,133</u>
TOTAL 2023	<u>1,256,481</u>	<u>18,652</u>	<u>1,275,133</u>	

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Breeding Improvement Other Costs	68,060	-	68,060	94,588
Membership Services and Enquiries	10,154	212,071	222,225	217,210
Education and Promotion Other Costs	194,848	260,064	454,912	442,640
Fundraising Costs	351,250	240,520	591,770	520,695
	<u>624,312</u>	<u>712,655</u>	<u>1,336,967</u>	<u>1,275,133</u>
TOTAL 2023	<u>583,642</u>	<u>691,491</u>	<u>1,275,133</u>	

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Breeding Improvement Other Costs 2024 £	Membership Services and Enquiries 2024 £	Education and Promotion Other Costs 2024 £	Fundraising Costs 2024 £	Total funds 2024 £	Total funds 2023 £
SCOPS	-	-	2,495	-	2,495	2,422
Sheep Farmer costs	-	-	55,904	-	55,904	54,131
Design and printing	-	-	23,147	-	23,147	29,939
Next Generation Ambassadors	-	-	19,175	-	19,175	12,583
Branding and merchandise	-	-	2,383	-	2,383	1,996
Moredun Initiative	-	-	7,500	-	7,500	7,500
Regional Secretaries & Officers fees	-	-	60,831	-	60,831	61,312
Membership promotion	-	10,154	-	679	10,833	14,219
Ram sale expenses	65,688	-	-	-	65,688	83,291
Storage of semen	2,061	-	-	-	2,061	9,534
P & O expenditure	311	-	-	-	311	1,763
Subscriptions for other bodies	-	-	3,008	-	3,008	2,381
Awards and donations	-	-	3,461	-	3,461	4,593
Costs of generating funds	-	-	-	350,571	350,571	279,326
Externally funded project costs	-	-	13,755	-	13,755	6,910
RoSA project	-	-	3,189	-	3,189	55
RDPE Moredun project	-	-	-	-	-	11,260
Erasmus project	-	-	-	-	-	427
	68,060	10,154	194,848	351,250	624,312	583,642
TOTAL 2023	94,588	10,645	195,509	282,900	583,642	

NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Membership Services and Enquiries 2024 £	Education and Promotion Other Costs 2024 £	Fundraising Costs 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	149,832	105,732	174,803	430,367	405,991
Depreciation and Amortisation	8,622	11,907	3,163	23,692	12,211
Printing, Photocopying, Postage & Stationary	11,636	13,654	13,575	38,865	44,395
General Office Expenses	517	602	602	1,721	7,127
Telephone, Computer & Website	7,222	8,426	8,426	24,074	35,343
Travel Expenses & Subsistence	16,055	18,732	18,732	53,519	58,179
Rates, Utilities & Insurance	6,677	7,789	7,789	22,255	26,223
Property Repairs	2,414	2,818	2,818	8,050	9,724
Legal & Professional	4,648	5,424	5,424	15,496	5,797
Accountancy	890	1,038	1,038	2,966	3,350
Bank Charges	2,655	3,097	3,097	8,849	6,160
Bad Debts	903	1,053	1,053	3,009	1,903
Governance - Audit Fees	-	13,500	-	13,500	12,750
Governance - Staff Costs	-	59,933	-	59,933	56,608
Board and AGM Meeting Costs	-	6,359	-	6,359	5,730
	212,071	260,064	240,520	712,655	691,491
TOTAL 2023	206,565	247,131	237,795	691,491	

11. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £13,500 (2023 - £12,750).

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	373,170	353,250
Social security costs	30,902	27,870
Contribution to defined contribution pension schemes	26,295	24,871
Wages and salaries included within governance	59,933	57,248
	490,300	463,239

The average number of persons employed by the Company during the year was as follows:

	2024	2023
	No.	No.
Employees	18	15

The average headcount expressed as full-time equivalents was:

	2024	2023
	No.	No.
Employees	12.0	11.3

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £80,001 - £90,000	1	1

The charity paid regional secretaries on an honorarium and subcontractor basis:

	2024	2023
	No.	No.
Regional Secretaries and Officers	9	11
Ram Sales Secretaries and Officers	3	3
Regional Event Managers	4	2
	16	16

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. STAFF COSTS (CONTINUED)

Note that some of the secretaries and officers act for several different regions and activities. Such Officers have only been counted once in the number of officers detailed above and are allocated to the regional activity that they are most associated with. The following payments to these officers were made:

	2024 £	2023 £
Regional Secretaries and Officers	39,958	37,998
Ram Sales Secretaries and Officers	28,750	30,794
Regional Event Managers	21,240	29,500
	<u> </u>	<u> </u>

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 December 2024, expenses totaling £7,216 were reimbursed or paid directly to 8 Trustees (2023 - £11,840 to 7 Trustees).

14. INTANGIBLE ASSETS

	Website Development £	Computer software £	Total £
COST			
At 1 January 2024	-	13,707	13,707
Additions	15,847	-	15,847
	<u>15,847</u>	<u>13,707</u>	<u>29,554</u>
At 31 December 2024			
	<u>15,847</u>	<u>13,707</u>	<u>29,554</u>
AMORTISATION			
At 1 January 2024	-	2,741	2,741
Charge for the year	3,169	2,742	5,911
	<u>3,169</u>	<u>5,483</u>	<u>8,652</u>
At 31 December 2024			
	<u>3,169</u>	<u>5,483</u>	<u>8,652</u>
NET BOOK VALUE			
At 31 December 2024	<u>12,678</u>	<u>8,224</u>	<u>20,902</u>
At 31 December 2023	<u>-</u>	<u>10,966</u>	<u>10,966</u>

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

15. TANGIBLE FIXED ASSETS

	Freehold property £	Royal Welsh Pavillion £	Fixtures and fittings £	Computer equipment £	Total £
COST OR VALUATION					
At 1 January 2024	224,935	44,292	98,157	31,656	399,040
Additions	6,140	1,200	5,497	3,381	16,218
Disposals	-	-	(22,501)	(11,904)	(34,405)
Transfers to investment property	(83,809)	-	-	-	(83,809)
At 31 December 2024	147,266	45,492	81,153	23,133	297,044
DEPRECIATION					
At 1 January 2024	60,225	39,236	86,254	26,258	211,973
Charge for the year	12,580	253	1,875	3,073	17,781
On disposals	-	-	(20,246)	(11,716)	(31,962)
Transfers to investment property	(15,067)	-	-	-	(15,067)
At 31 December 2024	57,738	39,489	67,883	17,615	182,725
NET BOOK VALUE					
At 31 December 2024	89,528	6,003	13,270	5,518	114,319
At 31 December 2023	164,710	5,056	11,903	5,398	187,067

The cost and depreciation balances at 1 January 2024 have been reclassified into new categories to show a more accurate analysis of tangible fixed assets.

The total net book value of tangible fixed assets for the year ended 31 December 2023 remains unchanged.

**NATIONAL SHEEP ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. INVESTMENT PROPERTY

	Freehold investment property £
VALUATION	
At 1 January 2024	455,000
Disposals	(230,000)
Revaluation	153,258
Transfers from freehold property	68,742
	<hr/>
At 31 December 2024	447,000
	<hr/> <hr/>

The fair value of the investment property brought forward had been arrived at on the basis of a valuation carried out on 1 September 2022 by Carver Knowles, a RICS registered firm, who are not connected with the company. A subsequent valuation was carried out in September 2024 following the sale of an investment property and the subsequent removal of restricted covenants. Both valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties. The Trustees believe this to be a true and fair valuation at the year end.

17. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Total £
COST OR VALUATION			
At 1 January 2024	783,952	327,388	1,111,340
Additions	51,000	456,313	507,313
Disposals	-	(210,000)	(210,000)
Revaluations	88,390	21,858	110,248
	<hr/>	<hr/>	<hr/>
AT 31 DECEMBER 2024	923,342	595,559	1,518,901
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
NET BOOK VALUE			
	<hr/>	<hr/>	<hr/>
AT 31 DECEMBER 2024	923,342	595,559	1,518,901
	<hr/>	<hr/>	<hr/>
AT 31 DECEMBER 2023	783,952	327,388	1,111,340
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

18. STOCKS

	2024	2023
	£	£
Goods for resale	2,825	2,924
	<u><u>2,825</u></u>	<u><u>2,924</u></u>

19. DEBTORS

	2024	2023
	£	£
DUE WITHIN ONE YEAR		
Trade debtors	113,083	64,020
Other debtors	7,774	4,135
Prepayments and accrued income	54,424	44,687
	<u><u>175,281</u></u>	<u><u>112,842</u></u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	45,867	27,967
Other taxation and social security	27,479	9,566
Other creditors	15,867	20,397
Accruals and deferred income	288,171	192,449
	<u><u>377,384</u></u>	<u><u>250,379</u></u>

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Central Region	9,575	6,204	(3,946)	(1,800)	-	10,033
Cymru Region	282,727	6,608	(76,320)	(1,800)	6,310	217,525
Eastern Region	31,471	5,475	(4,821)	(1,800)	-	30,325
Marches Region	12,981	810	(2,840)	1,300	-	12,251
Northern Region	84,331	9,257	(19,531)	(1,800)	-	72,257
Northern Ireland Region	53,112	4,180	(15,489)	3,200	-	45,003
Scottish Region	56,034	219,198	(149,071)	(300)	-	125,861
South East Region	14,508	10,858	(5,236)	(1,800)	-	18,330
South West Region	25,487	900	(5,200)	(1,800)	-	19,387
South West Ram Sales	75,895	3,773	(3,264)	(500)	4,078	79,982
Wales & Border Ram Sales	138,949	132,964	(128,440)	-	2,209	145,682
	785,070	400,227	(414,158)	(7,100)	12,597	776,636
GENERAL FUNDS						
General Funds	1,156,160	895,777	(909,365)	63,042	244,421	1,450,035
Revaluation reserve	105,000	-	-	-	2,024	107,024
	1,261,160	895,777	(909,365)	63,042	246,445	1,557,059
TOTAL UNRESTRICTED FUNDS	2,046,230	1,296,004	(1,323,523)	55,942	259,042	2,333,695

**NATIONAL SHEEP ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

21. STATEMENT OF FUNDS (CONTINUED)

**RESTRICTED
FUNDS**

British Heritage Sheep	1,852	87	(326)	-	-	1,613
Fabulous Fibre	(453)	10,925	(6,257)	-	-	4,215
Low Methane Sheep	(214)	8,574	(6,574)	-	-	1,786
RDPE	28,820	-	-	(28,820)	-	-
Erasmus	14,372	-	-	(14,372)	-	-
Welsh Government Grant	12,750	-	-	(12,750)	-	-
DEFRA Sheep Efficiency	-	4,050	(287)	-	-	3,763
	<u>57,127</u>	<u>23,636</u>	<u>(13,444)</u>	<u>(55,942)</u>	<u>-</u>	<u>11,377</u>
TOTAL OF FUNDS	<u><u>2,103,357</u></u>	<u><u>1,319,640</u></u>	<u><u>(1,336,967)</u></u>	<u><u>-</u></u>	<u><u>259,042</u></u>	<u><u>2,345,072</u></u>

21. STATEMENT OF FUNDS (CONTINUED)

British Heritage Sheep Project

This project was granted by "The Prince's Countryside Fund" and supports a feasibility study to address the key threats to our native sheep breeds, by helping develop a diversified sheepmeat market from the single "Standard Lamb", adding value for farmer-based outlets, and linking food, landscape and culture.

Fabulous Fibre

NSA joined with British Wool, the Centre for Excellence in Livestock (CIEL), Langrish Farmers and the Wool Testing Authority Europe (WTAE) for the project. This is a twelve-month project, aiming to increase value of wool through breeding and genetics. The goal is to conduct a feasibility study to evaluate the potential of reducing micron count of finer wool quality UK sheep breeds to increase productivity, sustainability and resilience for sheep farmers and the wool industry. This is measured by testing wool fibres to establish a micron value. Lower values are softer to the touch and more highly valued for making high-quality suits or layers worn next to skin and resulting in greater the value per kilogram. NSA is responsible for project managing, as well as sharing knowledge gained.

Breed for CH4nge – Breeding Low Methane Sheep Project

NSA is working with industry partners to breed low methane producing sheep, helping sheep farmers make a positive contribution to UK agriculture's journey towards net zero. The project runs from July 2023 for 3 years, following a total award of £2.9m from Defra's Farming Innovation Programme, which is being shared between the collaborative entities. The project is led by sheep genetics company Innovis and will measure methane emissions from a total of 13,500 sheep in 45 flocks, to collect data and build tools to genetically reduce methane emissions and improve the efficiency of the national flock.

RDPE Countryside Productivity Scheme Project to Tackle Sheep Scab

In January 2021, funding was awarded by Defra through the European Agricultural Fund for Rural Development for a project designed to demonstrate the effectiveness of a community-led approach to improve the control of sheep scab. The project focuses on three hotspot areas in England, where scab is highly prevalent: The South West (coordinated by the National Sheep Association); The Midlands (coordinated by ADAS) and The North West (coordinated by the Cumbrian Farmers Network). Running over two years, the project offers a great opportunity for farmers to work together, with their local vets and the project coordinators, to stamp out this costly disease, which is of high welfare concern. 300 participating farmers signed up to a unique combination of on-farm advice, best practice training and free blood testing using the sheep scab ELISA test developed by Moredun and available through Biobest Laboratories Ltd. This includes the costs of visits by their local vet to allow two sets of blood samples for ELISA testing, plus a face-to-face advisory visit by the vet for each farm to discuss scab control and biosecurity. This project has now completed and closed.

E-Organic Erasmus Project

NSA is the sole UK partner in an EU-funded Turkish-led research project called E-Organic Erasmus, running from early 2021 to the end of 2022. The project will collate information about organic livestock production systems (including but not limited to sheep) from across Europe into a free-to-access online resource. It will also allow nominated individuals from the participating countries (Italy, Spain, Turkey and the UK) to visit each other on study trips. This project has now completed and closed.

Welsh Government grant

Cymru/Wales Region have been successful in securing a grant from the Wales Cultural Recovery Fund which was set up to help protect sustainable businesses and organisations and as many jobs in the culture sector as possible in order to ensure the sector survives the Covid-19 crisis and remains viable and sustainable in 2021 and beyond. The funding was intended to cover the loss of income from the cancelled Welsh Sheep Event.

Sheep Efficiency Project

This is a Defra-funded project researching the attitudes, knowledge, experiences and practices of sheep farmers and breeders across the stratified sheep sector with an emphasis on genetic evaluation and selection. NSA's role is to provide stakeholder advice and support Adas (which is leading on the project) to get quantitative and qualitative information from sheep farmers in England and Wales.

**NATIONAL SHEEP ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Central Region	14,533	-	(3,358)	(1,600)	-	9,575
Cymru Region	194,415	163,526	(93,045)	(1,600)	19,431	282,727
Eastern Region	29,816	11,220	(7,965)	(1,600)	-	31,471
Marches Region	12,800	579	(2,798)	2,400	-	12,981
Northern Region	47,325	152,356	(113,750)	(1,600)	-	84,331
Northern Ireland Region	38,417	37,554	(27,259)	4,400	-	53,112
Scottish Region	66,616	29,668	(38,650)	(1,600)	-	56,034
South East Region	7,030	8,075	(3,997)	3,400	-	14,508
South West Region	8,353	82,214	(63,480)	(1,600)	-	25,487
South West Ram Sales	71,205	5,812	(5,308)	(500)	4,686	75,895
Wales & Border Ram Sales	130,269	134,808	(134,338)	(500)	8,710	138,949
	<u>620,779</u>	<u>625,812</u>	<u>(493,948)</u>	<u>(400)</u>	<u>32,827</u>	<u>785,070</u>
GENERAL FUNDS						
General Funds	1,176,997	714,655	(762,533)	345	26,696	1,156,160
Revaluation reserve	140,000	-	-	-	(35,000)	105,000
	<u>1,316,997</u>	<u>714,655</u>	<u>(762,533)</u>	<u>345</u>	<u>(8,304)</u>	<u>1,261,160</u>
TOTAL UNRESTRICTED FUNDS	<u>1,937,776</u>	<u>1,340,467</u>	<u>(1,256,481)</u>	<u>(55)</u>	<u>24,523</u>	<u>2,046,230</u>

**NATIONAL SHEEP ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

21. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
RESTRICTED FUNDS						
British Heritage Sheep	1,102	1,177	(427)	-	-	1,852
Fabulous Fibre	-	-	(453)	-	-	(453)
Low Methane Sheep	-	6,243	(6,457)	-	-	(214)
RoSA	-	-	(55)	55	-	-
RDPE	33,773	6,307	(11,260)	-	-	28,820
Erasmus	10,217	4,155	-	-	-	14,372
Welsh Government Grant	10,000	2,750	-	-	-	12,750
	<u>55,092</u>	<u>20,632</u>	<u>(18,652)</u>	<u>55</u>	<u>-</u>	<u>57,127</u>
TOTAL OF FUNDS	<u><u>1,992,868</u></u>	<u><u>1,361,099</u></u>	<u><u>(1,275,133)</u></u>	<u><u>-</u></u>	<u><u>24,523</u></u>	<u><u>2,103,357</u></u>

**NATIONAL SHEEP ASSOCIATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

22. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2024 £
Designated funds	785,070	400,227	(414,158)	(7,100)	12,597	776,636
General funds	1,261,160	895,777	(909,365)	63,042	246,445	1,557,059
Restricted funds	57,127	23,636	(13,444)	(55,942)	-	11,377
	<u>2,103,357</u>	<u>1,319,640</u>	<u>(1,336,967)</u>	<u>-</u>	<u>259,042</u>	<u>2,345,072</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Designated funds	620,779	625,812	(493,948)	(400)	32,827	785,070
General funds	1,316,997	714,655	(762,533)	345	(8,304)	1,261,160
Restricted funds	55,092	20,632	(18,652)	55	-	57,127
	<u>1,992,868</u>	<u>1,361,099</u>	<u>(1,275,133)</u>	<u>-</u>	<u>24,523</u>	<u>2,103,357</u>

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	114,319	-	114,319
Intangible fixed assets	20,902	-	20,902
Fixed asset investments	1,518,901	-	1,518,901
Investment property	447,000	-	447,000
Current assets	609,957	11,377	621,334
Creditors due within one year	(377,384)	-	(377,384)
TOTAL	2,333,695	11,377	2,345,072

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	187,067	-	187,067
Intangible fixed assets	10,966	-	10,966
Fixed asset investments	1,111,340	-	1,111,340
Investment property	455,000	-	455,000
Current assets	512,306	77,057	589,363
Creditors due within one year	(230,449)	(19,930)	(250,379)
TOTAL	2,046,230	57,127	2,103,357

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	88,457	145,489
ADJUSTMENTS FOR:		
Depreciation charges	17,781	9,470
Amortisation charges	5,911	2,741
Dividends, interests and rents from investments	(57,404)	(50,582)
Loss on the sale of fixed assets	2,443	-
Decrease in stocks	99	25
Increase in debtors	(62,439)	(2,518)
Increase/(decrease) in creditors	127,005	(72,388)
Revaluation of fixed asset investments	(110,248)	(59,523)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	11,605	(27,286)

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash in hand	443,228	473,597
TOTAL CASH AND CASH EQUIVALENTS	443,228	473,597

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	473,597	(30,369)	443,228

**NATIONAL SHEEP ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

27. PENSION COMMITMENTS

The Charitable Company makes contributions, as part of an employee's contract of employment, which are payable to defined contribution schemes chosen by the employer. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £26,295 (2023: £24,871). Contributions totaling £Nil (2023: £36) were receivable to the fund at the Balance Sheet date and are included in debtors.

28. OPERATING LEASE COMMITMENTS

At 31 December 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£	£
Not later than 1 year	2,733	2,878
Later than 1 year and not later than 5 years	755	2,152
	3,488	5,030

29. RELATED PARTY TRANSACTIONS

During the year, £60,088 (2023: £162) was paid to companies with directors in common control. At the year end £NIL (2023: £NIL) was due to these companies.

During the year, £9,871 (2022: £9,779) was received from companies with directors in common control. At the year end £NIL (2023: £NIL) was due from these companies.

The above transactions represent payments made under normal market conditions for goods, services and related expenses.

