

THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED
(A Company Limited by Guarantee)

REPORT & FINANCIAL STATEMENTS

For the year ended 31 December 2021



Notice of the 60th Annual General Meeting
to be held on

Thursday 23 June 2022 at 8 am

in the Charolais Marquee

Royal Highland Centre, Ingliston, Edinburgh EH28 8NB

The British Charolais Cattle Society

**NOTICE OF THE 60th
ANNUAL GENERAL MEETING**

of

THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED

(Limited by Guarantee)

Registered Number 731132 England

Registered Charity Number 250018

to be held on

**Thursday 23 June 2022 at 8am in the
Charolais Marquee**

Royal Highland Centre, Ingliston, Edinburgh EH28 8NB

with

**BALANCE SHEET AND ACCOUNTS
FOR THE YEAR ENDED
31ST DECEMBER 2021**

Registered office

Avenue M, Stoneleigh Park,

Kenilworth, Warwickshire

CV8 2RG

Telephone: 024 7669 7222

Email: charolais@charolais.co.uk

The British Charolais Cattle Society

REFERENCE AND ADMINISTRATIVE INFORMATION

COUNCIL OF MANAGEMENT 2021

The Members of the Council of Management for 2021 were as follows:

PRESIDENT (ex officio)
Mr W G Roberts (5)

Directors

CHAIRMAN
Mr A P Drysdale (4)

VICE CHAIRMAN
Mr J Price

HONORARY TREASURER
Mr G C Robinson

Mr D Barker		Southern England
Mr N Blyth	(2)	Northern England
Mr D Bothwell	(5)	Northern Ireland
Mr A J Clark	(5)	Scotland
Mr A P Drysdale	(4)	National
Mr B Harman	(2)	National
Mr M A Milne		Scotland
Mrs T Nicoll	(1)	Scotland
Mr R A Owen	(4)	National
Mr W Owen	(1)	Wales
Mr J Price	(1)	Southern England
Mr A E Sellick	(4)	Southern England
Mr W Short	(1)	Northern Ireland
Mr D Thornley		Northern England
Mr B L Williams	(4)	Wales
Mr W D Connolly	(3)	Northern Ireland
Mr R C Curry	(3)	Northern England
Mr C J Wight	(3)	Scotland

Notes:

- (1) Retires at AGM 23 June 2022 – eligible for re-election
- (2) Retires at AGM 23 June 2022 – **not** eligible for re-election
- (3) Retired at AGM 24 June 2021
- (4) Re-appointed at AGM 24 June 2021
- (5) Appointed at AGM 24 June 2021

**SOCIETY CHIEF EXECUTIVE and
COMPANY SECRETARY**

Mr Peter Phythian

Registered Office:

The British Charolais Cattle Society Ltd
Avenue M
Stoneleigh Park, Kenilworth
Warwickshire CV8 2RG

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Auditors:

Harrison, Beale & Owen Ltd
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa CV31 1XT

Bankers:

National Westminster Bank plc
Royal Priors Branch
59 Parade
Leamington Spa CV32 4BH

Solicitors:

Lodders
Number Ten, Elm Court, Arden Street,
Stratford upon Avon CV37 6PA

Insurance Brokers:

Towergate plc Pegasus
Court Olympus Avenue
Tachbrook Park Warwick
CV34 6LW

Fund Managers:

Rathbones
George House,
50 George Square,
Glasgow G2 1EH

Registered Number 731132
Registered Charity Number 250018

The British Charolais Cattle Society

NOTICE IS HEREBY GIVEN

that the

60th ANNUAL GENERAL MEETING of THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED (Limited by guarantee)

**Thursday 23 June 2022
in the Charolais Marquee
Royal Highland Centre, Ingliston, Edinburgh EH28 8NB**

AGENDA

1. To read the Notice convening the 60th Annual General Meeting of the Society.
2. Apologies for absence.
3. To approve the Minutes of the 2021 59th Annual General Meeting of the Society.
4. To receive and consider, and if approved adopt the Report of the Council of Management presented by the Chairman of Council.
5. To receive and consider, and if approved, adopt the Annual Statement of Accounts and Balance Sheet for the 2021 year and the Auditor's Report thereon presented by the Honorary Treasurer.
6. Election of members to the Council of Management.
7. Election of President.
8. To appoint Auditors.
9. To approve the draft Bye-Laws.
10. To transact any other business of an Annual General Meeting.

The British Charolais Cattle Society

CHAIRMAN'S REPORT

I would like to start by saying what a great honour and privilege it is to be Chairman of this great society. I have a hard job to follow on from previous Chairman Ben Harman who had an extremely difficult two years because of Covid but Ben was an exceptional Chairman, his wealth of knowledge of the breed is second to none. I was in awe studying the list of names of previous incumbents, so many of the great and good of our breed I am truly humbled to have my name beside them.

As I write this, calving and lambing is drawing to a close, after a fairly kind winter and spring the grass is starting to come up here and we can start to get cattle out. When they are due to come back inside, I have no idea what the cost of housing them will be with livestock farmers facing the toughest times for decades. With fertiliser prices 3 times that of last year, feeding already 50% up on the autumn and feed barley at the £300/t mark. Fuel at £1.40/l and not to mention the cost of machinery and spare parts. I have no idea how farmers can budget for the year ahead never mind two months in advance.

It's not only farmers that have been facing some really tough decisions on how best to leave their business in a sustainable and more viable place for the future. The council of management have also had to make some extremely tough decisions over the past few months. After undergoing a review of its organisational structure, the decision was made to make the role of CEO within the society redundant. This was not any easy decision but I know it is the correct one for BCCS and its members for years to come.

One thing I can be sure of is when times are hard people turn to what leaves them the biggest margin with the quickest turn around time, and that is Charolais. Bull sales across the country have been a resounding success from October through to me writing this in the first week of May.

Market	Average	% sold	Change on year
Stirling Oct	£8,170	75%	+£1,493
Swatragh Nov	£4,515	86%	
Welshpool Nov	£4,857	65%	
White Gold Females	£4,780	81%	
Stirling Feb	£8,317	89%	+£1,196
Aberdeen Feb	£6,602	73%	+£1,601
Exeter April	£4,298	78%	+£1,078
Swatragh April	£4,163	75%	+£623
Welshpool April	£5,670	100%	+£1,251
Stirling May	£5,845	88%	+£230

The figures are plain to see the demand for quality bulls and females is very evident, but we have to be realistic we are selling into a diminishing marketplace. We need to make sure we not only maintain our market share but we are significantly increasing our market share year on year. I firmly believe we shall do this. With previously mentioned increased feed and bedding costs livestock farmers will be looking for the most efficient and cost-effective beef sire, the modern Charolais is exactly that. We have been working on our PR over the past nine months and I feel that our promotional campaign 'no bull works harder, for the farmer, the planet and the plate' is a huge success. The social media coverage is more targeted and every post has a message and a theme. We are finally connecting with our customers again; the commercial farmers and in return they are repaying us by buying our produce - the bulls.

Over the past few years, the breed and its breeders have been concentrating extremely hard on delivering a Charolais bull that is fit for today's market place and for future markets; a bull that is easier calving and softer fleshing without compromising on the breeds main traits of growth rates and muscle.

With the costs of bringing out the bulls for sale so high and only going to increase further, coupled with fat prices on the rise I would urge all bull breeders to select for sale very strictly and if they are not going to make the grade let them go fat. In turn that will keep the number of bulls coming forward for sale at a sellable number and keep the trade up for these sale bulls.

The past couple of years have been extremely challenging with Covid and Brexit. Our membership in Northern Ireland have been particularly hard hit with their chances of selling bulls at our premier sales at this side of the water all but disappeared. I think the Northern Ireland club have done a very good job of running their own sales and making them a huge success. We have also been working very closely with the NBA and we hope our Northern Ireland members will be able to bring their bulls across and back home, if necessary, without the current restrictions from February 2023.

The British Charolais Cattle Society

CHAIRMAN'S REPORT – continued

As you read this we will hopefully be entering into a normal and very busy show season, I think everyone is desperately looking forward to meeting up with friends and having that crucial socialising that so many of us have all missed during Covid. I am personally looking forward to saying hello with so many of you that I have not had the chance to meet with in my first year as Chairman.

British Charolais is very fortunate to be hosting the World Charolais congress this summer, its 10 years since we last hosted the event and past BCCS Chairman Chris Curry is currently World Charolais Chairman. It will be great to welcome fellow Charolais breeders from all over the world to our beautiful country and give them a little insight to the British type of Charolais. The congress runs from the 7th – 18th July taking in a lot of the top herds in the UK with sight seeing visits and the AGM as well. The congress will also visit our 2 national shows at the Great Yorkshire and Castlewellan in Northern Ireland which will be a great spectacle for the delegates to see before its finale gala dinner in the Titanic, Belfast. It would be great to see as many UK breeders at the herd visits as possible.

I would like to finish my first Chairman's report by thanking a few people who have helped not only myself but the society to be such a success over the last year. Firstly, Rusmi for doing a tremendous job in keeping the office running so smoothly alongside Rebecca, Fiona, Mandy, Natasha and Charlotte. The work they all do and the commitment from them is second to none and I'm truly grateful for all they do for BCCS. Secondly, The Council of Management have been exceptional over my first year as Chairman. Their professionalism and dedication to the breed is very humbling and the members are very fortunate to have them representing them. Thirdly, Gareth Roberts our president, he has been an excellent ambassador for the breed, being present at so many shows and sales and also there to give me advice and support. Fourthly my fellow executive team members; Vice Chairman Jeremy Price and Treasurer Graham Robinson. The commitment and hours spent looking after the interests of BCCS and its members is incredible as well as running their own businesses at home. I know I would have been lost without them both by my side during the last year and I want to thank them both very much. I would also like to thank my wife Fiona and my father Peter for helping me so much over the past year for picking up so much of the work at home while I have been sorting out BCCS matters, I am forever grateful. Lastly but by no means least I'd like to thank every single one of the members for making BCCS the great family that it is, you all do so much to promote the breed and as I said earlier, I look forward to meeting up with as many of you as I possibly can in the next year.

Here's to a very successful summer show season and the rest of the year for great bull sales to come.

Mr A P Drysdale
Chairman

The British Charolais Cattle Society

TREASURERS REPORT

The 2021 financial results are in many ways a repeat of the previous year with the stock market again having a good year and the pandemic resulting in considerable savings in the day to day running of the society.

The BCCS balance sheet saw an increase of £398,139 to £3,445,864. The surplus on the day to day activities of the society was £81k, as with the previous year normalizing the results would see this figure dramatically reduced. During the year nothing was drawn down from the investment portfolio and £100k was given to the investment fund managers to invest.

As always I try and point out any significant changes from the previous set of results and give an explanation. In 2021 there was increase in the legal and professional fees which are entirely attributable to making the role of CEO within the society redundant. The process was guided at every stage by the society solicitors to ensure that all procedures were carried out correctly in the interest of both parties, The detailed figures are listed later in this report.

In December I presented a budget for 2022 to the Council of Management for consideration. During my introduction I said that almost all of the figures included in the budget were open to question. At the time there were so many uncertainties with regards to the amount of promotional work that the society would be able to undertake as we learn to live with Covid. The budget for 2022 was drawn up in the hope that the profile of Charolais cattle can be raised to the benefit of members. The end result is that the surpluses of 2020 and 2021 will not be seen again if we are able to return to anything resembling normal.

My very sincere thanks go to Rusmi and the team in the office. Under what has at times been difficult circumstances they have carried on and got the job done. If I may I would also like to take the liberty of using this report to thank my Wife and Family. Over recent years the amount of time that I spend on Charolais matters has increased considerably which would not have been possible without support from those at home.

2021 Financials

At the end of the year BCCS funds stood at £3,445,864 (2020 - £3,047,725), up by £398,139.

The total income for 2021 decreased in the year by 1% from £666,591 to £657,614.

Investment income

- The dividend income from the investment portfolio increased by 7% to £69,522 (2020 - £64,672).
- Rent received from the society tenants decreased to £46,790 (2020 - £49,630).

Cattle Society Income

- Registration income decreased to £196,416 (2020 - £208,640).
- Membership income decreased to £61,125 (2020 - £63,662).

Expenditure

Total expenditure for the year increased to £585,844 (2020 - £564,808).

- Wages, pension and social security costs increased to £274,180 (2020 - £250,768).
- Computer repairs and maintenance decreased to £7,258 (2020 - £10,093).
- Legal and professional fees increased to £28,885 (2020 - £7,491).

The detailed statement on the day to day financial activities of the BCCS show a surplus of £81,452 compared to £92,712 in the previous year.

Graham Robinson
Honorary treasurer

The British Charolais Cattle Society

REPORT OF THE TRUSTEES for the year ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, activities, achievements and performance

Being a registered charity, the Society must fulfil its charitable duties by benefiting the general public. These principal objectives are fulfilled by breed improvement, education and conservation. Breed improvement by registration of births and parentage, which are then genetically evaluated, leads to more efficient prime beef production. Efficient beef production helps maintain cost-effective beef sales for the buying public. Through assistance in the organisation of farm open days and supporting classes at the summer shows and winter primestock shows, the general public are given the opportunity of being involved with prime beef cattle. It is both an educational and enjoyable experience. The third objective is conservation of the Charolais breed. Although not a major issue at the present time, complacency cannot be ruled out, as historically several numerically popular breeds have faced extinction. The trustees have had regard to the Charity Commission's guidance on public benefit.

The principal activities of the Society include the recording and transfer of ownership of registered Charolais cattle. A herd book of Charolais cattle registered in the United Kingdom is maintained, and from this register technical and genetic breed improvement programmes are maintained in conjunction with the Agricultural Business Research Institute.

In conjunction with selected auctioneers, Charolais cattle sales are organised whereby Charolais breeders bring their cattle to a central collection point to be offered for sale. The sales are advertised to attract customers from the general farming community. Other activities include co-operation with the regional Charolais clubs in the promotion of Charolais cattle through open days, agricultural shows, etc. Research work is carried out with various scientific bodies looking into efficient beef production, improving the taste and tenderness of beef produced from Charolais cattle, and now that the bovine genome is well on the way to being understood certain alleles of genes can be identified which will, in the future, have an effect on not only making beef a more consistent product, but could well have certain health benefits.

A more comprehensive review of the BCCS activities appears within this document in the Chairman's and Treasurer's reports.

STRATEGIC REPORT

Income generation

The total income for 2021 decreased slightly by 1% from £666,591 to £657,614. The major contributions to the Society income are derived from members' subscriptions, registration fees, transfer fees, auction sale commissions and investment income. Breedplan income totalled £53,223 (2020 - £51,333). The dividend income from the investment portfolio increased by 7% to £69,522 (2020 - £64,672).

A detailed breakdown of the various income streams are detailed within the statement of financial activities with a more detailed breakdown of certain aspects contained in the Treasurer's Report.

The British Charolais Cattle Society

REPORT OF THE TRUSTEES for the year ended 31 December 2021

STRATEGIC REPORT

Financial review

Investment policy and returns

The trustees have given discretionary powers to Rathbones to invest the Society's financial portfolio in stocks, shares and securities in the low-medium risk category, with income and capital growth of the portfolio being the principal policy in the short to medium term.

Fund raising

The principal areas of fund raising are through annual subscriptions, registration fees, auction sale commissions, private sales transfer fees and the sale of promotional goods, and HMRC Gift Aid tax reclamations.

Resources expended and services

The charity's expenditure is directed towards administering the charity and promoting the Charolais breed. There is a small administration staff who deal with the registration, transfers and members' subscriptions on a daily basis, together with associated matters of a general nature but which affect the core objectives of the charity. There is a breakdown of the direct charitable expenditure in the Notes to the Financial Statements.

To increase awareness of the breed, expenditure is incurred in general breed promotion through advertising, promotional events at shows and open days. Other ventures include research and development to improve beef production efficiency.

Reserves policy

The trustees have examined the charity's requirements for reserves in the light of the main risks to the organisation and have agreed that the previous policy of building up a substantial reserve when the agricultural industry, and in particular the beef industry, were enjoying better times, is a solid policy to carry the Society through times of adversity. The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have and have also considered the level of additional short-term reserves that will also be needed to sustain operations and subsidise the members should there be a recurrence of the foot and mouth epidemic, other problems associated with agriculture or any pandemic which may restrict the Society's ability to generate income. We have witnessed through the foot and mouth epidemic, and prior to that the associated problems of BSE, that these reserves have acted as a buffer against increasing fees and will continue to do so in the coming years.

The uncertainty of BREXIT import tariffs and EU subsidies may well result in a reduction of income from the charity's charitable activities. Currently the charity has approximately £3.0m in reserves which is readily accessible. The remaining £396k is invested in administrative property and plant and machinery.

We believe that it is prudent to hold reserves equivalent to approximately 24 months expenditure. In calculating reserves, we have excluded from total funds the tangible and intangible assets totalling £396k which are in fixed assets. Therefore, the actual level of reserves readily available for day-to-day expenditure amounts to approximately £3.0m, and although this is in excess of the 24 months expenditure, the trustees are aware of a possible economic slowdown which may affect the level of reserves, and the income from the investment portfolio. This, together with an increase in administration expenditure, and an increase in breed improvement and breed promotional activities, will lead to a reduction in the level of reserves.

Plans for the future

Future developments in the registration and genetic improvement of Charolais cattle are continually being reviewed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association dated 27 July 1962. Members of the Council of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year are set out in the section entitled 'Reference and administrative details'. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of a winding up. The total number of such guarantees at 31 December 2021 was 14 (2020 – 16).

The British Charolais Cattle Society

REPORT OF THE TRUSTEES for the year ended 31 December 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of trustees

The Council of Management is elected by the members within the regions of the United Kingdom. Each trustee can serve for a three-year term, and may be re-elected for a further three-year period. The trustees meet at least three times a year and also hold discussions by conference call when deemed necessary.

Organisation

The Executive Committee consists of the Chairman, Vice-Chairman and Treasurer, together with other individuals if deemed necessary. This committee is delegated certain functions from the main board. Other committees may be set up as and when the board deem it necessary to do so. Each committee has its decisions ratified by the full board.

Trustees induction and training

New trustees are inducted during their first trustees meeting. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Key management remuneration

The Council of Management are the trustees of the charity and directors of the charitable company. The council delegates the responsibility for directing and controlling, running and operating the charity to the senior leadership team. Remuneration is benchmarked against pay levels with other charities of a similar size.

Related parties

The trustee body along with members of the senior management team represent the key related parties of the charity.

Risk review

The Council of Management has conducted its own review of the risks to which the charity is exposed and systems have been established to mitigate those risks. The Council of Management does not consider that there are significant risks to external funding but the charity continues to undertake an ongoing review of funding. Internal risks are minimised by the implementation of procedures for authorisation of all transactions to ensure consistent quality of delivery for all aspects of the charitable company. These procedures are reviewed periodically to ensure that they continue to meet the needs of the charity.

The British Charolais Cattle Society

REPORT OF THE TRUSTEES for the year ended 31 December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23 June 2022 and signed on the board's behalf by:

.....
Mr A P Drysdale - Trustee

The British Charolais Cattle Society

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED

Opinion

We have audited the financial statements of The British Charolais Cattle Society Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

However, not all future events or conditions can be foreseen. The Covid-19 viral pandemic is one of the most significant economic events there has been in the UK for many years, with unprecedented levels of uncertainty in predicting outcomes. It is therefore difficult to evaluate all of the potential implications on the company's activities, customers, suppliers and the wider economy.

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

The British Charolais Cattle Society

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

The audit process includes an assessment of the entity's risk environment, through enquiry of and discussion with management, including an assessment of any key laws and regulations with which the company must comply in the ordinary course of its business. We have concluded that there are no such key laws and regulations that are particular to the company's activities.

Additionally, the overall risks of irregular transactions occurring are assessed following our observations and confirmation of the design and implementation of management's controls. Whilst we are mindful of these risks, our audit focus is geared towards the risk of material misstatement in the financial statements as a whole.

As such, our procedures cannot guarantee that all transactions have been fully compliant with all relevant laws and regulations, including those regulations relating to fraud, as our procedures are not designed to detect all instances of non-compliance.

Nevertheless, nothing has come to our attention that has given us significant cause for concern in the course of the procedures we have undertaken in order to give our opinion on whether the financial statements are free from material misstatement, as shown above.

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

The British Charolais Cattle Society

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE BRITISH CHAROLAIS CATTLE SOCIETY LIMITED

Use of our report

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

Gregg Olnier MPhil BA(Hons) ACA (Senior Statutory Auditor)
for and on behalf of Harrison Beale & Owen Limited
Chartered Accountants and Statutory Auditor
Highdown House
11 Highdown Road
Leamington Spa
Warwickshire
CV31 1XT

Date: 23 June 2022

The British Charolais Cattle Society

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	32,000	-	32,000	10,250
Charitable activities	6				
Breed improvement		484,113	-	484,113	516,614
Other trading activities	4	25,175	-	25,175	25,353
Investment income	5	<u>116,326</u>	<u>-</u>	<u>116,326</u>	<u>114,374</u>
Total		657,614	-	657,614	666,591
 EXPENDITURE ON					
Raising funds	7	22,480	-	22,480	13,607
Charitable activities	8				
Breed improvement		563,364	-	563,364	551,201
Total		585,844	-	585,844	564,808
Net gains/(losses) on investments		<u>9,682</u>	<u>-</u>	<u>9,682</u>	<u>(9,071)</u>
NET INCOME		81,452	-	81,452	92,712
 Other recognised gains/(losses)					
Gains on revaluation of fixed assets		<u>316,687</u>	<u>-</u>	<u>316,687</u>	<u>18,957</u>
Net movement in funds		398,139	-	398,139	111,669
 RECONCILIATION OF FUNDS					
Total funds brought forward		3,047,725	-	3,047,725	2,936,056
 TOTAL FUNDS CARRIED FORWARD		<u>3,445,864</u>	<u>-</u>	<u>3,445,864</u>	<u>3,047,725</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

The British Charolais Cattle Society

BALANCE SHEET 31 December 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	14	5,553	10,926
Tangible assets	15	390,853	400,911
Investments	16	<u>2,813,550</u>	<u>2,472,965</u>
		3,209,956	2,884,802
CURRENT ASSETS			
Stocks	17	5,191	5,235
Debtors	18	55,192	60,732
Cash at bank and in hand		<u>293,424</u>	<u>196,977</u>
		353,807	262,944
CREDITORS			
Amounts falling due within one year	19	(117,899)	(100,021)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>235,908</u>	<u>162,923</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,445,864</u>	<u>3,047,725</u>
NET ASSETS		<u>3,445,864</u>	<u>3,047,725</u>
FUNDS	22		
Unrestricted funds		<u>3,445,864</u>	<u>3,047,725</u>
TOTAL FUNDS		<u>3,445,864</u>	<u>3,047,725</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2022 and were signed on its behalf by:

.....
Mr A P Drysdale - Trustee

.....
Mr J M Price - Trustee

The notes form part of these financial statements

The British Charolais Cattle Society

CASH FLOW STATEMENT for the year ended 31 December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>48,069</u>	<u>46,437</u>
Net cash provided by operating activities		<u>48,069</u>	<u>46,437</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,942)	(5,817)
Purchase of fixed asset investments		(39,085)	(97,368)
Sale of fixed asset investments		24,869	46,205
Interest received		14	72
Dividends received		<u>69,522</u>	<u>64,672</u>
Net cash provided by investing activities		<u>48,378</u>	<u>7,764</u>
Change in cash and cash equivalents in the reporting period		96,447	54,201
Cash and cash equivalents at the beginning of the reporting period		<u>196,977</u>	<u>142,776</u>
Cash and cash equivalents at the end of the reporting period		<u><u>293,424</u></u>	<u><u>196,977</u></u>

The notes form part of these financial statements

The British Charolais Cattle Society

NOTES TO THE CASH FLOW STATEMENT for the year ended 31 December 2021

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

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	81,452	92,712
Adjustments for:		
Depreciation charges	22,373	22,167
(Gain)/losses on investments	(9,682)	9,071
Interest received	(14)	(72)
Dividends received	(69,522)	(64,672)
Decrease in stocks	44	365
Decrease/(increase) in debtors	5,540	(10,874)
Increase/(decrease) in creditors	<u>17,878</u>	<u>(2,260)</u>
Net cash provided by operations	<u>48,069</u>	<u>46,437</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	<u>196,977</u>	<u>96,447</u>	<u>293,424</u>
	<u>196,977</u>	<u>96,447</u>	<u>293,424</u>
Total	<u>196,977</u>	<u>96,447</u>	<u>293,424</u>

The notes form part of these financial statements

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2021

1. COMPANY STATUS

The charity is a company limited by guarantee and incorporated in England and Wales. The members of the company are the trustees who are also the directors. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charitable company's registered numbers and registered office address can be found in the Report of the Trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charitable company fulfils the criteria of a public benefit entity as defined by FRS 102.

The accounting policies are set out below and remain unchanged from the previous year.

Preparation of consolidated financial statements

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

Significant accounting judgements and estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no 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.

Income

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

Subscriptions and investment income are recorded on a receivable basis. Income from fund-raising events is shown gross with the associated costs included in fund-raising costs.

Government grants, in the form of the Coronavirus Business Support Scheme, have been recognised as grant income when received.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis inclusive of any VAT that cannot be recovered and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is accounted for gross and when it is incurred. Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds. Charitable activities include expenditure associated with the registration and promotion of Charolais cattle and include both the direct costs and support costs relating to these activities. Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are recognised at cost less amortisation. Amortisation is provided over five years, in order to write off each asset over its estimated useful.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold property - Royal Welsh Pavilion	- over the lease term
Leasehold property - NAC	- over the lease term
Fixtures & fittings - Royal Welsh Pavilion	- 25% on cost
Fixtures & fittings - NAC	- 12.5% on cost
Computer equipment	- at varying rates on cost

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

Related party exemption

The charitable company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Stocks

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

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Pension costs and other post-retirement benefits

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

Investments

Fixed asset investments are shown on the balance sheet at their fair value. Listed investments are valued at their mid market value as at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities in the period in which they arise.

Shares of group undertakings are stated at historic cost, net of any impairment losses.

Financial instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

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

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Royal Welsh Pavilion & other donations	32,000	250
Grants	-	10,000
	<u>32,000</u>	<u>10,250</u>

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

	2021	2020
	£	£
COVID Business Support	-	10,000

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Auction sale income	23,863	24,020
Sale of promotional goods	1,312	1,333
	<u>25,175</u>	<u>25,353</u>

5. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	46,790	49,630
Listed investment income (gross)	69,522	64,672
Bank deposit interest	14	72
	<u>116,326</u>	<u>114,374</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Subscriptions receivable	Breed improvement	61,125	63,662
Donations - unallocated subs	Breed improvement	5,086	1,717
Enrolment fees & herd prefixes	Breed improvement	1,675	2,100
Registration fees	Breed improvement	196,416	208,640
F.O.T. registration fees	Breed improvement	27,800	19,900
Transfer fees	Breed improvement	6,340	6,960
Semen royalty scheme	Breed improvement	2,304	3,099
Breedplan income	Breed improvement	53,223	51,333
Gift Aid tax refund & interest	Breed improvement	7,319	10,292
Import admin fees	Breed improvement	3,600	2,840
DNA testing	Breed improvement	108,837	106,095
Warranty income	Breed improvement	1,365	1,502
Carried forward		475,090	478,140

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

6. INCOME FROM CHARITABLE ACTIVITIES - continued

		2021	2020
		£	£
Brought forward		475,090	478,140
Export certificate fees	Breed improvement	350	300
Solar income	Breed improvement	1,961	2,152
Other breed society services	Breed improvement	4,912	36,022
Young breeders sponsorship	Breed improvement	1,800	-
		<u>484,113</u>	<u>516,614</u>

7. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Auction sale expenses	11,319	2,724
Charolais News & herd books	3,898	2,923
Regional contributions	4,654	4,964
	<u>19,871</u>	<u>10,611</u>

Other trading activities

	2021	2020
	£	£
Purchases	<u>2,609</u>	<u>2,996</u>
Aggregate amounts	<u>22,480</u>	<u>13,607</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Breed improvement	<u>518,505</u>	<u>44,859</u>	<u>563,364</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	274,180	250,768
Rent, rates, insurance, cleaning, heat & light	35,930	34,208
Telephone	7,766	6,651
Postage	12,247	11,793
Publicity expenses	39,683	20,516
Sundries	4,335	9,133
Repairs & maintenance - building	4,984	4,538
Charolais Youth	79	-
Printing & stationery	6,037	4,657
Maintenance of office equipment	255	495
Pedigree Cattle Livestock Services	-	12,325
Computer maintenance & support	7,258	10,093
Subscriptions	431	289
Herd inspection expenses	626	819
ABRI support	22,295	22,890
Royal Welsh Pavilion expenses	113	-
Ultra sound scanning refunds	8,250	9,750
Registration calf credit notes	5,370	6,045
DNA SNP testing	65,306	90,552
Other breed society services	987	13,741
Depreciation	22,373	22,167
	<u>518,505</u>	<u>531,430</u>

10. SUPPORT COSTS

Governance
costs
£
44,859

Breed improvement

Support costs, included in the above, are as follows:

Governance costs

	2021 Breed improvement £	2020 Total activities £
Auditors' remuneration	5,475	5,475
Auditors' remuneration for non audit work	3,797	2,688
Legal and professional fees	28,885	7,491
Directors, staff & board travel expenses	6,702	4,117
	<u>44,859</u>	<u>19,771</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

11. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	5,475	5,475
Other non-audit services	3,797	2,688
Depreciation - owned assets	17,000	16,794
Breed improvement amortisation	5,373	5,373
Income from operating leases	(46,790)	(49,630)
Amounts payable under operating leases	<u>3,079</u>	<u>2,272</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

Travel and subsistence expenses were reimbursed to 16 members of the Council of Management during the year totalling £3,173 (2020 - £1,054). The members of the Council of Management neither received nor waived any emoluments during the year.

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	242,406	219,286
Social security costs	15,693	16,017
Other pension costs	<u>16,081</u>	<u>15,465</u>
	<u>274,180</u>	<u>250,768</u>

During the year severance costs of £4,080 (2020 - £nil) were incurred by the charity.

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

	2021	2020
Cost of generating funds	3	3
Management & administration	<u>4</u>	<u>4</u>
	<u>7</u>	<u>7</u>

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

	2021	2020
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

13. STAFF COSTS - continued

Key management personnel

Key management comprises the Chief Executive Officer and the members of the Council of Management. Compensation of key management personnel totalled £86,997 (2020 - £78,055).

14. INTANGIBLE FIXED ASSETS

	Breed improvement £
COST	
At 1 January 2021 and 31 December 2021	<u>26,864</u>
AMORTISATION	
At 1 January 2021	15,938
Charge for year	<u>5,373</u>
At 31 December 2021	<u>21,311</u>
NET BOOK VALUE	
At 31 December 2021	<u>5,553</u>
At 31 December 2020	<u>10,926</u>

15. TANGIBLE FIXED ASSETS

	Leasehold property - Royal Welsh Pavilion £	Leasehold property - NAC £	Fixtures & fittings - Royal Welsh Pavilion £
COST			
At 1 January 2021	138,827	456,442	6,098
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>138,827</u>	<u>456,442</u>	<u>6,098</u>
DEPRECIATION			
At 1 January 2021	92,672	112,181	6,098
Charge for year	<u>6,593</u>	<u>4,918</u>	<u>-</u>
At 31 December 2021	<u>99,265</u>	<u>117,099</u>	<u>6,098</u>
NET BOOK VALUE			
At 31 December 2021	<u>39,562</u>	<u>339,343</u>	<u>-</u>
At 31 December 2020	<u>46,155</u>	<u>344,261</u>	<u>-</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

15. TANGIBLE FIXED ASSETS - continued

	Fixtures & fittings - NAC £	Computer equipment £	Totals £
COST			
At 1 January 2021	33,234	27,996	662,597
Additions	<u>5,722</u>	<u>1,220</u>	<u>6,942</u>
At 31 December 2021	<u>38,956</u>	<u>29,216</u>	<u>669,539</u>
DEPRECIATION			
At 1 January 2021	33,234	17,501	261,686
Charge for year	<u>102</u>	<u>5,387</u>	<u>17,000</u>
At 31 December 2021	<u>33,336</u>	<u>22,888</u>	<u>278,686</u>
NET BOOK VALUE			
At 31 December 2021	<u>5,620</u>	<u>6,328</u>	<u>390,853</u>
At 31 December 2020	<u>-</u>	<u>10,495</u>	<u>400,911</u>

16. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Listed investments £	Totals £
MARKET VALUE			
At 1 January 2021	-	2,472,965	2,472,965
Additions	1	39,084	39,085
Disposals	-	(15,187)	(15,187)
Revaluations	<u>-</u>	<u>316,687</u>	<u>316,687</u>
At 31 December 2021	<u>1</u>	<u>2,813,549</u>	<u>2,813,550</u>
NET BOOK VALUE			
At 31 December 2021	<u>1</u>	<u>2,813,549</u>	<u>2,813,550</u>
At 31 December 2020	<u>-</u>	<u>2,472,965</u>	<u>2,472,965</u>

There were no investment assets outside the UK.
Cost or valuation at 31 December 2021 is represented by:

	Shares in group undertakings £	Listed investments £	Totals £
Valuation in 2021	-	2,813,549	2,813,549
Cost	<u>1</u>	<u>-</u>	<u>1</u>
	<u>1</u>	<u>2,813,549</u>	<u>2,813,550</u>

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

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

16. FIXED ASSET INVESTMENTS - continued

Premier Pedigree Services Limited

Registered office: Avenue M National Agriculture Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2RG

Nature of business: Agricultural support services

Class of share:	%
Ordinary £1 shares	holding 100

The historic cost of listed fixed asset investments totals £1,729,059 (2020 - £1,705,162).

17. STOCKS

	2021	2020
	£	£
Goods for resale	<u>5,191</u>	<u>5,235</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	49,446	56,724
VAT	1,697	-
Prepayments and accrued income	<u>4,049</u>	<u>4,008</u>
	<u>55,192</u>	<u>60,732</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	35,683	36,289
Social security and other taxes	3,502	4,988
VAT	-	5,501
Other creditors	49,794	48,293
Accrued expenses	<u>28,920</u>	<u>4,950</u>
	<u>117,899</u>	<u>100,021</u>

Included within creditors is a balance totalling £49,793 (2020 - £48,293) relating to deferred income. The charity defers income relating to registrations and subscriptions paid in advance of invoices being raised.

	£
Balance as at 1 January 2021	48,293
Amounts released to income during the year	(48,293)
Amounts deferred during the year	49,793
Balance as at 31 December 2021	<u>49,793</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	5,500	2,272
Between one and five years	<u>11,983</u>	<u>3,764</u>
	<u>17,483</u>	<u>6,036</u>

Minimum lease payments receivable under non-cancellable operating leases also fall due within one year of £32,340 due between one and five years of £117,610 and due over 5 years of £36,165.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	396,406	-	396,406	411,837
Investments	2,813,550	-	2,813,550	2,472,965
Current assets	353,807	-	353,807	262,944
Current liabilities	<u>(117,899)</u>	<u>-</u>	<u>(117,899)</u>	<u>(100,021)</u>
	<u>3,445,864</u>	<u>-</u>	<u>3,445,864</u>	<u>3,047,725</u>

22. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
Unrestricted funds			
General fund	3,047,725	398,139	3,445,864
	<u>3,047,725</u>	<u>398,139</u>	<u>3,445,864</u>
TOTAL FUNDS	<u>3,047,725</u>	<u>398,139</u>	<u>3,445,864</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	657,614	(585,844)	326,369	398,139
	<u>657,614</u>	<u>(585,844)</u>	<u>326,369</u>	<u>398,139</u>
TOTAL FUNDS	<u>657,614</u>	<u>(585,844)</u>	<u>326,369</u>	<u>398,139</u>

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

22. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	2,936,056	111,669	3,047,725
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,936,056</u>	<u>111,669</u>	<u>3,047,725</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	666,591	(564,808)	9,886	111,669
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>666,591</u>	<u>(564,808)</u>	<u>9,886</u>	<u>111,669</u>

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

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	2,936,056	509,808	3,445,864
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,936,056</u>	<u>509,808</u>	<u>3,445,864</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,324,205	(1,150,652)	336,255	509,808
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,324,205</u>	<u>(1,150,652)</u>	<u>336,255</u>	<u>509,808</u>

The general fund represents all cumulative surpluses of the charity and is available to use in furtherance of the charity's objectives as the trustees see fit.

The British Charolais Cattle Society

NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 31 December 2021

23. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a defined contribution insured pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £16,081 (2020 - £15,465). There were no outstanding or prepaid contributions.

24. RELATED PARTY DISCLOSURES

Alongside receiving reimbursement for expenses incurred, the trustees are also supporters of the activities of the charity through subscriptions which are charged at the same price as third party members.

The British Charolais Cattle Society

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Royal Welsh Pavilion & other donations	32,000	250
Grants	-	10,000
	32,000	10,250
Other trading activities		
Auction sale income	23,863	24,020
Sale of promotional goods	1,312	1,333
	25,175	25,353
Investment income		
Rents received	46,790	49,630
Listed investment income (gross)	69,522	64,672
Bank deposit interest	14	72
	116,326	114,374
Charitable activities		
Subscriptions receivable	61,125	63,662
Donations - unallocated subs	5,086	1,717
Enrolment fees & herd prefixes	1,675	2,100
Registration fees	196,416	208,640
F.O.T. registration fees	27,800	19,900
Transfer fees	6,340	6,960
Semen royalty scheme	2,304	3,099
Breedplan income	53,223	51,333
Gift Aid tax refund & interest	7,319	10,292
Import admin fees	3,600	2,840
DNA testing	108,837	106,095
Warranty income	1,365	1,502
Export certificate fees	350	300
Solar income	1,961	2,152
Other breed society services	4,912	36,022
Young breeders sponsorship	1,800	-
	484,113	516,614
Total incoming resources	657,614	666,591
EXPENDITURE		
Raising donations and legacies		
Auction sale expenses	11,319	2,724
Carried forward	11,319	2,724

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The British Charolais Cattle Society

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	2021 £	2020 £
Raising donations and legacies		
Brought forward	11,319	2,724
Charolais News & herd books	3,898	2,923
Regional contributions	<u>4,654</u>	<u>4,964</u>
	19,871	10,611
Other trading activities		
Purchase of promotional goods	2,609	2,996
Charitable activities		
Wages	242,406	219,286
Social security	15,693	16,017
Pensions	16,081	15,465
Rent, rates, insurance, cleaning, heat & light	35,930	34,208
Telephone	7,766	6,651
Postage	12,247	11,793
Publicity expenses	39,683	20,516
Sundries	4,335	9,133
Repairs & maintenance - building	4,984	4,538
Charolais Youth	79	-
Printing & stationery	6,037	4,657
Maintenance of office equipment	255	495
Pedigree Cattle Livestock Services	-	12,325
Computer maintenance & support	7,258	10,093
Subscriptions	431	289
Herd inspection expenses	626	819
ABRI support	22,295	22,890
Royal Welsh Pavilion expenses	113	-
Ultra sound scanning refunds	8,250	9,750
Registration calf credit notes	5,370	6,045
DNA SNP testing	65,306	90,552
Other breed society services	987	13,741
Amort of breed improvement	5,373	5,373
Depreciation of short leasehold	6,593	6,593
Depreciation of long leasehold	4,918	4,918
Fixtures and fittings	102	-
Depreciation of computer equipment	<u>5,387</u>	<u>5,283</u>
	518,505	531,430
Support costs		
Governance costs		
Auditors' remuneration	5,475	5,475
Auditors' remuneration for non audit work	3,797	2,688
Legal and professional fees	28,885	7,491
Directors, staff & board travel expenses	<u>6,702</u>	<u>4,117</u>
	44,859	19,771

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The British Charolais Cattle Society

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2021

	2021 £	2020 £
Total resources expended	<u>585,844</u>	<u>564,808</u>
Net income before gains and losses	71,770	101,783
Realised recognised gains and losses		
Gains/(losses) on fixed asset investments	<u>9,682</u>	<u>(9,071)</u>
Net income	<u>81,452</u>	<u>92,712</u>

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The British Charolais Cattle Society

Registered office
Avenue M, Stoneleigh Park,
Kenilworth, Warwickshire
CV8 2RG, England

Telephone: 024 7669 7222
Email: charolais@charolais.co.uk

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