

Charity Registration No. 251232

Company Registration No. 00892851 (England and Wales)

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD BLYNYDDOL A DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
CYNNWYS**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
CONTENTS**

	Page
Trustees' report	1 – 14
Statement of trustees' responsibilities	15
Independent auditor's report	16 – 18
Statement of financial activities	19
Balance sheet	20 – 21
Statement of cash flows	22
Notes to the financial statements	23 – 44

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD Y CADEIRYDD
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

What a year! It is difficult to remember the start of 2020 and the months up to March before the Coronavirus Pandemic changed life as we knew it. Can I start by extending our sympathies to all those who have lost loved ones and to those who have suffered in any way due to this awful disease and its consequences. I also want, in the name of the RWAS, to express our thanks to the NHS and to all the frontline services that have served us so well in these difficult times.

What a challenging year it has been. I don't recall a time in my life which compares to the tumultuous year we have just experienced and, to a large extent, we still are experiencing. The impact of the Covid-19 pandemic has been felt right across Wales, as it has across the world, which has necessitated a new approach to the way we all work and think.

I would like to thank everyone within RWAS for the remarkable adaptability and resilience they have shown. During the year, the Board has had to be very flexible in its approach in making some very difficult decisions. Not since the Second World War has the Society witnessed a whole year with no events. With all of us having to grapple with online activity and meetings for the very first time, it has shown how versatile and fleet of foot the organisation can be when needs must.

Throughout the last twelve months, member and stakeholder interests have remained at the centre of the Board's deliberations and considerations. As an Executive Group, supported by the Board and the Finance Committee, we always endeavour to make the correct decisions to secure the future of the Society, particularly now in these testing times.

You can be assured the Board's approach is to make sure the financial resilience of the Society is built on a strong sustainable foundation. As Chairman, I feel fortunate in having the colleagues I do around the Board table as we continue to face the Covid-19 challenge.

I would like to extend my thanks to all of our loyal members who have stood by us at this challenging time and for their continued support as we continue to chart our course through these most unusual of times.

The Executive Group worked closely with the Board of Directors to define and implement measures to protect the business and strengthen the Society's resilience. Cancelling all three events was inevitable given the circumstances. However making such decisions early on was not always easy and sometimes criticised, but on reflection they were the right and safe decisions: not just for the public, but for the Society as well. Who would have thought our 2020 show would be a virtual one!

Many thanks go to NatWest and Business Wales for their generous financial support in the name of the 2020 Virtual Show. We look forward to working closer still with both organisations in the future. We also thank Welsh Government and its Ministers for their support at this difficult time.

There can be no doubt the pandemic had a profound and immediate effect on RWAS as an organisation. Our immediate response was to act decisively to reduce our financial exposure and risk. As part of its measures to protect cash flow, the Executive Group furloughed most of its employees, with many remaining on furlough to this day.

A £485k profit in 2019 has, following the ravages of Covid-19, translated into a £449k deficit. However the situation could well have been much worse had it not been for the tenacity of our management team to grasp every financial opportunity of support that was available.

My sincere and personal thanks go to our Chief Executive, Mr Steve Hughson, and his team for all their efforts and dedication in such an unsettling year. Steve's past experience in crisis management has been an invaluable asset to us throughout this Covid-19 storm. The staff's actions and sacrifices has allowed the Society to remain financially sound and in a safe place to face up to the continued uncertainties of the Covid-19 challenge.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD Y CADEIRYDD
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Yes, 2020 was a tough year, a year of survival and consolidation for the organisation. A year never seen before in the history of the Society: no Show, no Winter Fair, no Festival. Who would have thought at the beginning of 2020 that we would witness a year of such economic carnage and the personal tragedy that many families endured. We've learnt a lot about what is possible with remote working, while also acknowledging that it doesn't suit all people and all roles.

The Covid-19 pandemic had a profound impact on our performance in the 2020 financial year, but we have entered the new financial year in a position of financial consolidation. Although there remains significant uncertainty on the horizon, RWAS is well placed financially. Our resilience in these challenging times is testament to the dedication and commitment of the whole RWAS team, volunteers and staff alike and, as ever, I am hugely grateful for your ongoing support.

The year behind us is over, and we can all look back and feel justifiably proud and reassured by what was achieved over that time. The year before us is unknown in ways we have never had to deal with before, and I believe will present us with some greater challenges and some difficult decisions, greater than 2020. However, I have every confidence that we will come through these challenges even stronger and better than before. No doubt the experience of Covid-19 and our response to it will bring some lasting positive changes. 'Never let a good crisis go to waste', Churchill once said. I hope you as members are able to reflect on our actions in 2020 as a year when the RWAS really did provide a legacy for our future generations—a Show to return to!

With Covid-19, we've made it to the life raft. However, dry land remains some distance away! Cadwch yn iach ac y saff. Cawn eto gwrdd.

John T Davies

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Board of Directors, who are also directors/trustees of the charity for the purposes of the Companies Act, are pleased to present their Annual Directors' Report together with the financial statements of the Royal Welsh Agricultural Society (RWAS) year ending 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 Statements were prepared, finalised, and presented to the Royal Welsh Agricultural Society's Finance Committee on 2 March 2021. On the recommendation of the Finance Committee the Financial Statements were approved by Board Members at their meeting 31 March 2021.

The Coronavirus Pandemic has had a significant impact on the Society's performance during the 2020 Financial Year, as the Society had to cancel all three of its main events i.e. The Small-holding and Countryside Festival, The Royal Welsh Summer Show, and The Winter Fair, with a significant loss of income. Income normally generated from renting out the Showground to third parties for staging their events was also severely impacted.

In order to minimise losses, the majority of the Society's staff were furloughed from mid-April and therefore an application to HMRC under the Government Coronavirus Job Retention Scheme (JCRS) Grant was submitted. The Society has also been successful in applications under Government grant support for small businesses (including Lockdown Grants) and the Welsh Cultural Recovery Fund: with a combined total of almost £620k, detailed in note 4 of the Financial Statements.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The principal objects of the Society, as set out in its Articles of Association, are the advancement of agriculture, horticulture, forestry, and conservation in Wales, more specifically:

- i. To promote agriculture, horticulture, forestry, and conservation, and in particular, in Wales.
- ii. To advance science, research, and education in connection with agriculture, horticulture, forestry and conservation.
- iii. To promote the improvement of livestock and the prevention and eradication of diseases in animals useful to man.
- iv. To hold demonstrations of modern agricultural methods and processes.
- v. To hold shows for the exhibition of livestock, poultry, farm and horticultural produce and forestry, and for the demonstration of agricultural methods and processes, machinery, implements, tools and appliances.

Charitable activities

Traditionally the Society's charitable activities, to meet its stated aims, comprise mainly of staging three major Agricultural events namely, The Royal Welsh Show, The Royal Welsh Winter Fair and The Royal Welsh Smallholding and Countryside Festival, but due to the Government Restrictions imposing a complete lockdown for much of the year, the showground remained inoperable.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

This also meant that there was significantly reduced income derived from Outside Events where individuals and organisations hire the showground and/or buildings for staging training and other events; this income provides an important contribution towards reinvestment in the Showground and consequently supporting delivery of the Society's charitable objectives.

In the absence of not being able to hold the Society's iconic Agricultural events, Virtual Events were organised to ensure that the charity continued to engage with members, supporters and other stakeholders. The Virtual Summer Show held in July 2020 was 'attended' by an audience of approximately 50,000 subscribers, who were able to enjoy over 200 separate items of content and engage in wide-ranging webinars. The Virtual Winter Fair held at the end of November 2020 sought to support traders, particularly those involved in the food industry, by creating a Virtual Christmas Market place, signposting visitors to the online selling platforms of our Tradestand Customers. Both events were well received by members, exhibitors and the general public.

The Society seeks to further its aims by actively ensuring that it is an integral part of the cultural infrastructure of Wales and is also a key contributor to major industry consultations, particularly relating to rural development, agriculture, and food production. The Society is also represented on the Welsh Government Agricultural Advisory Panel for Wales, which aims to shape an effective workforce for the future; The Welsh Government Tourism and Marketing Management Board; Growing Mid Wales Partnership; and Mid Wales Economic Strategy Group. These external functions ensure that the Royal Welsh Agricultural Society develops its position as a key influencer in shaping the future of the Welsh economy.

During the Covid-19 Pandemic the Chief Executive has also represented the Society as a key stakeholder in a number of Welsh Government fora including the Visitor Economy Taskforce and Event Wales Industry Advisory Group, contributing to the vital decision-making, mapping out plans for the future reopening and ultimate recovery of the event sector.

Furtherance of the Society's aims are also achieved by engagement with our Members and during 2020 work has commenced on improving communication and engagement via the development of a new online platform.

The Trustees are mindful of the need to engage with not only those directly involved in industries supporting our core aims, but also with its visitors and the public at large.

Public benefit

In developing strategies for the Society to promote its objectives, the Board of Directors have had due regard to the Charity Commission guidance in respect of public benefit requirements. The Trustees seek to advance the subject of agriculture, horticulture, forestry, and conservation, as outlined in its constitution in various ways.

During 2020 the Society continued to engage with the public through the staging of virtual events, whilst working with the major Television Broadcasters to provide highlights looking back at previous Shows and events, which were aired on National Television during July.

The Royal Welsh Showground is one of Wales' most iconic and flexible event venues, providing a significant resource to mid Wales. In addition to the Society's own events, the RWAS normally hosts many third party events throughout the year, each making a significant contribution to the economy and prosperity of mid Wales. Whilst the Society were unable to operate the site during the various lockdowns we worked with the Local Authority and Local Health Board to provide accommodation for a drive-through Covid-19 'track and trace' facility serving the population of mid-Wales and beyond. In January 2021, the Members Centre was opened as a Coronavirus Vaccination Centre; two key functions in addressing the National Pandemic.

The Society continues to invest in the infrastructure of the site ensuring that the facilities available at the Showground provide an attractive and safe venue for numerous events. This investment will ensure that the Showground will be ready to, once again, be the venue for these events as the country moves out of the pandemic, safely attracting visitors with a wide range of interests to the large Showground facility, thus regenerating the local visitor economy.

ACHIEVEMENTS AND PERFORMANCE

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

All of our key events meet our Charitable objectives by showcasing the very best of livestock and food production, promoting best practice in animal husbandry with strict adherence to our Animal Welfare plan, and provide education through a wide range of competition classes and demonstrations across all sections. The Coronavirus Pandemic meant it was impossible for the RWAS to stage its usual iconic showground events, so we moved online to provide virtual events which were designed to support businesses and enabled us to continue to connect with our audiences.

2020 Virtual Summer Show:

The inaugural RWAS Virtual Show took place during Royal Welsh Show week in July and attracted over 50,000 visitors from 44 different countries, who were able to join in to watch the event's various panels and discussions hosted by many knowledgeable people from across the agricultural and rural community.

The Virtual Show provided the opportunity for the attendees to increase their knowledge and awareness over a large range of topics that they may not normally engage in during an on-site event, giving them the opportunity to learn new skills.

The Society is grateful for the support of all the sponsors and contributors that made the Show such a success.

2020 Virtual Winter Fair:

The Virtual Winter Fair Event was scheduled for 2 days on 30 November and 1 December, but the on-line market platform was launched earlier to enable subscribers to access the virtual Christmas Market, providing the opportunity for many small and large businesses to engage with customers old and new. The trade-stand platform received over a million hits, whilst the Winter Fair website attracted approximately 300,000 views during the event.

The level of support and interaction from Society Members, supporters, sponsors, and contributors was greatly appreciated and enabled the RWAS to provide the opportunity for visitors to the online platform to engage and interact in discussions about issues facing the agricultural and food industry.

It is hoped that the staging of these two virtual events has provided the opportunity to further develop the Society's digital offering and potentially integrate it into future events.

In addition to its events, the Society plays an active role in CARAS (Council for Awards of Royal Agricultural Societies) which through its awards system recognises distinguished achievement in agriculture and land-based industries, embracing the development of new husbandry practices, research, technology, economics, education, and farming care. The Society also engages in the ASAO (Association of Show and Agricultural Organisations), bringing together Agricultural Societies from across the UK to share good practice across the Sector. CARAS meetings, assessments and awards have continued virtually through the pandemic.

Feature County Structure

The Feature County model is a unique feature of the Society and all Welsh counties take it in turns raise funds and host events during its nominated year. This ensures that the work and profile of the Society extends throughout Wales as each county engages with the local community through an extensive programme of events, raising funds for other charities hand-in-hand with Royal Welsh Fundraising. The Society is proud of the fact that Shropshire and Herefordshire are part of the County Advisory structure. Whilst they do not feature as host counties, members are able to provide feedback and observations that help shape Society events.

The Feature County model sets the Royal Welsh apart from many other Agricultural Societies and is one of the main pillars of success. The system brings together people from all over Wales and creates a sense of shared ownership in the Society, its events and of course the developments on the show ground. Virtual Feature County meetings have been an important part of keeping members informed and seeking views and feedback regarding Society and County based events.

Monitoring the Society's achievements

Visitor surveys, previously carried out during our events, established that 95% of the respondents rated their satisfaction level as 4 or 5 out of 5, with Livestock competitions and animal displays being the most highly rated

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

attraction. 'Eating and drinking local produce' and 'an interest in country life' were the joint top reasons identified by our visitors for attending the shows.

The surveys indicate that a significant proportion of the visitors attending the show are not directly involved in agriculture, thus representing an opportunity to promote our stated charitable objectives, and providing entertainment and education to the wider general public. The challenge of educating the consumer about where their food comes from and the value of supporting local farmers and producers has never been more important.

The Society has always been keen to ensure that all the events meet the expectations of our visitors and to widen the appeal to the general public and is now focusing its efforts on understanding how this can be achieved in a post-pandemic environment.

FINANCIAL REVIEW AND PLANS FOR FUTURE PERIODS

The Society had a positive start to the beginning of the 2020 Financial Year with the receipt of Membership income and plans for the Smallholders and Countryside Festival being underway, facilitated by the introduction of a new online booking facility for exhibitors, all of whom were ultimately refunded. Trade-stands booking for the Festival and 2020 Summer Royal Welsh Show were also progressing and we are grateful for the support of many of our stallholders who have continued to help the Society by rolling over their bookings to the next event and in many cases, leaving their upfront payments with the RWAS.

The massive infrastructure underpinning the ability to stage Society events and those of our third-party customers requires significant resources to both maintain the 150 acres Showground site along with the large number of exhibition halls and other buildings. In a normal year of activities, the Society's overheads are primarily met by surpluses generated from staging events (in house and third-party rentals) and Membership Income; throughout 2020 our income through these activities has almost completely evaporated except through a small amount of outside event income in January to March 2020 and the annual rental income. In 2020 Membership income fell to £490k (2019: £747k). These income streams are critical to meeting our annual overheads and sustaining our infrastructure to enable the Society to rebuild future events.

The Covid-19 pandemic has had a devastating effect on the Royal Welsh Agricultural Society which operates primarily within the events Sector; this is the sector that arguably has been most severely impacted by the Government restrictions imposed to manage the outbreak. In the absence of its main funding streams the net incoming resources for the year ended 31 December 2020 amounted to £2.1m (2019: £7.07m), a 70% reduction, which would have been considerably worse without the £620k Government Coronavirus Grant Support and the proceeds from the sale of Wernfawr Farmhouse generating a surplus of £225,073. The resultant movement in funds for 2020 was a loss of £449,179, after realised and unrealised gains on investments of £8,743 (2019: Gain of £121,941).

During the lockdown periods the main office was closed for most of the year, except for limited access by a very small number of employees who were unable to work from home, which enabled the Society to curtail expenditure by reducing central administration expenses to £479,801 (2019: £1,052,845). The Showground site requires constant maintenance and continued investment resulting in an increase in Permanent Site costs to £353,451 (2019: £327,837), however, this expenditure did include the completion of the scheduled improvement to the main toilet block, which had commenced in 2019.

The net assets of the Society (including Fixed Assets, Restricted Funds, Designated Funds and Reserves) at 31 December 2020 have decreased to £13,807,903 from £14,257,082 as at 31 December 2019. (Net Assets comprises of Tangible Fixed Assets i.e., Land & Buildings and Equipment, Portfolio investment, Cash and Debtors less Creditors as listed on page 20). The Board of Directors believes that any difference between the market value and costs of assets are not material.

With the support of our Auditors, given the impact of the Pandemic during 2020 and anticipated impact into 2021, it was deemed prudent to designate funds in 2020 to be set aside for specific purposes. The Management Team and Trustees are anticipating difficult trading conditions in 2021 due to the cancellation of most of the Society's events, in addition to those of third parties who normally hire the Showground. Therefore, funding has

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

been set aside to cover staff costs for the period after the planned withdrawal of the CJRS grant, but before any potential income from the proposed Winter Fair will be received. In addition, the surplus generated by the sale of Wernfawr Farmhouse has also been set aside for reinvesting in the infrastructure through continuation of the maintenance programme.

The overall unrestricted funds/resources comprise £12,774,995 (2019: £13,279,430). Restricted funds comprise of £1,032,908 (2019: £977,652). The restricted funds are raised by the counties for the specific purposes noted in note 21.

Post Balance Sheet Review

The impact of Covid-19 has had a significant impact on the Society's activities during 2020 and the continued Lockdowns for the first 4 to 5 months of 2021 have resulted in the cancellation of the first two main Society events, although plans for the 2021 Winter Fair are being progressed, but this remains uncertain. In addition, showground bookings to third parties have also been cancelled for the first part of the year. As the principle charitable fundraising activities of the organisation arise from staging agricultural shows, and there remains uncertainty around the future guidance on 'mass gatherings', it is difficult, at this time, to predict the future outcome into 2021.

The Trustees have sought to take steps to mitigate the financial risks and to protect the future financial viability of the Society, by seeking to reduce overhead expenditure by flexibly furloughing the majority of staff and pursuing all available Government business support grants.

Investment policy and performance

The investments held by the Society have been acquired in accordance with its constitution. Under the Articles of Association, the Society has the power to invest the money not immediately required for its purposes upon such investments, securities, or property as it may think fit.

The Society maintains an investment portfolio, the strategy of which is to maintain and enhance the real value of the assets over the long term by investment in a portfolio consisting of equities, fixed income stocks and cash. The investment advisers have been instructed to maintain a balance between income and capital appreciation. The portfolio is managed by Brewin Dolphin Investment Management, on a discretionary basis.

The overall value of the fund as at 31 December 2020 has increased to £1,039,083 from £1,014,448 in 2019, due to a small increase in stock market growth and reinvestment of dividends; the portfolio yields a gross income of 2.2%, which is re-invested into the fund (2019: 2.8%).

The spread of Covid-19 has had a significant impact on world-wide Economy and initially resulted in a substantial fall in stock-market values, which are likely to remain volatile for some time. This led to a reduction of up to 20% on the Society's portfolio valuation in March 2020, but there was strong recovery at the end of the financial year, resulting in a small gain in the valuation of the portfolio.

Reserves policy

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs, mitigate risks and other unanticipated expenditure. The Board of Directors has established a policy whereby unrestricted funds not committed or invested in tangible fixed assets i.e. free reserves held by the group, should equate to the equivalent of between 3- and 6-months resources expended which directly relate to the running of the annual shows (in 2019: 3 months equated to £950k, 6 months equated to £1.9m). At this level, the Board of Directors feels that the core activities of the Society would be able to continue in the event of an unforeseen significant drop in income. This policy provided significant assurance at the beginning of the Pandemic that the Society would be able to continue to operate and maintain its workforce. However, with the subsequent support of Government Grant Income contributing to most of the employment costs of the majority of employees who were furloughed, the Trustees have been able to retain a reasonable level of reserves; this is vitally important to the future of the organisation as the key risks of cancellation of events due to unforeseen major incidents, adverse weather or animal disease continue to be a concern.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

As at 31 December 2020, the Society's funds totalled £13.8m consisting of restricted funds of £1.0m, unrestricted general funds of £1m, and designated funds of £11.8m, comprising of £10.3m tangible Fixed Assets (mainly Land and Buildings), £1m held in an investment portfolio and £995k of Current Assets. As indicated in the table below, the free reserves of the group totalled £995k. A description of what restricted and designated funds were held for is stated in the notes to the financial statements on pages 39, 40 and 41.

As at 31 December 2020 the readily realisable reserves were as follows: -

	31/12/2020 £	31/12/2019 £	31/12/2018 £	31/12/2017 £	31/12/2016 £
Investments	1,039,183	1,014,548	870,069	942,868	808,440
Other Working Capital	(389,430)	(308,171)	(146,864)	(166,785)	(185,843)
Bank Accounts	2,852,271	2,710,688	2,276,426	1,757,352	1,333,016
Less Restricted Funds	(1,032,908)	(977,652)	(958,814)	(683,222)	(442,303)
Less Designated Funds (Excluding Tangible FA)	(1,474,183)				
Total Readily Realisable Reserves	994,933	2,439,413	2,040,817	1,850,213	1,513,310

Whilst recognising that in the year preceding the pandemic, there had been recent year on year improvement in the free reserves position, the Board is mindful that the present level of free reserves is within the target and will seek to be sustained through containing expenditure. This should ensure that the financial position remains sufficient to meet the Society's objectives, whilst building adequate reserves to mitigate risks. The Board will therefore continue to review its free reserves policy during the coming financial year with particular focus on seeking to protect the current level until the event sector recovers from the pandemic.

The Board remains satisfied that the Society could continue to operate in the short to medium term in the event of a further significant drop in income. The free reserves, coupled with the grant income received from the Government, are considered to be sufficient to enable the Society to continue its activities into the foreseeable future.

STRATEGY FOR FUTURE SUSTAINABILITY

The future strategy of the Society is of paramount importance to the Trustees and the Strategic Group has brought together a mixture of expertise from within and outside the Society and prior to the pandemic formulated a 10-year plan which would focus on opportunities to further improve the way in which the Society delivers its charitable objectives. The focus of the original Report from the Group sets out a framework within which the Society will develop a sustainable plan that supports the long-term vision.

The Society's strategy is to continue on focusing its efforts to fulfil its stated objectives by: -

- Promoting agriculture, horticulture, forestry, and conservation by building on our traditional success and making the best use of the Showground ensuring future sustainability,
- Encouraging education by encouraging the attendance of schools at our events, facilitating knowledge transfer, engaging with young people through an active young member's forum, and awarding scholarships, awards, and bursaries,
- Increasing efficiency through strong fiscal governance.
- Enhancing the Society's brand by promoting the success of its activities.

Whilst the current strategy is very much about surviving the pandemic, the Trustees retain a longer-term view, which will be influenced by what has been termed the post pandemic 'new normality'.

The Strategic Group, comprising of Trustees, Agricultural Industry Leaders and Advisors is tasked with making recommendations on the future direction of the Society; the group's terms of reference were to consider the following key areas: -

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

- The Estate & Commercial Opportunities - Focusing on Land ownership and future expansion opportunities, utilising showground facilities and maximising out of show events.
- Technology & Communication - Utilising the latest technologies in the administration of the Society and its events. Improving telecommunication networks and mobile infrastructure.
- Governance - Review charitable objectives, internal administration, and structure.
- Food - Role in promoting all aspects of the food supply chain.
- Education, Research & Development - Role in promoting agricultural education, innovation, research and development.
- Funding - Explore multiple funding sources and sponsorship approach.
- Livestock competitions - Addressing future capacity, industry trends, relevance, and introduction of quantitative judging methods alongside traditional qualitative methods.
- Any other area of strategic importance to the Society.

The Strategic Group's plans and recommendations recognise the Society's ambition to build a sustainable future by embracing change to maximise opportunities under increasingly challenging economic constraints, whilst continuing to ensure that the focus remains on meeting the Society's Charitable objectives.

Risk management

The Senior Management Team and Trustees continue to review the major risks to which the Society is exposed. A Risk Register is maintained and regularly reviewed and updated as part of the Management Team meetings and is a standing agenda item which is reviewed at every Finance Committee meeting.

The Key Risks to business sustainability and reputation have been identified as follows:

- Impact of global Pandemic
- Cancellation of Society events due to unforeseen major incidents, adverse weather or animal disease.
- The existing Society database
- Retaining sufficient cashflow to sustain our financial commitments
- Reducing Government support
- Increased expenditure
- Loss of income from third-party events
- Becoming a victim of Fraud/Cyber-Crime
- Land agreements for permitted use of neighbouring property which is critical to staging events.
- Loss of Key individuals (Staff and Trustees)

Where appropriate, systems have been established to mitigate the risks identified above:

- Loss of Income - The Society has actively pursued all sources of eligible Grant income throughout the pandemic in 2020 and into 2021, whilst seeking to reduce all unnecessary expenditure.
- Cancellation of events - Effective contingency plans have been implemented involving a partnership approach to critical incidents.
- Database System - A Software Systems Development Company, with event experience, has been appointed following a tender process. A new Event Management System is being progressed in 2021.
- Future Income and Cashflow – Trustees recognise that the reduction in Government Support, whilst the event sector is not able to fully open, means that all aspects of event planning need to be risk assessed financially and to ensure safety of all stakeholders.
- Reduction in Expenditure through strong fiscal management.
- Land Agreements are in place with Local Landowners.
- All training opportunities and best practice guidance will be implemented to reduce exposure to Cyber-crime.
- Loss of Key Individuals – Succession and workforce planning and appropriate training.
- Regular communication with staff and stakeholders to retain engagement and provide reassurance.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Society is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 28 November 1966 which established the objects and powers of the charitable company and was updated as Articles of Association on 17 June 2011 amended by Special Resolution 12 June 2015. In the event of the company being wound up, members may be required to contribute an amount not exceeding £10.

The Society is now constituted under the Articles of Association dated 17 June 2011 amended by Special Resolution 12 June 2015 and is a registered charity, number 251232. A minor amendment to the Articles of Association was made by resolution in the 2019 AGM to remove all reference to 'proxy voting', the articles have been further amended in 2020 to allow for Virtual Board meetings and Virtual AGMs (approved by the Board 31 March 2021).

Method of appointment or election of Board of Directors

The organisation of the Society is the responsibility of the Board of Directors, the directors of which are elected and co-opted under the terms of the Articles of Association.

Policies adopted for the induction and training of Board of Directors.

New Board members are given the Charity Commission's guidance for trustees, setting out their responsibilities, and are supported through the initial induction period. The full Board received a Trustee Training session in October 2019, focussing on the role of the Trustee and Good Governance.

Organisational structure and decision making

The Board of Trustees, which sets plans and objectives for the charity, meets regularly providing direction and oversight to the Chief Executive, management team and staff of the Society. It also provides guidance and support to the Committee Structure.

In addition, the Council is the general advisory and deliberative body of the Society and its main duties include:

- To consider and make recommendations to the Board of Directors concerning matters of policy relating to the Society's affairs and to the content of its business generally.
- To consider any other matter referred to the Council by the Board of Directors.

The Board of Directors comprises of:

The Chairman of Board, the Chairman of the Council, the President, the Honorary Treasurer, Vice Chairman of Council and the Honorary Directors of the Annual Show, Smallholding & Countryside Festival and Winter Fair of the Society who shall be ex officio members of the Board of Directors during their respective terms of office; and

Each of the following conditions must be met:

- i. One member residing in each county which has a County Advisory Committee and a second such member for any such county having over 1,000 resident members, elected by the council, who shall hold office for a period of four years but shall then be eligible for re-election.
- ii. Not more than 15 other members of the Council nominated by the Board of Directors.

Related party relationships

The Society's wholly owned trading subsidiary, RWAS Enterprises Limited, was made dormant from 31 December 2017.

Delegated Powers during the Covid-19 Pandemic

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

During 2020, as a result of the Covid-19 restrictions, a change to the Society's Constitution enabled 'virtual', online Board meetings to take place; these were reduced to bi-monthly (every other month) with more regular 'virtual' Finance Committee meetings held in the intervening months.

In May 2020, the Board of Trustees recognised that, due to the rapid changing Government responses to Covid-19, it would be more practical to delegate decision making powers to a smaller Executive Group in order to respond to the constantly changing legislation and grant availability. This Group met 18 times during 2020 and made recommendations to the Finance Committee and full Board as appropriate. The Group comprised of the following members: - Chair of Council, Vice-Chair of Council, Chair of Board, Vice-Chair of Board, Honorary Show Director, and Chief Executive.

Key Management

The Senior Management Team comprises of the Chief Executive Officer, Head of Administration, Head of Finance, Head of Operations, Head of Business Development and Estate Manager. The staffing structure is regularly reviewed to ensure that the Society is well placed to meet current and future business needs. Throughout the Pandemic in 2020, with no operational activity and no events to organise, the majority of employees were furloughed except for personnel who were required to maintain key roles and support the planning of the virtual events. Senior Management and some administrative staff remain on flexible furlough. Every opportunity to support staff during this difficult period, has been sought.

Remuneration is set by the Remuneration Committee which meets as required and comprises of members as nominated by the Board. The role of the Committee is to conduct the Annual Salary Review and approve remuneration for the forthcoming year and additional bonuses and individual increases. The Committee also considers re-structure proposals and other strategic staffing matters.

Third Party Indemnity Provision for Trustees

The Society's insurance cover includes Charity and Charity Trustees Indemnity Insurance which protects the Charity from any loss arising from the neglect or default of the Trustees and employees from costs if negligence or default is wrongly alleged.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Reference and administrative details

Charity name	The Royal Welsh Agricultural Society Limited
Charity number	251232
Company number	00892851
Registered office	Royal Welsh Agricultural Showground Llanelwedd Builth Wells Powys LD2 3SY

Board of directors and trustees

Mr Leonard Edward Bigley FRAgS - Resigned 25 November 2020
 Mr David Samuel Gwynne Davies FRAgS
 Mrs Sarah Mary Nicola Davies BA (Hons) ARAgS
 Mr William Isaac Cyril Davies BSc (Hons) MIBiol FRAgS
 Mr Peter Bowen Evans BSc CEng MICE
 Mr Henry George Fetherstonhaugh OBE FRAgS
 Mrs Susan Moules Jones ARAgS
 Mr David Lewis DL FRICS FLAA FRAgS
 Mr Edward Charles Owen FRICS FRAgS
 Mrs Janet Phillips BSc (Hons) FRAgS
 Mr David Thomas James Powell Cert CII
 Mr David Gareth Roberts FRAgS
 Dr Frederick Maurice Slater BSc MSc PhD CENV FIEEM FRAgS
 Mrs Karen Spencer MBE NDD FRAgS
 Mr John David Benjamin Thomas FRAgS
 Mr John Clive Alexander
 Mr Richard Stephen Gwilliam FRICS
 Mr Howard Nixon
 Mr Williams Hanks
 Mrs Menna Evans
 Councillor John T Davies MRAC CDA FRAgS
 Professor Wynne Jones OBE FRAgS
 Mrs Rhian Duggan
 Mr Dafydd Jones ARAgS
 Mr Alwyn Rees FRAgS
 Mr Timothy Roger Dowdeswell
 Mr Thomas Gordon Allison MEng NSch
 Ms Katherine Anne Atkin-Bowdler DIPPFs CeMAP BHSAI
 Mr Jonathan Hugh Davies MRCIS FAAV FRAgS
 Mr Richard Rowland Griffiths Davies FRAgS
 Mr Robert Gwyn Edwards
 Mr David Thomas Cemaes Evans FRAgS RSS
 Mr David Emlyn Meurig James FRAgS

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Mr David Brian Jones MBE FRAgS
Mr Christopher Kim Lloyd ARAgS
Mr Meirion Owen ARAgS
Mr Richard William Kenrick Price
Mr Richard Maurice Vaughan
Mr Geraint Meredydd James MNAEA MNAVA FLAA -
Appointed 11 March 2020

Key management personnel

Steve Hughson – Chief Executive
Andrew Crockett – Estates Manager
Louise Stokes – Head of Finance
Caron Evans – Head of Administration
Sarah James - Head of Business Development
Mared Jones - Head of Operations

Bankers

HSBC
Middleton Street,
Llandrindod Wells
Powys
LD1 5EU

Solicitors

Dilwyns
Temple Street
Llandrindod Wells
Powys
LD1 5DL

Investment managers

Brewin Dolphin
5 Callaghan Square
Cardiff
CF10 5BT

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR YMDDIRIEDOLWYR (GAN GYNNWYS ADRODDIAD Y CYFARWYDDWYR)
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

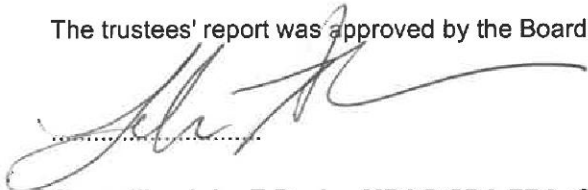
Auditors

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



Councillor John T Davies MRAC CDA FRAgS- Trustee

Dated:

8/9/21

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
DATGANIAD O GYFRIFOLDEBAU'R YMDDIRIEDOLWYR
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees, who are also the directors of The Royal Welsh Agricultural Society Limited for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR ARCHWILYDD ANNIBYNNOL
AT YMDDIRIEDOLWYR CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED**

Opinion

We have audited the financial statements of The Royal Welsh Agricultural Society Limited (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, 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 2020 and of its incoming resources and application of resources, 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 auditor's 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 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.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR ARCHWILYDD ANNIBYNNOL
AT YMDDIRIEDOLWYR CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED**

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
ADRODDIAD YR ARCHWILYDD ANNIBYNNOL
AT YMDDIRIEDOLWYR CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED**

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Azets Audit Services

16-9-2021

**Chartered Accountants
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
DATGANIAD O WEITHGAREDDAU ARIANNOL
GAN GYNNWYS CYFRIF INCWM A GWARIANT
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes						
Income and endowments from:							
Donations and legacies	3	647,999	217,344	865,343	1,482,097	788,663	2,270,760
Charitable activities	4	633,022	296,814	929,836	4,701,161	-	4,701,161
Other trading activities	5	11,612	-	11,612	39,189	-	39,189
Investments	6	28,165	-	28,165	38,586	-	38,586
Other income	7	265,497	-	265,497	20,259	-	20,259
Total income		1,586,295	514,158	2,100,453	6,281,292	788,663	7,069,955
Expenditure on:							
Raising funds	8	-	160,687	160,687	-	446,157	446,157
Charitable activities	9	2,098,334	299,354	2,397,688	6,260,488	-	6,260,488
Total resources expended		2,098,334	460,041	2,558,375	6,260,488	446,157	6,706,645
Net gains/(losses) on investments	13	8,743	-	8,743	121,941	-	121,941
Net (outgoing) /incoming resources before transfers		(503,296)	54,117	(449,179)	142,745	342,506	485,251
Gross transfers between funds		(1,139)	1,139	-	323,668	(323,668)	-
Net movement in funds		(504,435)	55,256	(449,179)	466,413	18,838	485,251
Fund balances at 1 January 2020		13,279,430	977,652	14,257,082	12,813,017	958,814	13,771,831
Fund balances at 31 December 2020		12,774,995	1,032,908	13,807,903	13,279,430	977,652	14,257,082

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
FANTOLEN
UG AR 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14	10,305,879		10,840,017	
Investments	15	1,039,183		1,014,548	
		<u>11,345,062</u>		<u>11,854,565</u>	
Current assets					
Debtors	17	389,107		128,088	
Cash at bank and in hand		<u>2,852,271</u>		<u>2,710,688</u>	
		3,241,378		2,838,776	
Creditors: amounts falling due within one year	18	<u>(778,537)</u>		<u>(436,259)</u>	
Net current assets		<u>2,462,841</u>		<u>2,402,517</u>	
Total assets less current liabilities		<u>13,807,903</u>		<u>14,257,082</u>	
Income funds					
Restricted funds	21	1,032,908		977,652	
<u>Unrestricted funds</u>					
Designated funds	22	11,779,962		-	
General unrestricted funds		<u>995,033</u>		<u>13,279,430</u>	
		<u>12,774,995</u>		<u>13,279,430</u>	
		<u>13,807,903</u>		<u>14,257,082</u>	

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
FANTOLEN
UG AR 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2020**

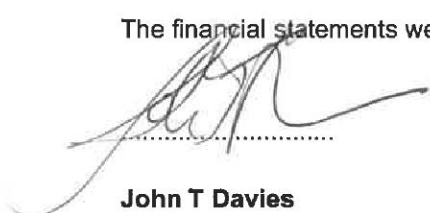
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

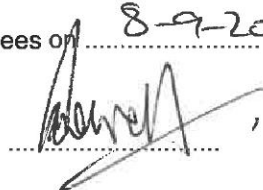
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 8-9-2021



.....

John T Davies



.....

David T J Powell

Company Registration No. 00892851

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
DATGANIAD O LIFAU ARIAN PAROD
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	26		(207,630)		938,577
Investing activities					
Purchase of tangible fixed assets		(5,060)		(521,107)	
Proceeds on disposal of tangible fixed assets		342,000		417	
Purchase of investments		(345,009)		(998,490)	
Proceeds on disposal of investments		329,117		976,279	
Investment income received		28,165		38,586	
Net cash generated from/(used in) investing activities			349,213		(504,315)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			141,583		434,262
Cash and cash equivalents at beginning of year			2,710,688		2,276,426
Cash and cash equivalents at end of year			2,852,271		2,710,688

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

Charity information

The Royal Welsh Agricultural Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Royal Welsh Agricultural Showground, Llanelwedd, Builth Wells, Powys, LD2 3SY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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 charity is a Public Benefit Entity as defined by FRS 102.

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 certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Financial statements

As the charity's trading subsidiary R.W.A.S. Enterprises Limited is dormant the financial statements report on the charity results only.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.

Grants and donations are only included in the SoFA when the general income recognition criteria are met.

In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services, as entitlement to the grant only occurs when the performance related conditions are met.

Capital grants are released to the Statement of Financial Activities in the year of receipt. Fixed assets relating to capital grants are capitalised, and depreciation charged is offset against the grant income, in a restricted fund.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Investment income is recognised at the time the investment income is receivable. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Membership subscriptions received in the nature of a gift are recognised in donations and legacies.

Income received in advance is deferred to the appropriate financial year.

Show income for the Smallholding and Countryside Festival, Summer Show and Winter Fair is credited to the Statement of Financial Activities in the year in which they are due.

Rental income and income from outside events is credited to the Statement of Financial Activities in the year in which they are due. Income consists of the invoiced value (excluding VAT) of goods sold/supplied to third parties and members. Income received in advance is deferred to the appropriate financial year.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Costs of raising funds comprise the costs in relation to generating income such as fundraising activities.

Expenditure on charitable activities includes all costs relating to the furtherance of the society's objectives as stated in the trustees report. This also includes all costs relating to compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

An analysis has been provided for the charitable activities on a departmental basis.

The departments are defined as the Smallholding and Countryside Festival, Summer Show, Winter Fair and outside events.

Where costs cannot be directly attributed to particular departments they have been allocated on a basis consistent with the use of the resources. Overheads have been allocated on the basis of income. Support costs are those costs incurred directly in support of expenditure on the object of the society and include project management carried out at headquarters. Support costs also include those costs incurred in connection with administration of the society and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Over 50 years for brick structures / 30 years for other structures
Showground appliances, solar panels, office furniture and show shop	20% reducing balance / over 10 years / over 20 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1 Accounting policies

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rental charges are charged on a straight line basis over the term of the lease.

1.14 Taxation

As a registered charity, The Royal Welsh Agricultural Society Limited is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.15 Company status

The society is a company limited by guarantee. The members of the company are the Board of Directors named on page 11. In the event of the society being wound up, the liability in respect of the guarantee is limited to £10 per member of the society.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020 £	2020 £	2020 £	2019 £
Donations and gifts	157,952	217,344	375,296	1,445,602
Legacies receivable	40	-	40	3,000
Membership fees	490,007	-	490,007	747,636
Donated goods and services	-	-	-	74,522
	<u>647,999</u>	<u>217,344</u>	<u>865,343</u>	<u>2,270,760</u>
For the year ended 31 December 2019	<u>1,482,097</u>	<u>788,663</u>		<u>2,270,760</u>
Donations and gifts				
County donations	80,199	216,216	296,415	869,131
General donations	3,805	-	3,805	-
Summer show donations	-	-	-	484
Shearing committee	3,872	1,128	5,000	9,508
Sponsorship	70,076	-	70,076	562,381
Smallholding and Countryside Festival donations	-	-	-	3,890
Winter Fair donations	-	-	-	208
	<u>157,952</u>	<u>217,344</u>	<u>375,296</u>	<u>1,445,602</u>

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

	2020 £	2019 £
Outside events (including all utilities recharges)	102,011	581,456
Rental income (permanent buildings)	207,893	255,318
Grants	619,932	-
Smallholding and Countryside Festival	-	211,372
Winter Fair	-	434,773
Summer Show	-	3,218,242
	<u>929,836</u>	<u>4,701,161</u>
Analysis by fund		
Unrestricted funds	633,022	4,701,161
Restricted funds	296,814	-
	<u>929,836</u>	<u>4,701,161</u>
Grants		
Welsh Government - Economic Resilience Fund	47,500	-
Welsh Government - Welsh Cultural Recovery Fund	200,000	-
Welsh Government - Resilience Grant	44,618	-
Powys County Council	31,000	-
Coronavirus Job Retention Scheme	296,814	-
	<u>619,932</u>	<u>-</u>

5 Other trading activities

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Solar panel income	10,971	21,761
Wayleaves and phone mast income	479	5,743
Merchandise	162	11,685
	<u>11,612</u>	<u>39,189</u>
Other trading activities		

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Income from listed investments	23,216	28,414
Interest receivable	4,949	10,172
	<u>28,165</u>	<u>38,586</u>

7 Other income

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Net gain on disposal of tangible fixed assets	225,073	-
Sundry income including insurance claims	40,424	20,259
	<u>265,497</u>	<u>20,259</u>

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8 Raising funds

	Restricted funds	Restricted funds
	2020	2019
	£	£
Counties expenditure	153,669	438,611
Shearing committee expenditure	7,018	7,546
	<u>160,687</u>	<u>446,157</u>

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Charitable activities

	Summer Show £	Winter Fair £	SH & C Festival* £	Outside Events £	Total 2020 £	Total 2019 £
Staff costs	-	-	-	722,202	722,202	879,490
Catering and sundry expenses	-	-	-	-	-	239,834
Insurance	-	-	-	85,148	85,148	111,404
Printing, stationery and badges	4,481	25	3,004	-	7,510	43,771
Prizes	10,703	858	-	-	11,561	253,026
Publicity	274	325	6,030	-	6,629	98,241
Show expenses	13,702	11,865	3,416	-	28,983	489,415
Showground staging and expenses	12,365	145	476	-	12,986	1,805,518
	<u>41,525</u>	<u>13,218</u>	<u>12,926</u>	<u>807,350</u>	<u>875,019</u>	<u>3,920,699</u>
Share of support costs (see note 10)	-	-	-	1,497,245	1,497,245	2,290,423
Share of governance costs (see note 10)	-	-	-	25,424	25,424	49,366
	<u>41,525</u>	<u>13,218</u>	<u>12,926</u>	<u>2,330,019</u>	<u>2,397,688</u>	<u>6,260,488</u>
Analysis by fund						
Unrestricted funds	41,525	13,218	12,926	2,030,665	2,098,334	
Restricted funds	-	-	-	299,354	299,354	
	<u>41,525</u>	<u>13,218</u>	<u>12,926</u>	<u>2,330,019</u>	<u>2,397,688</u>	
For the year ended 31 December 2019						
Unrestricted funds	<u>4,806,421</u>	<u>666,680</u>	<u>352,227</u>	<u>435,160</u>		<u>6,260,488</u>

*Smallholding and Countryside Festival

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Support costs

	Support costs	Governance costs	2020		Governance costs	2019
	£	£	£	£	£	£
Staff costs	196,597	-	196,597	282,103	-	282,103
Depreciation	422,271	-	422,271	452,773	-	452,773
Administration expenses	479,801	-	479,801	1,052,845	-	1,052,845
Donated services	-	-	-	74,522	-	74,522
Donations	1,850	-	1,850	8,215	-	8,215
Permanent site	353,451	-	353,451	327,837	-	327,837
Postage, telephone and sundries	43,275	-	43,275	92,128	-	92,128
Audit fees	-	8,625	8,625	-	10,875	10,875
Legal and professional	-	16,799	16,799	-	15,289	15,289
Trustees expenses	-	-	-	-	23,202	23,202
	<u>1,497,245</u>	<u>25,424</u>	<u>1,522,669</u>	<u>2,290,423</u>	<u>49,366</u>	<u>2,339,789</u>
Analysed between						
Charitable activities	<u>1,497,245</u>	<u>25,424</u>	<u>1,522,669</u>	<u>2,290,423</u>	<u>49,366</u>	<u>2,339,789</u>

Governance costs includes payments to the auditors of £7,125 (2019: £9,375) for audit fees and £1,500 (2019: £1,500) for accountancy services.

11 Trustees

No trustees received remuneration in the current year. In 2019, 3 members of the Board of Directors, Mr Henry G Fetherstonhaugh OBE FRAGS, Councillor John T Davies MRAC CDA FRAGS and Mr Richard William Kenrick Price received combined remuneration totalling £8,750 for attendance at additional meetings and other services provided to the charity. The payment was made in accordance with the governing document of the charity.

No trustees received reimbursement of expenses in the current year. In 2019, 9 members of the Board of Directors received reimbursement of expenses amounting to £23,202 relating to travel and subsistence.

12 Employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Office staff	26	36
Site staff	7	10
Total	<u>33</u>	<u>46</u>

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Employees

Employment costs	2020	2019
	£	£
Wages and salaries	804,332	1,026,519
Social security costs	68,411	86,008
Other pension costs	46,056	49,066
	<u>918,799</u>	<u>1,161,593</u>

Full time equivalents

The average monthly number of full time equivalents during the year was 26 office staff and 7 estates staff (2019: 23 office staff and 8 estates staff), the overall total number of employees (shown above) includes nil (2019: 88) temporary staff who are employed by the Society for ad hoc days during society events.

Key management personnel

The key management personnel of the charity are noted in the trustees report.

The total remuneration and benefits of the key management personnel of the charity was £301,241 (2019: £326,030).

The number of employees whose annual remuneration was £60,000 or more were:

	2020	2019
	Number	Number
£80,000 - £89,999	<u>1</u>	<u>1</u>

The employer's pension contributions for the higher paid employee was £4,598 (2019: £4,975).

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Revaluation of investments	8,743	121,941

14 Tangible fixed assets

	Land and buildings	Showground appliances, solar panels, office furniture and show shop	Total
	£	£	£
Cost			
At 1 January 2020	17,577,762	534,963	18,112,725
Additions	5,060	-	5,060
Disposals	(153,694)	-	(153,694)
At 31 December 2020	17,429,128	534,963	17,964,091
Depreciation and impairment			
At 1 January 2020	6,874,928	397,780	7,272,708
Depreciation charged in the year	394,834	27,437	422,271
Eliminated in respect of disposals	(36,767)	-	(36,767)
At 31 December 2020	7,232,995	425,217	7,658,212
Carrying amount			
At 31 December 2020	10,196,133	109,746	10,305,879
At 31 December 2019	10,702,834	137,183	10,840,017

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15 Fixed asset investments

	Listed investments £	Cash in portfolio	Other investments	Total £
Cost or valuation				
At 1 January 2020	968,128	46,320	100	1,014,548
Additions	345,009	-	-	345,009
Valuation changes	8,743	-	-	8,743
Cash movement	-	(10,649)	-	(10,649)
Disposals	(318,468)	-	-	(318,468)
At 31 December 2020	1,003,412	35,671	100	1,039,183
Carrying amount				
At 31 December 2020	1,003,412	35,671	100	1,039,183
At 31 December 2019	968,128	46,320	100	1,014,548

	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	25	100	100

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16	Financial instruments		2020	2019
			£	£
	Carrying amount of financial assets			
	Instruments measured at fair value through profit or loss		1,003,412	1,014,548
17	Debtors		2020	2019
			£	£
	Amounts falling due within one year:			
	Trade debtors		67,878	75,745
	Other debtors		297,685	1,407
	Prepayments and accrued income		23,544	50,936
			389,107	128,088
18	Creditors: amounts falling due within one year		2020	2019
		Notes	£	£
	Other taxation and social security		201,370	34,459
	Deferred income	19	343,750	33,530
	Trade creditors		26,032	146,787
	Amounts due to subsidiary undertakings		100	100
	Accruals		207,285	221,383
			778,537	436,259
19	Deferred income		2020	2019
			£	£
	Other deferred income		343,750	33,530
	Deferred income is included in the financial statements as follows:			
			2020	2019
			£	£
	Balance brought forward		33,530	13,712
	Income received in year		800,227	767,454
	Released to income		(490,007)	(747,636)
	Balance carried forward		343,750	33,530

Deferred income comprises show income, sponsorship and membership income received in advance which relates to future financial periods.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The pension charge represents contributions payable by the group to the fund and amounted to £46,056 (2019: £49,066). There were no amounts outstanding at the year end (2019: £nil).

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and

	Movement in funds				Balance at 1 January 2020 £	r
	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Transfers £		
Feature county funds	454,363	-	-	158,576	612,939	
County funds held by Advisory Committees	344,190	754,374	(438,611)	(382,964)	276,989	
Shearing committee	40,261	31,289	(7,546)	-	64,004	
Legacy	100,000	-	-	(99,280)	720	
Prize funds	20,000	3,000	-	-	23,000	
Coronavirus Job Retention Scheme	-	-	-	-	-	
	<u>958,814</u>	<u>788,663</u>	<u>(446,157)</u>	<u>(323,668)</u>	<u>977,652</u>	<u></u>

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21 Restricted funds

Feature county funds and county funds held by Advisory Committees

Funds utilised during the year have been spent on refurbishing the members bar and finalising the equine project.

Shearing committee

These are funds raised at committee level for existing/future shearing committee projects.

Legacy

Fund relates to legacy income received in 2017 to fund the capital expenditure of an all weather exercise arena.

Prize fund

These funds relate to legacies received during the year to be used towards the awarding of prizes during the Royal Welsh

Coronavirus Job Retention Scheme

Funding provided by HMRC to support wages costs during the COVID-19 pandemic.

Transfers

Transfers relate to reallocations of monies in the charity bank accounts.

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2020 £	Transfers £	Balance at 31 December 2020 £
Fixed asset fund	-	10,305,879	10,305,879
Investment fund	-	1,039,083	1,039,083
Showground site reinvestment	-	225,000	225,000
Staff costs	-	210,000	210,000
	-	11,779,962	11,779,962

Fixed asset fund

This fund represents the net book value of the charity's fixed assets.

Investment fund

This fund represents the value of the charity's investment portfolio.

Showground site reinvestment

This fund represents the proceeds of sale from Wernfawr farmhouse which will be reinvested in the showground.

Staff costs

This fund represents 3 months staff costs regarding preparations for Winter Fair.

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

23 Analysis of net assets between funds

	Unrestricted	Designated	Restricted	Total	Unres
	2020	2020	2020	2020	
	£	£	£	£	
Fund balances at 31 December 2020 are represented by:					
Tangible assets	-	10,305,879	-	10,305,879	10,84
Investments	100	1,039,083	-	1,039,183	1,07
Current assets/(liabilities)	994,933	435,000	1,032,908	2,462,841	1,42
	<u>995,033</u>	<u>11,779,962</u>	<u>1,032,908</u>	<u>13,807,903</u>	<u>13,27</u>

**CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020**

**THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

24 Related party transactions

R.W.A.S. Enterprises Limited

R.W.A.S. Enterprises Limited was made dormant on 31 December 2017 all of the assets and liabilities of the company were transferred to the charity on this date.

The balance due at 31st December 2020 to R.W.A.S. Enterprises Limited was £100 (2019: £100).

Other related parties

A trust fund to house legacy money received on behalf of the Wales YFC by the society is in the process of being set up. The society's Chief Executive is a trustee of the fund.

As at 31st December 2020 a total of £155,000 (2019: £155,000) was held by the society which will be transferred to the trust fund on completion of set up which is due to take place during 2021.

25 Subsidiaries

These financial statements are separate charity financial statements for The Royal Welsh Agricultural Society Limited. Consolidated financial statements have not been prepared due to the subsidiary being dormant.

Details of the charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
R.W.A.S. Enterprises Limited	Wales	Dormant	Ordinary Shares	100.00	

The aggregate capital and reserves and the results of the subsidiary at the year end was:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
R.W.A.S. Enterprises Limited	-	100

The investments in subsidiaries are all stated at cost.

The registered office of the company is R W A S Headquarters, Llanelwedd, Builth Wells, Powys, LD2 3SY.

The company number is 00885040.

CYMDEITHAS AMAETHYDDOL FRENHINOL CYMRU CYF
NODIADAU I'r DATGANIADAU ARIANNOL
AM Y FLWYDDYN YN DIWEDDU 31 RHAGFYR 2020

THE ROYAL WELSH AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

26 Cash generated from operations	2020 £	2019 £
(Deficit)/surplus for the year	(449,179)	485,251
Adjustments for:		
Investment income recognised in statement of financial activities	(28,165)	(38,586)
(Gain)/loss on disposal of tangible fixed assets	(225,073)	17,077
Fair value gains and losses on investments	(8,743)	(121,941)
Depreciation and impairment of tangible fixed assets	422,271	435,696
Movements in working capital:		
(Increase)/decrease in debtors	(261,019)	146,343
Increase/(decrease) in creditors	32,058	(5,081)
Increase in deferred income	310,220	19,818
Cash (absorbed by)/generated from operations	(207,630)	938,577

27 Analysis of changes in net funds

The charity had no debt during the year.